



SB 938 Unemployment Benefits for Striking Workers

State law heavily favors employers during a strike by prohibiting workers from collecting unemployment benefits. **SB 938 fosters labor peace by leveling the playing field for workers.** Mirroring laws in NY and NJ, SB 938 makes workers eligible to collect unemployment benefits after they have been on strike for two consecutive weeks.

If employers understood that their unemployment insurance experience ratings could increase when their employees strike longer than two weeks, they would be incentivized to bargain in good faith to resolve a dispute and avoid a strike in the first place. It would also encourage employers to come back to the table during a strike to reach agreement within two weeks before workers become eligible for unemployment benefits.

Voting to Strike Does Not Mean You're Voluntarily Unemployed

No one wants to strike. It is a difficult decision that comes after months of failed negotiations and after the employer has made an unacceptable last best offer. Workers have to weigh short term pain against the potential loss of current benefits or the possibility of realizing lasting gains. If members vote to authorize a strike, they do it to protect their jobs, wages, benefits, safety, retirement, etc.

Stop and Shop workers voted to strike in 2019 because management was going to end family healthcare benefits. Railway workers went on strike in 2022 because they had no sick days. When employees vote to strike, they do it because they have no other option. It's never a choice.

Neutral Impact on UI Trust Fund

DOL testified and the OFA fiscal note confirms that the impact to the UI Trust Fund would be neutral. To the extent striking workers become eligible for benefits, it would result in a cost, but subsequent increases in employer experience ratings would result in increased revenue to the UI Trust Fund.

Since 2021, only 3 strikes have lasted longer than 2 weeks, impacting fewer than 1,600 workers. That's less than 1% of the total 169,335 claims processed in 2022.

Strike Funds Don't Replace Wages

Strike funds are 100% employee funded and may provide limited assistance to striking workers, but they cannot be considered wage replacement. For example, full-time Stop and Shop employees received \$100 per week during the 2019 strike. Amounts were prorated for part-time workers.

SB 938 Does Not Encourage Workers to Strike or Remain on Strike Longer Than Absolutely Necessary

This bill does not enrich workers. No one wants to go on strike. Voting to strike is a scary endeavor and not one that is taken lightly. **Workers risk losing their jobs if the employer hires replacement workers. They risk losing their health insurance. They also potentially jeopardize their short and long-term financial security.** Fully understanding these risks, workers vote to strike only when it's absolutely necessary and hope to reach agreement as quickly as possible so they can return to work.

In addition, weekly unemployment benefits do not provide full wage replacement. **Workers earning up to \$73,112 can be eligible to receive up to 50% of their earnings** (weekly benefit levels are calculated at 1/26 of the average of total wages paid during the 2 highest quarters of the last 4 quarters worked with the maximum weekly benefit set at \$703). **Workers with regular wages exceeding \$73,112 receive a lower percentage of their earnings.** For example:

Worker's Annual Salary	Average Quarterly Earnings	Weekly Earnings	UI Weekly Benefit (1/26 of Average of 2 Highest Quarters)	UI Weekly Benefit (Percentage of Weekly Earning)
\$25,000	\$6,250	\$480.77	\$240.39	50%
\$40,000	\$10,000	\$769.23	\$384.62	50%
\$50,000	\$12,500	\$961.54	\$480.77	50%
\$60,000	\$15,000	\$1,153.85	\$576.92	50%
\$73,112	\$18,278	\$1,406.00	\$703.00	50%
\$80,000	\$20,000	\$1,538.46	\$703.00	46%
\$100,000	\$25,000	\$1,923.07	\$703.00	37%
\$125,000	\$31,250	\$2,403.85	\$703.00	29%
\$150,000	\$37,500	\$2,884.62	\$703.00	24%

Workers may also receive a \$15 dependency allowance for a non-working spouse and each child, up to \$75 per week. **The maximum duration of unemployment benefits is 26 weeks.**

Unemployment benefits are intended to help workers and their families survive during difficult times. At most, they provide a modest benefit of up to 50% of wages for a maximum of 26 weeks. Workers cannot pay their bills, care for their families and honor other financial obligations on just half their income. For that reason, coupled with the risk of permanently losing their jobs, workers will not be encouraged to initiate or prolong a strike with passage of SB 938.

Please Support SB 938 ***Unemployment Benefits for Striking Workers***



For more information please contact:

Jennifer Berigan at jberigan@ctaficio.org or (860) 595-7049, or
Joelyn Leon at jleon@ctaficio.org or (860) 614-3013.