

# SENATE BILL REPORT

## SB 5569

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As Reported By Senate Committee On:  
Labor & Workforce Development, March 2, 1999

**Title:** An act relating to strike or lockout disqualifications for unemployment benefits.

**Brief Description:** Revising strike-related disqualifications for employment compensation.

**Sponsors:** Senators Fairley, Roach, Snyder, Prentice, Kline, Costa, Shin, Thibaudeau, Spanel and Kohl-Welles.

**Brief History:**

**Committee Activity:** Labor & Workforce Development: 2/8/99, 3/2/99 [DP, DNP].

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### SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

**Majority Report:** Do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Kline and Wojahn.

**Minority Report:** Do not pass.

Signed by Senators Hochstatter and Oke.

**Staff:** David Pringle (786-7448)

**Background:** Individuals are generally disqualified from receiving unemployment compensation benefits if work is stopped due to a strike or lockout. There are two exceptions to this rule.

Individuals will not be disqualified if they are not participating, financing, or directly interested in the strike or lockout. Individuals will also not generally be disqualified if they do not belong to a class of workers having members employed at the premises and participating in the work stoppage.

**Summary of Bill:** Individuals are not disqualified from unemployment benefits for certain strikes resulting from the unfair labor practices of employers.

Following the filing of a complaint, the regional director of the National Labor Relations Board (NLRB) makes initial determinations of whether a strike was called due to an unfair labor practice and whether an employer engaged in an unfair labor practice.

If both criteria are found, the employee is eligible for unemployment benefits back to the date that the unfair labor practice complaint was received by the NLRB. Benefit payments to employees are subject to reimbursement if the unfair labor practice ruling is later overturned.

**Appropriation:** None.

**Fiscal Note:** Requested January 29, 1999.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This levels the playing field a little allowing workers to pay their bills. Most disputes are settled without strikes, and even if there is a work stoppage, without unfair practices by either side. Companies with deep pockets should not be able to use unfair practices to gain concessions from employees. These employees are out of work through no fault of their own.

**Testimony Against:** This removes opportunities for due process as it relies on an initial determination of the regional director. The balance of powers in labor negotiations struck under federal law should not be upset. We don't know that either side needs more leverage in these disputes. This will encourage more lawsuits over unfair labor practices and discourage use of existing federal remedies. To be fair, unfair labor practices by employees should be addressed as well. Labor disputes do not belong in the unemployment compensation system.

**Testified:** PRO: Robert Dilger, Washington State Building Trades; Jeff Johnson, Washington State Labor Council, AFL-CIO; Al Link, Washington State Labor Council, AFL-CIO; Jim Woodward, Washington State Labor Council, AFL-CIO; Bob Marsden, Washington State Labor Council, AFL-CIO; Gary Wagner, IAM & AW 751-C; Tommy Wilson, IAM & AW 751-C; CON: Ken Johnson, Association of Washington Business; Randy Zeiler, Allied Employers, Inc.; Norm Raffaell, Association of Washington Business; Gary Smith, Independent Business Association.