

SB 916 -1, -2, -3, -4 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 2/6, 2/11, 2/18, 2/27, 3/4, 3/6

WHAT THE MEASURE DOES:

The measure amends existing law to specify that an individual who is otherwise eligible for unemployment insurance benefits is not disqualified for any week that the Director of the Employment Department finds that the individual is unemployed because of a labor dispute at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement. Makes conforming amendments. Applies to weeks as defined in ORS 657.010 that begin on or after the effective date of the measure. Declares an emergency, effective on passage.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

- Potential impact on employers who pay unemployment insurance (UI) taxes
- Potential impact on reimbursing employers
- Meaning of "reimbursing employer"
- Mechanics of UI Tax Rate Schedules
- Potential impact on UI Trust Fund
- Mechanics of "experience rating" on an employer's UI tax rate
- Other states that allow striking workers to collect UI benefits
- Federal regulation of UI benefits
- Other state's prohibition on public employees striking
- Oregon's unfunded mandate law
- Tax implications of strike funds

EFFECT OF AMENDMENT:

-1 Replaces the measure. The amendment provides a process for an individual to receive unemployment insurance benefits from the Employment Department for any week that the individual is unemployed because of a labor dispute.

Detailed Summary:

Section 1

Amends existing law to specify that an individual who is otherwise eligible for unemployment insurance (UI) benefits is not disqualified for any week that the Director of the Employment Department (OED) finds that the individual is unemployed because of a labor dispute at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement. Specifies that eligibility of this individual will be determined without regard to Unemployment Insurance laws relating to availability for work, actively seeking work, or refusal to accept suitable work. Makes conforming amendments.

Section 2

Redefines "contribution" to mean taxes. Defines "labor dispute," "lockout," and "strike."

Section 3

Provides an exception to the prohibition that back pay paid by an employer, or awarded by a judge or arbitrator, to an individual may not be reduced by the amount of UI benefits the individual received during the period for which back pay was paid or awarded for pack pay paid to resolve a strike.

Section 4

Provides a process for the repayment or deduction of future UI benefits because an individual received UI benefits that the individual was not entitled to receive because the individual received back pay from an employer to resolve a strike. Makes conforming and technical amendments.

Section 5

Prohibits the Director of OED from waiving recovery of overpaid benefits subject to repayment or deduction as a result of the individual receiving back pay from an employer to resolve a strike.

Sections 6 through 8

Makes conforming amendment.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

-2 Replaces the measure. The amendment provides a process for an individual to receive unemployment insurance benefits from the Employment Department for any week that the individual is unemployed because of a labor dispute that begins after the first week of such unemployment.

Detailed Summary:

Section 1

Amends existing law to specify that an individual who is otherwise eligible for unemployment insurance (UI) benefits is not disqualified for any week that the Director of the Employment Department finds that the individual is unemployed because of a labor dispute that begins after the first week of such unemployment. Specifies that eligibility of this individual will be determined without regard to Unemployment Insurance laws relating to availability for work, actively seeking work, or refusal to accept suitable work. Makes conforming amendments.

Section 2

Redefines "contribution" to mean taxes. Defines "labor dispute," "lockout," and "strike."

Section 3

Provides an exception to the prohibition that back pay paid by an employer, or awarded by a judge or arbitrator, to an individual may not be reduced by the amount of UI benefits the individual received during the period for which back pay was paid or awarded for pack pay paid to resolve a strike.

Section 4

Provides a process for the repayment or deduction of future UI benefits because an individual received UI benefits that the individual was not entitled to receive because the individual received back pay from an employer to resolve a strike. Makes conforming and technical amendments.

Section 5

Prohibits the Director of OED from waiving recovery of overpaid UI benefits subject to repayment or deduction as a result of the individual receiving back pay from an employer to resolve a strike.

Sections 6 through 8

Makes conforming amendment.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

-3 Replaces the measure. The amendment provides a process for an individual who is otherwise eligible for unemployment insurance (UI) benefits from the Employment Department to not be disqualified for UI benefits or waiting week credit for any week that the individual is unemployed because of a labor dispute.

Detailed Summary:

Section 1

Amends existing law to specify that an individual who is otherwise eligible for unemployment insurance (UI) benefits is not disqualified for UI benefits or waiting week credit for any week that the Director of the Employment Department (OED) finds that the individual is unemployed because of a labor dispute at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement regardless of UI laws relating to availability to work, actively seeking work, or refusal to accept suitable work. Makes conforming amendments.

Section 2

Redefines "contribution" to mean taxes. Defines "labor dispute," "lockout," and "strike."

Section 3

Provides an exception to the prohibition that back pay paid by an employer, or awarded by a judge or arbitrator, to an individual may not be reduced by the amount of UI benefits the individual received during the period for which back pay was paid or awarded for pack pay paid to resolve a strike.

Section 4

Provides a process for the repayment or deduction of future UI benefits because an individual received UI benefits that the individual was not entitled to receive because the individual received back pay from an employer to resolve a strike. Makes conforming and technical amendments.

Section 5

Prohibits the Director of OED from waiving recovery of overpaid benefits subject to repayment or deduction as a result of the individual receiving back pay from an employer to resolve a strike.

Section 6

Specifies that Section 7 of this amendment is added to ORS chapter 657.

Section 7

Specifies that UI benefits received by an employee of a school district or an education service district during a labor dispute will count toward the employee's total compensation in an applicable collective bargaining agreement. Specifies that the school district shall deduct from the employee's future wages the amount of UI benefits received.

Sections 8 through 10

Makes conforming amendment.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

-4 Replaces the measure. The amendment provides a process for an individual who is otherwise eligible for unemployment insurance (UI) benefits from the Employment Department to not be disqualified for UI benefits or waiting week credit for any week that the individual is unemployed because of a lockout.

Detailed Summary:

Section 1

Amends existing law to specify that an individual who is otherwise eligible for unemployment insurance (UI) benefits is not disqualified for UI benefits or waiting week credit for any week that the Director of the Employment Department (OED) finds that the individual is unemployed because of a lockout at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement regardless of UI laws relating to availability to work, actively seeking work, or refusal to accept suitable work. Specifies that an individual is disqualified for UI benefits for the first week that OED finds that unemployment if the individual is due to a strike. Specifies that an individual who is otherwise eligible for unemployment insurance (UI) benefits is not disqualified for UI benefits or waiting week credit for any week following the first week that OED finds that the individual is unemployed because of a strike at the factory, establishment, or other premises at which the individual is or was last employed or at which the individual claims employment rights by union agreement regardless of UI laws relating to availability to work, actively seeking work, or refusal to accept suitable work. Makes conforming amendments.

Section 2

Redefines "contribution" to mean taxes. Defines "labor dispute," "lockout," and "strike."

Section 3

Provides an exception to the prohibition that back pay paid by an employer, or awarded by a judge or arbitrator, to an individual may not be reduced by the amount of UI benefits the individual received during the period for which back pay was paid or awarded for pack pay paid to resolve a strike.

Section 4

Provides a process for the repayment or deduction of future UI benefits because an individual received UI benefits that the individual was not entitled to receive because the individual received back pay from an employer to resolve a strike. Makes conforming and technical amendments.

Section 5

Prohibits the Director of OED from waiving recovery of overpaid benefits subject to repayment or deduction as a result of the individual receiving back pay from an employer to resolve a strike.

Section 6

Specifies that Section 7 of this amendment is added to ORS chapter 657.

Section 7

Specifies that UI benefits received by an employee of a school district or an education service district during a labor dispute will count toward the employee's total compensation in an applicable collective bargaining agreement. Specifies that the school district shall deduct from the employee's future wages the amount of UI benefits received.

Sections 8 through 10

Makes conforming amendment.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

BACKGROUND:

Generally, unemployment insurance (UI) provides money to people who have lost their job or have had their hours reduced. Weekly payments of unemployment insurance benefits support people as they look for employment. Unemployment insurance is supported through contributions from Oregon employers into the Unemployment Insurance Trust Fund. The Oregon Employment Department (OED) administers the UI program in Oregon. The UI program must comply with both federal and state law. OED collects the contributions that support the program, determine eligibility for UI benefits, pay benefits, and work to prevent fraud.

Currently, a person is disqualified for UI benefits for any week that the Director of OED determines that the unemployment of the person is due to a labor dispute that is in active progress at the person's place of employment. There are exceptions to this law, such as when the unemployment is due to a lockout.

Senate Bill 916 amends existing law by providing that a person is not disqualified from UI benefits for any week that the person is unemployed due to a labor dispute in active progress at the person's place of employment.