

VANESSA CORNWALL

Intergovernmental Relations Officer Vanessa.comwall@lanecountyor.gov

DATE: February 11, 2025

TO: Senate Committee on Labor and Business

FROM: Vanessa Cornwall, Lane County Intergovernmental Relations Officer RE: SB 916, Relating to Unemployment Insurance Benefits for Employees

Unemployed Due to a Labor Dispute

Dear Chair Taylor, Co-Chair Bonham, and Members of the Committee:

Lane County opposes SB 916 due to the fiscal impact this bill could impose upon the County at a time when the County is in a difficult budget situation. The County values its bargaining units and members and respects their rights to engage in labor actions; however, the unbudgeted financial impact this bill could cause could negatively impact all of our employees including those in bargaining units.

The broad term "labor dispute" could encompass a wide range of activities and processes and not just traditional and lawful strikes. The passage of this bill could create a barrier to good faith bargaining and would shift the fiscal burden from the unions to the County.

Lane County is a reimbursement-type employer, whereby the County reimburses the state unemployment fund, dollar-or-dollar for each unemployment benefit paid to former employees. If this legislation results in an increase in claims—especially given the broad definition of a labor dispute—the County would be forced to increase its unemployment reserves significantly to fulfill its obligations of reimbursing the state unemployment fund. The financial implications of this could be substantial, diverting resources away from critical services such as public safety, infrastructure maintenance, and social services.

From an operational impact, passage of this bill could create an environment where quickly resolving labor disputes is disincentivized. This would then lead to potential disruptions in county services to our residents as well as loss of revenue.

Lane County respectfully urges the committee to oppose this bill as currently written. Unfunded mandates are not sustainable.

ELECTRONICALLY SUBMITTED BY VANESSA CORNWALL, LANE COUNTY INTERGOVERNMENTAL RELATIONS OFFICER