JADE T. BUTAY DIRECTOR

WILLIAM G. KUNSTMAN DEPUTY DIRECTOR



#### STATE OF HAWAI'I KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS KA 'OIHANA PONO LIMAHANA

February 6, 2025

To: The Honorable Jackson D. Sayama, Chair,

The Honorable Mike Lee, Vice Chair, and

Members of the House Committee on Labor

Date: Thursday, February 6, 2025

Time: 9:00 a.m.

Place: Conference Room 309, State Capitol

From: Jade T. Butay, Director

Department of Labor and Industrial Relations (DLIR)

### Re: H.B. 158 RELATING TO UNEMPLOYMENT BENEFITS

### I. OVERVIEW OF PROPOSED LEGISLATION

The **DLIR offers comments** on this measure that proposes to amend section 383-30, Hawaii Revised Statutes (HRS) by removing the provision that disqualifies individuals who are unemployed because of a labor dispute from collecting unemployment insurance benefits.

### II. CURRENT LAW

Section 383-30(4), HRS disqualifies individuals from receiving unemployment insurance benefits during a labor dispute if they are found to be directly participating or directly interested in the labor dispute that caused the stoppage of work and belong to the grade or class of workers employed at the premises immediately before the commencement of the work stoppage.

The intent of the statute is for the unemployment compensation system to remain neutral in labor disputes, such that the payment or denial of UI benefits shall not affect the outcome of the collective bargaining process.

### III. COMMENTS ON THE HOUSE BILL

The Department is deeply concerned about the following implications of the proposed measure.

The federal-state unemployment insurance (UI) program is a cooperative system in which the Department's Unemployment Insurance Division ensures that state laws conform to federal requirements, maintaining the program's integrity and

HB158 February 6, 2025 Page 2

sustainability. The Hawaii Supreme Court's decision in *Meadow Gold Dairies-Hawaii*, *Ltd. v. Wiig* established that a work stoppage constitutes a substantial curtailment of business activities. This interpretation effectively addresses genuine business reductions without undermining employee protections.

However, this measure proposes to broaden UI eligibility criteria, which will result in increased benefit payouts from the Unemployment Compensation Trust Fund (UCTF). Such increases threaten the solvency of the UCTF, potentially triggering higher employer contribution rates to replenish the fund. When UCTF reserves decrease, the Department is obligated to raise taxes on employers to ensure solvency—a necessary but challenging action to meet federal and state requirements. Additionally, allowing striking workers to collect UI benefits could disrupt labor-management relations and alter the dynamics of collective bargaining.

For these reasons, maintaining the current statutory framework is essential to preserving both the financial health of the UCTF and the balance between employer and employee interests.



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808-521-9500 NFIB.com

### February 4, 2025

TO: Rep. Jackson D. Sayama, Chair
Rep. Mike Lee, Vice Chair
Members of the Economic Development
and Technology

FR: Michael Iosua, State Director

NFIB, Hawaii Chapter

RE: OPPOSITION TO HB 158 – RELATING TO UNEMPLOYMENT BENEFITS

Hearing date: February 6, 2025, at 9:00 AM

Aloha Chair Sayama, Vice Chair Lee and members of the committee,

Mahalo for the opportunity to submit testimony on behalf of NFIB's Hawaii Chapter in **OPPOSITION** to HB 158 – RELATING TO UNEMPLOYMENT BENEFITS. NFIB is a nonprofit, nonpartisan, and member-driven organization exclusively dedicated to small and independent businesses. With members in all four counties, NFIB's Hawaii chapter advocates on issues that affect Hawaii's small and independent business owners.

HB 158 would remove the prohibition in HRS § 383-30(4) against unemployment benefits for striking workers. While the intent of this bill may be to provide additional financial support to employees engaged in labor strikes, it poses significant challenges and unintended consequences for small businesses across our state.

The unemployment insurance system is designed to provide financial assistance to employees who have lost their jobs through no fault of their own. This bill, however, extends benefits to employees who voluntarily participate in a labor strike, although work is available. This shift undermines the foundational purpose of the unemployment insurance program and imposes undue financial burdens on employers, particularly small businesses.

This is a tremendous burden to Hawaii's small businesses for several reasons:

- Increased Unemployment Insurance Costs small businesses contribute to the unemployment insurance fund but are rarely subject to labor strikes. Unemployment insurance costs would undoubtedly go up, causing small businesses to pay higher insurance costs and pass costs onto consumers, in a state where the cost of living is already extremely high.
- Potential Job Loss and Economic Instability If the cost of unemployment insurance increases due to this measure, small businesses may be forced to downsize their workforce, reduce employee hours, or delay expansion plans, or even stay in business.
- Extended Strikes and Business Disruptions Union organizations often have strike funds to support employees during labor disputes. Shifting this burden to employers through the unemployment insurance system may encourage longer, more frequent strikes causing disruptions to operations and public services.

Mahalo for considering the concerns of small business owners throughout Hawaii and the broader employer community. I respectfully urge this committee to defer HB 158.



# HOUSE OF REPRESENTATIVES THE THIRTY-THIRD LEGISLATURE REGULAR SESSION OF 2025

#### **COMMITTEE ON LABOR**

Rep. Jackson D. Sayama, Chair Rep. Mike Lee, Vice Chair

Thursday, February 6, 2025, 9:00 AM Conference Room 309 & Videoconference

Re: Testimony on HB158 – RELATING TO UNEMPLOYMENT BENEFITS

Chair Sayama, Vice Chair Lee, and Members of the Committee:

The United Public Workers, AFSCME Local 646, AFL-CIO ("UPW") is the exclusive bargaining representative for approximately 14,000 public employees, which includes blue collar, non-supervisory employees in Bargaining Unit 1 and institutional, health, and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. UPW also represents 1,500 members in the private sector.

UPW strongly supports HB158, which allows striking workers to be eligible for unemployment benefits.

In 2023, UPW members in the private sector at Maui Health System's endured a 52-day strike against their employer. After months of stalled contract negotiations, our members utilized the last mechanism possible to fight for what they believed they deserved, which was to strike. Under current law, striking employees are ineligible to receive unemployment benefits. During the 52-days members had to exhaust all savings, take out loans to pay their health premiums that were cut by their employer. Most others had to forego paying any bills.

This measure ensures that working folks are still protected while they are working through an impasse with their employer. This measure allows for basic needs of families to be met such as rent/mortgage payment and putting food on the table.

Mahalo for the opportunity to provide testimony.



### The House Committee on Labor February 6, 2025 Room 309 9:00 AM

RE: HB 158, Relating to Unemployment Benefits

Attention: Chair Jackson Sayama, Vice Chair Mike Lee and members of the

Committee

The University of Hawaii Professional Assembly (UHPA) **supports HB 158**, relating to unemployment benefits.

HB 158 will provide workers involved in labor disputes the eligibility to receive unemployment benefits under certain conditions. The ability to strike is a fundamental and necessary bargaining tool for workers to maintain job security, and to prevent the Employer from forcing and unilaterally implementing policies, practices, and demands that adversely and negatively impact wages, hours, and working conditions. Without challenge, the impact could also hurt and negatively impact the customers and the community it serves.

By allowing workers the eligibility to receive income while participating in labor disputes to provide basic needs for themselves and their families, the Employer will hopefully be encouraged to engage in meaningful and productive collective bargaining sessions, and discourage the introduction of unilateral adverse action that runs contrary to having a highly efficient and productive workforce. In these times, where wage inequality continues to grow due to corporate greed, our society and communities will continue to struggle and the wage divide will multiply exponentially.

UHPA supports and requests the passage of HB 158.

Respectfully submitted,

Christian L. Fern

**Executive Director** 

University of Hawaii Professional Assembly

Website: www.uhpa.org



### HAWAII STATE AFL-CIO

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The Thirty-Third Legislature
House of Representatives
Committee on Labor

Testimony by Hawaii State AFL-CIO

February 6, 2025

### TESTIMONY IN STRONG SUPPORT OF HB158 - RELATING TO UNEMPLOYMENT BENEFITS

Chair Sayama, Vice Chair Lee, and members of the committee:

The Hawaii State AFL-CIO is a state federation of 76 affiliate labor organizations representing over 69,000 union members across Hawaii in industries including healthcare, construction, hospitality, entertainment, transportation, and government. The Hawaii State AFL-CIO serves its affiliates by advocating for the rights of working families, promoting fair wages, safe working conditions, and policies that strengthen Hawaii's workforce.

We are in strong support of HB158, which expands unemployment insurance (UI) eligibility to striking workers. Under current law, individuals are disqualified from receiving UI benefits if their unemployment results from a work stoppage caused by a labor dispute at their workplace. This prevents striking workers from accessing financial support and allows employers to use economic hardship as leverage during negotiations.

Striking is a last resort after all efforts to reach a fair agreement have been exhausted. Workers should not be forced into financial hardship for exercising their right to bargain for fair wages and better working conditions. Expanding UI benefits in these cases ensures that workers are not coerced into accepting unfair terms due to economic desperation while strengthening the integrity of the collective bargaining process.

A report from the Economic Policy Institute (see enclosed report) estimates that this measure would cost just 0.56% of total UI expenditures. Their research also indicates that allowing striking workers to access UI benefits does not increase the frequency of strikes but helps prevent prolonged disputes by discouraging employers from using financial pressure to delay negotiations.

This bill also maintains the existing seven-day waiting period for unemployment insurance eligibility, ensuring that benefits apply only to strikes lasting longer than a week. Data from the Labor Action Tracker, a collaboration between Cornell University's School of Industrial and Labor

HB158 - RELATING TO UNEMPLOYMENT BENEFITS February 6, 2025 Page 2

Relations and the University of Illinois' School of Labor and Employment Relations (<a href="https://striketracker.ilr.cornell.edu">https://striketracker.ilr.cornell.edu</a>), shows that more than half of the strikes in Hawaii over the past five years ended within seven days. Fewer than half of those strikes would have qualified for unemployment insurance benefits, demonstrating that HB158 is carefully structured to assist workers in prolonged disputes where financial hardship becomes unavoidable.

Hawaii would join New York and New Jersey, which have enacted similar policies, alongside states like Oregon, Minnesota, and Rhode Island, where comparable legislation is advancing. These states recognize that providing UI benefits to striking workers is a cost-effective policy that strengthens collective bargaining, promotes fair negotiations, and helps stabilize the economy.

HB158 is an essential step toward protecting workers and ensuring a fair collective bargaining process. We respectfully urge the committee to pass this measure.

Respectfully submitted,

Randy Perreira

President

### Economic Policy Institute

# Unemployment insurance for striking workers

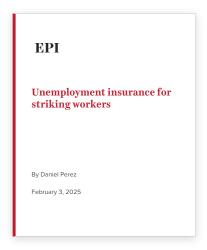
A low-cost policy that's good for workers and state economies

Report • By Daniel Perez • February 3, 2025

### Unemployment insurance for striking workers

A low-cost policy that's good for workers and state economies

**Summary:** Lawmakers across the country are increasingly recognizing that making striking workers eligible for unemployment insurance (UI) is good for workers and good economics.



Read the full report epi.org/293032

### **Key findings**

- Striking workers in most states are disqualified from receiving UI, which
  opens the door for employers to undermine union negotiations by engaging
  in bad faith tactics.
- Only two states —New Jersey and New York—currently extend UI to striking workers. Lawmakers in 13 additional states have previously introduced or are actively considering such policies.
- EPI estimates that the cost of extending employment insurance to strikers would represent between 0.04% to 0.96% of a given state's total UI expenditures—an almost negligible share.
- These policies don't only impact striking workers; they also help stabilize
  the economy by keeping dollars flowing to communities where a strike is
  taking place.
- While opponents have raised concerns that such policies will encourage more strikes, providing UI protections to striking workers may actually lead to fewer strikes.

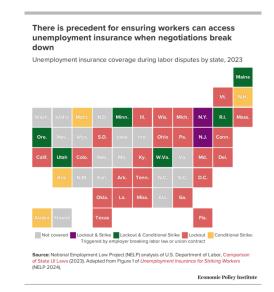
### Why this matters

The need for states to take decisive steps to protect their workers' rights is particularly urgent in the face of the incoming administration and corporations' brazen attacks on labor rights.

#### How to fix it

Lawmakers should take a practical, impactful, low-cost step toward protecting workers' collective bargaining rights by making striking workers eligible to receive unemployment insurance.

### Charting the problem



nions and collective bargaining have long been critical institutions for growing the middle class, improving job quality, and creating a more equitable economy (EPI 2021; Bivens et al. 2023). One of the most powerful tools that unionized workers have for improving their working conditions is exercising their right to strike. Yet strikes are incredibly risky and almost always pursued only as a last resort by workers seeking fair outcomes in difficult contract negotiations.

In most states, striking workers are disqualified from receiving unemployment insurance (UI), enabling employers to undermine the collective bargaining process. But lawmakers are increasingly recognizing that expanding UI protections to striking workers can help sustain workers when they have no choice but to strike. Not only do such protections allow workers to share in broad-based economic growth, but they also help stabilize the economy.

There is particular urgency right now for state policymakers to safeguard the rights of workers to join a union and collectively bargain. In November, SpaceX and Amazon filed a lawsuit to contest the constitutionality of the National Labor Relation Board (NLRB), the federal agency responsible for protecting the workers' right to organize (Hsu 2024). Given these brazen attacks on labor rights and the current federal administration, extending UI protections to striking workers is one cost-effective and decisive step states can take to help safeguard workers' rights and encourage fair negotiations in the collective bargaining process.

If enacted, this policy would:

- Cost states less than of 1% of total UI expenditures;
- Protect workers, while discouraging employers from engaging in bad faith negotiation tactics;
- Allow workers to advocate for safer, better workplaces—improving job quality standards within firms, across industries, and in local economies, for both union and nonunion workers; and
- Help maintain workers' right to organize and collectively bargain amid ongoing legal and political attacks on labor standards.

### **SECTIONS**

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# Unemployment insurance for striking workers is good economics

The U.S. unemployment insurance system was established following the Great Depression, amid a period of widespread joblessness. It is intended to offer a financial lifeline to jobless workers, supporting them through times of economic turmoil or until they find work that provides adequate pay and aligns with their skills and circumstances (Evermore 2023; Farooq et al. 2020).

UI is also a critical support for macroeconomic health. UI dollars help keep local economies running during periods of widespread unemployment and economic turmoil. And by allowing workers to find the jobs best suited for their skills, it helps maximize the long-run productivity of the workforce.

Making striking workers eligible for UI is both good economics and consistent with the program's mandate. It would mitigate some of the immediate economic risk to workers and their families; keep dollars flowing to communities where a strike is taking place; ensure striking workers can negotiate a fair contract with their employer; and allow striking workers to resume jobs for which they are already trained. Forcing workers to find another job because their current employer is unwilling to negotiate a fair contract may require those workers to be retrained and force their former employer to find and train a new workforce— both of which are a drag on productivity and economic output.

# UI benefits for striking workers is good policy with precedent

There's strong precedent for ensuring workers can access UI when negotiations break down. **Figure A**, an audit of state UI laws conducted by the National Employment Law Project highlights the variation in state UI laws related to labor disputes (NELP 2024).

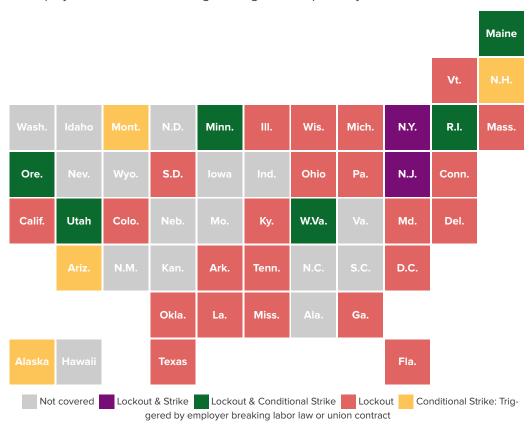
Policymakers seeking to promote a balanced collective bargaining process—where workers' right to strike is a true counterbalance to employers' right to lock people out—should design UI for striking worker bills that cover both situations: where an employer locks out workers and when workers go on strike. Only two states—New York and New Jersey—currently provide UI eligibility to workers under both scenarios.

**Table 1** highlights 13 additional states that previously introduced or are actively considering extending UI to striking workers. Legislators in two states, Massachusetts and Pennsylvania, introduced bills with 30-day waiting periods. Five states—California, Connecticut, Delaware, Illinois, and Maryland considered bills with 14-day waiting periods. Four others—Hawaii, Ohio, Oregon, and Rhode Island—introduced bills with seven-day waiting periods. Minnesota and Washington legislators introduced bills with waiting periods ranging from seven to 14 days depending on the strike's start date.

Figure A

# There is precedent for ensuring workers can access unemployment insurance when negotiations break down

Unemployment insurance coverage during labor disputes by state, 2023



**Source:** National Employment Law Project (NELP) analysis of U.S. Department of Labor, Comparison of State UI Laws (2023). Adapted from Figure 1 of *Unemployment Insurance for Striking Workers* (NELP 2024).

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Lawmakers in New York and New Jersey— the only two states that currently provide UI eligibility to strikers—have also proposed reducing additional waiting periods. In 2020, New York shortened its waiting period from seven weeks to 14 days. In 2024 lawmakers proposed further reducing the waiting period of strikers (from 14 days to seven days) to align it with that of other workers but the bill failed. On April 24, 2024, New Jersey successfully reduced its waiting period from 30 days to 14 days and retroactively applied the change to all UI claims filed on or after January 1, 2022.

This year, legislators in Connecticut, Delaware, Hawaii, Massachusetts, Oregon, Washington, and potentially more states are expected to consider legislation to extend UI to striking workers.

Table 1

# A growing number of states are proposing legislation to extend unemployment insurance to striking workers

State legislation making striking workers eligible for unemployment insurance, 2018–2025

State	Bill number	Legislative session	Bill details	Status
California	SB799	2023–2024	Provides UI access to workers on strike for more than 14 days	Vetoed
Connecticut	HB 5146	2023–2024	Provides UI access to workers on strike for more than 14 days	Vetoed
Connecticut	SB 8	2024–2025	Provides UI access to workers on strike for more than 14 days	Introduced
Delaware	SB 26	2025–2026	Provides UI access to workers on strike for more than 14 days	Introduced
Hawaii	SB 158	2025–2026	Provides UI access to workers on strike for more than 7 days	Introduced
riawaii	SB 2188	2024–2025	Provides UI access to workers on strike for more than 7 days	Did not pass
Illinois	HB 4143	2023–2024	Provides UI access to workers on strike for more than 14 days	Did not pass
Maryland	SB 0871 / HB 0339	2024–2025	Provides UI access to workers on strike for more than 14 days	Did not pass
	S1172	2023-2024	Provides UI access to workers on strike for more than 30 days	Did not pass
Massachusetts	SD2039 / HD.1367	2025-2026	Provides UI access to workers on strike for more than 30 days	Introduced
Minnesota	HF 3446	2023–2024	Provides UI access to workers on strike beginning the Sunday after the first day of the strike (eligibility ranges from 7 to 14 days depending on the strike's start date)	Did not pass
Now Jorge	A3861	2018–2019	Provides UI access to workers on strike for more than 30 days	Enacted
New Jersey	A4772	2022–2023	Reduced waiting period from 30 days to 14 days	Enacted
New York	S 4573	2019–2020	Reduce waiting period from 7 weeks to 14 days	Enacted

Table 1 (cont.)

State	Bill number	Legislative session	Bill details	Status
	A 1443	2023–2024	Reduce waiting period from 14 days to 7 days	Did not pass
Ohio	SB 180	2023–2024	Allows striking workers to apply for up to 4 weeks of retroactive UI benefits	Did not pass
	HB 334	2023–2024	Provides UI access to workers on strike for more than 7 days	Did not pass
Oregon	SB 916	2025	Provides UI access to workers on strike for more than 7 days	Introduced
Pennsylvania	HB 1481	2023–2024	Provides UI access to workers on strike for more than 30 days	Did not pass
Rhode Island	SB 2783	2023–2024	Provides UI access to workers on strike for more than 7 days	Did not pass
Washington	SB 5041	2025–2026	Provides UI access to workers on strike beginning the Sunday after the first day of the strike (eligibility ranges from 7 to 14 days depending on the strike's start date)	Introduced

**Source:** Analysis of state legislation.

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## UI for striking workers would provide meaningful benefits with little to no impact on state UI systems

Critics have raised concerns about the cost of this type of legislation and how it could impact state UI trust funds. These concerns merit serious consideration, as UI programs are a vital component of the social safety net and funds must remain solvent and accessible to workers in times of need.

Analysis of publicly available strike and UI data show that UI for striking workers would have little to no impact on state UI systems. **Table 2** details cost estimates in select states that have (or are considering) such legislation. Across the board, the cost of extending UI to strikers would represent between 0.04% to 0.96% of a given state's total UI expenditures—an almost negligible share.

# Estimated benefits for strikers would account for less than 1% of total statewide UI expenditures, in states that have considered UI for strikers legislation

Estimated UI benefits for strikers vs. state UI expenditures, 2021–2024

	а	b	С	d	е	f	g	h	i	j
state	Waiting period	Qualifying strikes	Eligible strikers	State UI recipiency rate, 2023	Strikers who apply for benefits	UI avg weekly benefit amount	Avg duration of qualifying strikes (weeks)	Estimated benefits paid to strikers, 2021–2024	State UI expenditures, 2021–2024	Striker share of state UI benefits
California	14 days	31	238,663	42.6%	101,688	\$332.89	7.3	\$245,692,579	\$25,674,516,414	0.96%
Connecticut	14 days	2	1,750	37.3%	653	\$397.18	3.5	\$907,751	\$2,344,478,976	0.04%
Delaware	14 days	0	0	20.2%	0	\$312.30	0.0	\$0	\$261,137,971	0.0%
Hawaii	7 days	6	3,282	38.2%	1,252	\$521.45	7.1	\$4,616,610	\$819,051,764	0.56%
Illinois	14 days	22	10,368	31.2%	3,237	\$430.12	5.2	\$7,223,675	\$8,661,100,873	0.08%
Maryland	14 days	4	539	29.6%	160	\$347.28	12.6	\$700,518	\$1,576,198,443	0.04%
Massachusetts	30 days	6	5,665	60.7%	3,439	\$597.75	16.9	\$34,799,391	\$7,615,414,867	0.46%
Minnesota	7 days	10	7,881	49.5%	3,900	\$491.23	3.6	\$6,951,615	\$4,455,748,870	0.16%
New Jersey	7 days	5	2,645	49.3%	1,303	\$518.09	7.5	\$5,053,371	\$9,104,297,783	0.06%
New York	7 days	26	65,177	40.0%	26,065	\$360.82	5.9	\$55,447,375	\$12,336,393,670	0.45%
Ohio	7 days	12	7,569	21.1%	1,598	\$422.90	5.8	\$3,917,993	\$3,287,773,793	0.12%
Oregon	7 days	17	6,843	38.7%	2,646	\$476.45	5.0	\$6,261,019	\$2,601,122,300	0.24%
Pennsylvania	30 days	5	3,988	35.3%	1,409	\$406.19	8.0	\$4,594,920	\$7,270,708,323	0.06%
Rhode Island	7 days	2	132	53.5%	71	\$413.20	16.1	\$471,493	\$739,155,170	0.06%
Washington	7 days	11	11,969	32.1%	3,846	\$574.08	7.4	\$16,315,642	\$5,504,827,505	0.30%

Economic Policy Institute 7

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	a	b	С	d	е	f	g	h	i	j
state	Waiting period	Qualifying strikes	Eligible strikers	State UI recipiency rate, 2023	Strikers who apply for benefits	UI avg weekly benefit amount	Avg duration of qualifying strikes (weeks)	Estimated benefits paid to strikers, 2021–2024	State UI expenditures, 2021–2024	Striker share of state UI benefits
					= <b>c</b> × <b>d</b>			$= \mathbf{e} \times \mathbf{f} \times \mathbf{g}$		= h ÷ i

**Notes:** Labor Action Tracker data cover strikes that occurred between January 2021 and November 2024. Unemployment Insurance recipiency rates are based on data from 2023. State UI expenditure data span January 2021 through November 2024. Average weekly benefit amount is calculated by dividing benefits paid by weeks compensated.

**Source:** EPI analysis of strike data from Cornell University ILR School & University of Illinois LER School's Labor Action Tracker, January 2021–November 2024, unemployment insurance recipiency rates and monthly program data from the U.S. Department of Labor, and industry employment data from the Bureau of Labor Statistics' Quarterly Census of Employment and Wages, March 2023.

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Even under generous assumptions, the cost of this policy remains minimal. For instance, existing research suggests that union members are generally more informed about their UI eligibility, and thus more likely to successfully file a claim (Forsythe and Yang 2022). Considering a scenario where eligible strikers have a recipiency rate that is 20 percentage points higher than the state average, the estimated cost of extending UI to strikers rises to between 0.06% and 1.4% of overall UI expenditures. Further, under a highly unlikely scenario where 100% of eligible strikers apply for and receive UI benefits, the cost range increases to between 0.1%–2.2% (see **Appendix Table 1**).

Since strike activity can vary from year to year, combining 47 months of data provides a larger sample size for creating a comprehensive cost estimate. **Table 3** presents annualized estimates to illustrate the potential year-to-year fiscal impact in each state.

Annualized unemployment insurance for striking workers cost estimates

State	Annualized UI benefits to strikers	Annualized state UI expenditures	Striker share of benefits paid per year
California	\$62,730,020	\$6,555,195,680	0.96%
Connecticut	\$231,766	\$598,590,377	0.04%
Delaware	\$0	\$66,673,525	0.00%
Hawaii	\$1,178,709	\$209,119,599	0.56%
Illinois	\$1,844,343	\$2,211,344,904	0.08%
Maryland	\$178,856	\$402,433,645	0.04%
Massachusetts	\$8,884,951	\$1,944,361,243	0.46%
Minnesota	\$1,774,881	\$1,137,638,009	0.16%
New Jersey	\$1,290,222	\$2,324,501,562	0.06%
New York	\$14,156,776	\$3,149,717,533	0.45%
Ohio	\$1,000,339	\$839,431,607	0.12%
Oregon	\$1,598,558	\$664,116,332	0.24%
Pennsylvania	\$1,173,171	\$1,856,351,061	0.06%
Rhode Island	\$120,381	\$188,720,469	0.06%
Washington	\$4,165,696	\$1,405,487,874	0.30%

**Notes:** Annualized figures are based on 47 months of strike and UI data spanning January 2021–November 2024.

**Source:** EPI analysis of strike data from Cornell University ILR School & University of Illinois LER School's Labor Action Tracker, January 2021–November 2024, UI program data from the U.S. Department of Labor, and industry employment data from the Bureau of Labor Statistics' Quarterly Census of Employment and Wages, March 2023.

**Economic Policy Institute** 

# There is no reason to delay UI benefits to striking workers

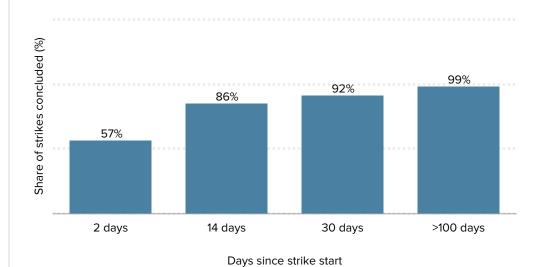
In establishing or strengthening striking worker eligibility for UI, lawmakers should not impose additional waiting periods for workers to claim benefits. There is already a weekslong lag between the moment a claimant applies for UI and when they receive benefits—a delay that many workers cannot afford. Workers who use their collective voice to advocate for better working standards should not face penalties or delays relative to other workers.

**Figure B** shows that most strikes are short-lived: 86% end within 14 days and 92% end within 30 days, according to data from Cornell University ILR School & University of Illinois LER School's Labor Action Tracker. These durations often fall within or just before the

Figure B

### Nearly all labor strikes are over in 14 days or less

Duration of U.S. labor strikes, January 2022-November 2023



**Source:** Author's analysis of strike data from the Cornell University ILR School & University of Illinois LER School's Labor Action Tracker, January 2022–November 2023.

**Economic Policy Institute** 

eligibility waiting periods specified in many proposed state bills, effectively disqualifying striking workers from benefits when they most need them.

**Table 4** breaks out strike durations by decile and state. Apart from Ohio, the median strike duration across the select states over the 47 months in our analysis was just 1–5 days. This indicates that states with the longest waiting periods would effectively provide no support to workers during this time of potential hardship.

While fewer workers accessing UI means smaller costs to state and employer UI funds, this comes at a steep price for workers and their families. For some, these delays could mean the difference between affording rent or putting food on the table at the end of the month.

### Table Long waiting periods could deny workers benefits when they need them most

Average strike duration by decile and proposed waiting periods in select states, 2021–2024

Strike duration deciles	California	Connecticut	Hawaii	Illinois	Maryland	Massachusetts	Minnesota	New Jersey	New York	Ohio	Oregon	Pennsylvania	Rhode Island	Washington
10th	1	1	1.2	1	1	1	1	1	1	1	1	1	1	1
20th	1	2	3	1	1.8	1	1	1	1	1	1	1	1	1
30th	1	2	3	2	2.2	1	1	1	1	4.8	2	1	1	1
40th	1	2	3	2	3	1	2	1	1	8	3	1	1.8	1
Median	2	3	5	5	3	3	2	1	1	14	5	3	3	2
60th	3	3	7	8	6	4	3	3	2	23.4	8	3	3	3
70th	3	3.5	11.9	12.8	11.4	7	5	3	3	29.5	14	5	5.6	7
80th	5	5	34.8	22	24.6	16.4	10.2	31	7	36.8	21	8.4	13.4	9.6
90th	16	15	51.7	32.8	65.4	35.1	25	31	15.5	44.8	48	24.2	93.2	18.3
Proposed eligibility waiting period	14 days	14 days	7 days	14 days	14 days	30 days	7 days	7 days	7 days	14 days	7 days	30 days	7 days	14 days
Strikes in sample	(n=271)	(n=16)	(n=12)	(n=78)	(n=15)	(n=54)	(n=37)	(n=21)	(n=126)	(n=24)	(n=41)	(n=55)	(n=7)	(n=78)

Source: EPI Analysis of strike data from the Cornell University ILR School & University of Illinois LER School's Labor Action Tracker, January 2021–November 2024.

**Economic Policy Institute** 

Economic Policy Institute

# Extending UI to striking workers would encourage fair negotiations and could lead to fewer protracted strikes

Opponents of this policy have raised the concern that workers would be more inclined to strike if they had access to unemployment insurance. While a 2020 survey found that workers with high confidence in their ability to access UI felt more empowered to join or form unions and were less fearful to engage in collective action to address health and safety concerns, strikes are just one form of collective action and they are often only pursued as a measure of last resort (Hertel-Fernandez and Gould-Werth 2020). The fear that workers would willingly risk their pay, benefits, and even jobs for UI benefits is unfounded. Moreover, research shows there is no state in which UI benefits are sufficient to cover a worker's basic necessities—which speaks to the need for long-overdue reforms to the UI system (Bivens et al. 2021).

On the contrary, providing UI protections to striking workers might lead to fewer strikes. Employers would be obliged to engage workers more earnestly at the bargaining table, knowing that they can't rely on threats to starve workers out by forcing a strike. This would discourage scenarios where employers use their larger economic resources to outlast workers while either refusing to bargain in good faith or presenting a "final offer" they know workers are likely to reject, a strategy that currently undermines the effectiveness of collective bargaining (Murphy 2023).

Evidence from New Jersey further casts doubt on claims that UI for striking workers would encourage more strikes. On April 21, 2023, New Jersey reduced the eligibility waiting period for strikers from 30 days to 14. An analysis by North Star Policy Action found no significant increase in labor activity compared with other states with similar levels of union density and membership.<sup>1</sup>

# What do unions do? And why should states support them?

A fair collective bargaining framework is an investment in workers and businesses. In 1984, economists Richard Freeman and James Medoff famously asked, "What do unions do?" Their seminal book revealed that labor unions make workplaces more productive, while promoting a more equal distribution of income. Contemporary research has further emphasized the important role of unions in creating good jobs and ensuring working-class prosperity.

In purely economic terms, union workers earn higher wages—on average, 11.1% more than their nonunion peers—and enjoy better benefits (EPI 2025; Shierholz et al. 2024). For

example, 95% of union workers have access to employer-sponsored health benefits, compared with 71% of nonunion workers (BLS-NCS 2024a). Further, 91% of union workers have paid sick leave versus 79% of nonunion workers and 95% have access to employer sponsored retirement benefits compared with 72% of nonunion workers (BLS-NCS 2024b; BLS-NCS 2024c).

Union contracts promote equity by establishing transparent and fair pay structures, conferring significant benefits to workers from all backgrounds and walks of life: Black union workers earn 14.3% more than their nonunion peers; Latino workers earn 15.9% more; and the average pay boost for a worker without a high school diploma is a remarkable 22.4% (EPI 2025).

The benefits of union contracts extend beyond just union members and workplaces. Research shows that unions set wage and benefit standards that spill over to nonunion workers, lifting wages and improving conditions across entire industries and local economies (Mishel 2021).

Further, in an era marked by heightened political tensions, unions can bring together workers from different backgrounds around the common cause of improving working conditions. Research shows that unions promote cross-racial solidarity, reducing racial resentment between members (Frymer and Grumbach 2021). For state lawmakers, supporting labor standards, unions, and collective bargaining, is an investment in economic, political, and social wellbeing.

### Conclusion

Strikes are one of the few effective tools workers have to counter the unequal distribution of power in the labor market (EPI n.d.). Workers do not make the decision to strike frivolously; they strike as a last resort, often to address critical issues like unfair pay, hazardous working conditions, or job insecurity. When workers make the difficult decision to strike, they should be able to do so without fear of losing their livelihood.

Expanding unemployment insurance to striking workers is one practical, impactful step lawmakers can take to protect the rights for workers in their state. Lawmakers should seize this opportunity to strengthen labor standards, promote economic prosperity, and protect the fundamental right of workers to act collectively.

### Data and methods

This brief uses publicly available data to assess the cost of extending UI to striking workers in the 13 states that have considered bills over the past two years. Data sources for this analysis include firm-level strike data from the Labor Action Tracker (a joint project of the Cornell ILR School & University of Illinois, Labor & Employment Relations School); employment data by state and industry from the Quarterly Census of Employment and Wages (QCEW); and UI program data from the U.S. Department of Labor (DOL) and state

workforce agencies.

### Time period

I combine 47 months of data from January 2021 through November 2024 to produce estimates that account for variation over time. Strikes occur at irregular intervals, with some years marked by higher labor activity than others. Including all available months of data ensures a comprehensive view of labor activity over this period.

Strike data are compared with unemployment insurance program data aggregated over the same 47-month period. Using program data from DOL—such as initial UI claims, total weeks compensated, and average weekly benefit amounts—I estimate the benefits that would be paid to strikers and calculate total state UI expenditures over this period. UI recipiency rates are based on 2023 full-year data.

### Disaggregating participants of multistate strikes

Estimating the total number of strikers per state is complicated by multistate strikes. The Labor Action Tracker does not disaggregate the number of participants in strikes that span multiple states. To address this, I combine Labor Action Tracker data with industry employment data from the QCEW.

**Table 5** illustrates this approach, using a 2021 strike involving approximately 1,050 Nabisco workers represented by the Bakery, Confectionary, Tobacco Workers and Grain Millers' International Union (BCTGM) in Colorado, Georgia, Illinois, Oregon, and Virginia. The Labor Action Tracker provides the two-digit NAICS industry for each employer involved in a labor dispute. For each strike, I use the QCEW to sum the annual average employment in the relevant industry for each state involved in the strike. Next, I calculate each state's share of total industry employment by dividing its employment level by the combined total across all states. Next, I multiply each state's share of industry employment, by the aggregated number of strike participants (1,050 strikers in this case). This method produces an estimate of the number of strikers from each state.

Table 5

### Disaggregating participants in multistate strikes, by state

а	b	С	d	е	f	g	h	i	j
Year	State	Employer	Labor organization	Industry	Strike duration (days)	State industry emp.	Industry emp. %	Total strikers (across all states)	Total strikers (per state)
2021	Colorado	Nabisco	BCTGM International Union	Manufacturing	42	151,159	9.5%	1,050	100
2021	Georgia	Nabisco	BCTGM International Union	Manufacturing	42	424,388	26.7%	1,050	281
2021	Illinois	Nabisco	BCTGM International Union	Manufacturing	42	578,638	36.4%	1,050	383
2021	Oregon	Nabisco	BCTGM International Union	Manufacturing	42	189,748	12.0%	1,050	125
2021	Virginia	Nabisco	BCTGM International Union	Manufacturing	42	243,842	15.4%	1,050	161
									= <b>h</b> × <b>i</b>

Note: BCTGM stands for the Bakery, Confectionery, Tobacco Workers and Grain Millers' International Union.

**Source:** Analysis of strike data from the Cornell University ILR School & University of Illinois LER School's Labor Action Tracker, January 2021–November 2024 and industry employment data from the Bureau of Labor Statistics' Quarterly Census of Employment and Wages, March 2023.

**Economic Policy Institute** 

### Who's on strike?

Using the methods detailed in Table 5, I tabulate the total number of strikes and strike participants in each of the 13 states that considered expanding UI protections according to the waiting period stipulated by state law. **Table 6** details the total number of qualifying strikes and strike participants over the 47-month period spanning January 2021 to November 2024.

### Creating a final cost estimate

Finally, I combine data on strike participants and unemployment insurance program data to produce a cost estimate of UI for striking workers legislation, as shown in **Appendix Table**1. This analysis proceeds as follows:

- 1. First, I calculate number of strikers likely to file a UI claim by multiplying the number of eligible strikers by each state's 2023 UI recipiency rate ( $\mathbf{c} \times \mathbf{d} = \mathbf{e}$ ).
- 2. Next, I determine the total benefits that might be paid to strikers by multiplying the estimated number of strikers likely to file a claim by the average weekly UI benefit amount and the average strike duration (in weeks) of all qualifying strikes (columns  $\mathbf{e} \times \mathbf{f} \times \mathbf{g} = \mathbf{i}$ ). This represents the total benefits that would have been paid to strikers if such legislation had been in place from 2021 to 2024.
- 3. Comparing this total with the sum of state UI expenditures over the same period ( $\mathbf{h} \div \mathbf{i} = \mathbf{j}$ ) reveals that extending UI to strikers would have cost less than 1% of typical state UI expenditures.
- 4. Columns **k** and **l**, as well as **m** and **n**, present scenarios in which union members are assumed to have higher level of UI recipiency, reflecting increased claim rates and benefits paid to striking workers.

Table 6

### Who's on strike?

Strike and participant counts in select states, January 2021–November 2024

State	Waiting period	Qualifying strikes	Qualifying strikers
California	14 days	31	238,663
Connecticut	14 days	2	1,750
Delaware	14 days	0	0
Hawaii	7 days	6	3,282
Illinois	14 days	22	10,368
Maryland	14 days	4	539
Massachusetts	30 days	6	5,665
Minnesota	7 days	10	7,881
New Jersey	7 days	5	2,645
New York	7 days	26	65,177
Ohio	7 days	12	7,569
Oregon	7 days	17	6,843
Pennsylvania	30 days	5	3,988
Rhode Island	7 days	2	132
Washington	7 days	11	11,969

**Note:** The Labor Action Tracker does not disaggregate the number of participants in strikes that span multiple states. To estimate the number of strikers from each state, I use industry employment shares from the Quarterly Census of Employment and Wages. I calculate each state's share of industry employment in the relevant industry and multiply that share by the total number of strike participants. This provides an approximate distribution of strike participants across states.

**Source:** EPI analysis of strike data from the Cornell ILR School and University of Illinois LER Schools' Labor Action Tracker, and state industry employment data from the Bureau of Labor Statistic's Quarterly Census of Employment and Wages May 2023 data.

**Economic Policy Institute** 

## Acknowledgements

I give my thanks to Johnnie Kallas at the University of Illinois LER School and Deepa Kylasam lyer at the Cornell University ILR School for sharing data that comprise the Labor Action Tracker. I extend my gratitude to Emma Cohn for her expert research assistance.

## **Appendix**

### UI for striking workers cost estimates under different recipiency rate scenarios

	a	b	С	d	е	f	g	h	1	j	k	1	m	n
									At current re	cipiency rate		ppt recipiency ite	Assuming 100	0% recipiency
State	Waiting period	Qualifying strikes	eligible strikers	State UI recipiency rate, 2023	Strikers who apply for benefits	UI avg weekly benefit amount	Avg duration of qualifying strikes (weeks)	State UI expenditures, 2021–2024	Estimated benefits paid to strikers, 2021–2024	Striker benefits as % of UI expenditures	Estimated benefits paid to strikers, 2021–2024	Striker benefits as % of UI expenditures	Estimated benefits paid to strikers, 2021–2024	Striker benefits as % of UI expenditures
California	14 days	31	238,663	42.6%	101,688	\$332.89	7.3	\$25,674,516,414	\$245,692,579	0.96%	\$361,020,332	1.41%	\$576,643,537	2.25%
Connecticut	14 days	2	1,750	37.3%	653	\$397.18	3.5	\$2,344,478,976	\$907,751	0.04%	\$1,394,905	0.06%	\$2,432,716	0.10%
Delaware	14 days	0	0	20.2%	0	\$312.30	0.0	\$261,137,971	\$0	0.00%	\$0	0.00%	\$0	0.00%
Hawaii	7 days	6	3,282	38.2%	1,252	\$521.45	7.1	\$819,051,764	\$4,616,610	0.56%	\$7,038,235	0.86%	\$12,102,009	1.48%
Illinois	14 days	22	10,368	31.2%	3,237	\$430.12	5.2	\$8,661,100,873	\$7,223,675	0.08%	\$11,851,005	0.14%	\$23,137,184	0.27%
Maryland	14 days	4	539	29.6%	160	\$347.28	12.6	\$1,576,198,443	\$700,518	0.04%	\$1,170,466	0.07%	\$2,359,870	0.15%
Massachusetts	30 days	6	5,665	60.7%	3,439	\$597.75	16.9	\$7,615,414,867	\$34,799,391	0.46%	\$46,262,980	0.61%	\$57,324,383	0.75%
Minnesota	7 days	10	7,881	49.5%	3,900	\$491.23	3.6	\$4,455,748,870	\$6,951,615	0.16%	\$9,760,961	0.22%	\$14,047,611	0.32%
New Jersey	7 days	5	2,645	49.3%	1,303	\$518.09	7.5	\$9,104,297,783	\$5,053,371	0.06%	\$7,104,071	0.08%	\$10,257,994	0.11%
New York	7 days	26	65,177	40.0%	26,065	\$360.82	5.9	\$12,336,393,670	\$55,447,375	0.45%	\$83,176,244	0.67%	\$138,649,282	1.12%
Ohio	7 days	12	7,569	21.1%	1,598	\$422.90	5.8	\$3,287,773,793	\$3,917,993	0.12%	\$7,630,360	0.23%	\$18,557,751	0.56%
Oregon	7 days	17	6,843	38.7%	2,646	\$476.45	5.0	\$2,601,122,300	\$6,261,019	0.24%	\$9,500,295	0.37%	\$16,192,046	0.62%
Pennsylvania	30 days	5	3,988	35.3%	1,409	\$406.19	8.0	\$7,270,708,323	\$4,594,920	0.06%	\$7,195,368	0.10%	\$13,005,351	0.18%
Rhode Island	7 days	2	132	53.5%	71	\$413.20	16.1	\$739,155,170	\$471,493	0.06%	\$644,586	0.09%	\$876,578	0.12%
Washington	7 days	11	11,969	32.1%	3,846	\$574.08	7.4	\$5,504,827,505	\$16,315,642	0.30%	\$26,469,963	0.48%	\$50,775,329	0.92%
					= c × d				= e * f * g	= <b>h</b> ÷ <b>i</b>	= c × (d + 20%) × f × g	= k ÷ i	= c x f x g	= m ÷ i

Notes: Labor Action Tracker data cover strikes that occurred between January 2021 and November 2024. Unemployment Insurance (UI) recipiency rates are based on data from 2023. State UI expenditure data span January 2021 through November 2024. State average weekly benefit amounts are calculated by dividing benefits paid by weeks compensated.

Source: EPI analysis of strike data from the Labor Action Tracker, a joint project of the Cornell ILR School and the University of Illinois LER School, January 2021–November 2024, unemployment insurance recipiency rates and monthly program data from the U.S. Department of Labor, and industry employment data from the Bureau of Labor Statistics' (BLS) Quarterly Census of Employment and Wages (QCEW), March 2023.

**Economic Policy Institute** 

Economic Policy Institute

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#### TESTIMONY TO THE HAWAI'I HOUSE COMMITTEE ON LABOR

Item: HB 158 – Relating to Unemployment Benefits

**Position: Support** 

Hearing: Thursday, February 6, 2025, 9:00 am, Room 309

Submitter: Osa Tui, Jr., President - Hawai'i State Teachers Association

Dear Chair Sayama, Vice Chair Lee, and members of the committees,

The Hawai'i State Teachers Association (HSTA) <u>supports</u> HB 158 which would allow striking workers to be eligible for unemployment benefits.

We believe this bill helps protect the rights and well-being of Hawai'i's workers. The ability to strike is a fundamental right of workers, allowing them to collectively bargain for fair wages, safe working conditions, and good benefits. However, the financial burden of a strike can be significant, often leading to hardship for workers and their families. By providing unemployment benefits to striking workers, HB 158 would help alleviate some of this burden and ensure that workers are not forced to choose between their fundamental rights and their basic needs.

We strongly recommend the passage of HB 158.

Mahalo.

February 4, 2025

House's Committees on Labor Hawai'i State Capitol 415 South Beretania Street Honolulu, HI 96813

Hearing: Thursday, February 6, 2025 at 9:00 AM

**RE: STRONG SUPPORT for House Bill 158** 

Aloha Chair Sayama, Chair Lee, and fellow committee members,

Pride at Work – Hawai'i is an official chapter of <u>Pride at Work</u> which is a national nonprofit organization that represents LGBTQIA+ union members and their allies. We are an officially recognized constituency group of the AFL-CIO that organizes mutual support between the organized Labor Movement and the LGBTQIA+ Community to further social and economic justice.

Pride at Work - Hawai'i strongly supports House Bill 158, which ensures that workers engaged in a lawful strike are eligible for unemployment benefits. This legislation is a critical step toward protecting workers' rights and ensuring that no one is forced into financial hardship for exercising their fundamental right to collective action.

The right to be in a union and to engage in collective bargaining is enshrined in the Hawai'i State Constitution. Article XIII, Section 2 explicitly states:

"Persons in private employment shall have the right to organize for the purpose of collective bargaining. Persons in public employment shall have the right to organize for the purpose of collective bargaining as provided by law."

This constitutional protection reflects our state's deep commitment to economic justice and the dignity of working people. However, the right to organize is meaningless if workers are punished for exercising it.

Strikes are never undertaken lightly. Workers resort to striking only when they have exhausted all other means to secure fair wages, safe working conditions, and equitable treatment. Yet, under current law, striking workers are unfairly denied unemployment benefits, leaving them vulnerable to financial ruin. This policy disproportionately harms working families and undermines the very principles of fairness and democracy that unions uphold.

HB 158 corrects this injustice by recognizing that striking workers should not be left without a safety net. Allowing workers to access unemployment benefits during a strike ensures that they can stand up for their rights without the fear of losing everything. It also helps level the playing field between workers and employers, reinforcing the fundamental values of fairness and respect in labor negotiations.

We urge this committee to pass HB 158 and stand in solidarity with Hawai'i's working people. Protecting workers' ability to organize and advocate for their rights is not just a matter of policy—it is a matter of principle, deeply rooted in our state's constitution and values.

Mahalo for your time and consideration.

In solidarity,

Michael Golojuch, Jr. (he/him) President <u>Pride at Work – Hawai'i</u>

#### TESTIMONY BEFORE THE HOUSE COMMITTEE ON LABOR

RE: HB 158 - RELATING TO UNEMPLOYMENT BENEFITS

THURSDAY, FEBRUARY 6TH, 2025

TUIA'ANA SCANLAN, CHAIR DEMOCRATIC PARTY OF HAWAI'I LABOR CAUCUS

Chair Sayama, Vice Chair Lee, and Members of the House Committee on Labor,

The Democratic Party of Hawai'i Labor Caucus **strongly supports HB 158**, relating to unemployment benefits.

To quote our mission statement: "We recognize the substantial contributions by organized labor to the improvement of the social, political, and economic well-being of Hawai'i's people and, therefore, honor as a fundamental right of all Hawai'i's workers, the right to organize unions; to bargain collectively over wages, hours and working conditions;[...]"

Unions who have the ability to strike take this step only after exhausting all efforts to reach a fair tentative agreement. Employers who refuse to bargain in good faith and prolong negotiations leave workers in financially difficult situations, sometimes forcing strikes to end prematurely without addressing key issues. HB158 addresses this imbalance by providing financial support to working families during strikes.

The Economic Policy Institute (EPI) (<a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of this bill at just <a href="https://www.epi.org/publication/ui-striking-workers/">https://www.epi.org/publication/ui-striking-workers/</a>) estimates the cost of the cost of

According to the <u>Labor Action Tracker</u>, a collaboration between Cornell University's School of Industrial and Labor Relations and the University of Illinois' School of Labor and Employment Relations, more than half of strikes in Hawaii over the past five years lasted seven days or less. The bill keeps the existing seven-day waiting period for unemployment benefits. UI benefits would only apply in cases of prolonged strikes caused by employers who refuse to negotiate in good faith.

The Democratic Party of Hawai'i Labor Caucus strongly urges your committee to pass HB158. Thank you for the opportunity to testify.



### IATSE LOCAL 665



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INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, MOVING PICTURE TECHNICIANS, ARTISTS AND ALLIED CRAFTS
OF THE UNITED STATES, ITS TERRITORIES AND CANADA, AFL-CIO, CLC

Thirty-Third Legislature, State of Hawai'i Regular Session of 2025 House Committee on Labor Testimony by IATSE 665 February 6th, 2025

### **HB158 - RELATING TO UNEMPLOYMENT BENEFITS**

Aloha Chair Sayama, Vice Chair Lee, and members of the House committee,

My name is Tuia'ana Scanlan, IATSE International Trustee and President of IATSE Local 665, the union representing technicians and artisans in the entertainment industry in Hawai'i. **IATSE 665 strongly supports HB158**, relating to unemployment benefits.

Unions who have the ability to strike take this step only after exhausting all efforts to reach a fair tentative agreement. Employers who refuse to bargain in good faith and prolong negotiations leave workers in financially difficult situations, sometimes forcing strikes to end prematurely without addressing key issues. HB158 addresses this imbalance by providing financial support to working families during strikes.

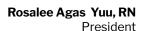
The Economic Policy Institute (EPI) estimates the cost of this bill at just 0.56% of Hawaii's total UI expenditures, demonstrating that HB158 will not significantly impact the state's unemployment insurance fund. EPI research also shows UI access reduces the length of strikes by discouraging employers from avoiding meaningful negotiations. (https://www.epi.org/publication/ui-striking-workers/)

According to the <u>Labor Action Tracker</u>, a collaboration between Cornell University's School of Industrial and Labor Relations and the University of Illinois' School of Labor and Employment Relations, more than half of strikes in Hawaii over the past five years lasted seven days or less. The bill keeps the existing seven-day waiting period for unemployment benefits. UI benefits would only apply in cases of prolonged strikes caused by employers who refuse to negotiate in good faith.

**IATSE 665 strongly supports HB158. We urge your committee to do the same.** Thank you for the opportunity to testify.

In Solidarity,

Tuia'ana Scanlan International Trustee President, IATSE 665 (he/him/his)





1600 Ala Moana Blvd Suite 100 Honolulu, HI 96815

> Tel: (808) 531-1628 Fax: (808) 524-2760

The Thirty-Third Legislature, State of Hawai'i Hawai'i State House Committee on Labor

Testimony by Hawaii Nurses' Association

## TESTIMONY IN SUPPORT OF HB158 – RELATING TO UNEMPLOYMENT BENEFITS

House Committee onLabor February 6, 2025, 9:00 a.m. Conference Room 309, Hawaii State Capitol

Good morning Chair Sayama, Vice Chair Lee, and Honorable Members of the House Committee on Labor:

The Hawai'i Nurses' Association – OPEIU Local 50 is affiliated with the AFL-CIO, was founded in 1917, and represents 4,000 nurses in the State of Hawai'i. We appreciate the opportunity to testify today in <u>strong support</u> of HB158. This bill is crucial in protecting working families and supporting fair labor practices, especially in light of the challenges our members faced during a recent 1 day strike and subsequent 22 day lockout.

#### **Modest Fiscal Impact with Significant Benefits**

According to research by the Economic Policy Institute (EPI), HB158 will cost only 0.56% of Hawaii's total unemployment insurance (UI) expenditures. This minimal fiscal impact demonstrates that we can enhance our UI system to better support workers without straining our state's financial resources. With such a modest cost, HB158 provides a cost-effective way to safeguard our workforce during labor disputes.

#### **Supporting Fair Bargaining and Preventing Exploitation**

Our recent experience—a strike followed by a lockout—highlighted how vulnerable workers can be when employers exploit economic hardship. During this period, many of our members were put in a position where they felt forced to negotiate under duress, with employers using delays and financial pressure as leverage. HB158 directly addresses this issue by ensuring that unemployment benefits are structured to discourage such exploitative practices. By doing so, the bill helps to create an environment where fair bargaining is the norm and employers are held accountable for negotiating in good faith.

#### **Protecting Working Families During Strikes**

The Labor Action Tracker, a collaboration between Cornell University's School of Industrial and Labor Relations and the University of Illinois' School of Labor and Employment Relations, has shown that more than half of strikes in Hawaii over the past five years have lasted seven days or less. HB158 retains the existing seven-day waiting period for unemployment benefits, ensuring that UI support is reserved for situations where prolonged strikes occur due to an employer's refusal to negotiate fairly. This provision is critical; it protects our working families by ensuring that financial assistance is available only in genuine cases of employer-driven disputes, while discouraging employers from using extended strikes as a tactic.

#### **Lessons from Our Recent Experience**

The recent strike and lockout experienced by the Hawaii Nurses' Association serve as a stark reminder of the need for robust worker protections. Our members were directly affected by tactics that leveraged financial hardship to force unfavorable conditions. HB158 will help prevent such scenarios by reinforcing fair labor practices and ensuring that unemployment insurance benefits are appropriately targeted to support workers facing prolonged disputes.

HB158 is not only a fiscally responsible measure but also a vital safeguard for workers in Hawaii. By supporting fair bargaining, preventing exploitation through economic hardship, and protecting working families during strikes, this legislation addresses both the immediate and long-term needs of our workforce. As President of the Hawaii Nurses' Association, I urge you to support HB158 and help secure a more equitable and stable future for all workers in our state.

Thank you for your time and consideration.

Sincerely,

Rosalee Agas Yuu RN President, Hawai'i Nurses' Association

# A F S C M E

#### HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
House of Representatives
Committee on Labor

Testimony by Hawaii Government Employees Association

February 6, 2025

#### H.B. 158— RELATING TO UNEMPLOYMENT BENEFITS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of H.B. 158 which allows striking workers to be eligible for unemployment benefits.

Providing striking workers with unemployment insurance benefits serves the underlying principles of the program, helping to mitigate harm to workers and their families against an unexpected loss of income. People in Hawai'l are often living paycheck to paycheck and don't have the capacity to miss one or several paychecks and still survive. Providing individuals with the income replacement that unemployment insurance provides gives them just enough resources to feed their families and pay their rent.

Thank you for the opportunity to testify in support of H.B. 158.

Respectfully submitted,

Randy Perreira
Executive Director



## IATSE Local 665

#### HAWAII-S TECHNICIANS



### FILM. TELEMSION STAGE AND PROJECTION

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State of Hawai'i The Thirty-Third Legislature House of Representatives Committee on Labor

#### Thursday, February 6, 2025 1:30PM - ROOM 404

#### TESTIMONY IN STRONG SUPPORT OF HB158 – RELATING TO UNEMPLOYMENT BENEFITS

Aloha, Chair Sayama, Vice Chair Lee and members of the committee:

My name is Irish Barber, and I am the Business Representative and head of IATSE Local 665. Our local represents over 800 members who work behind-the-scenes and backstage on feature films, television shows, concerts and conventions across all of the Hawaiian Islands. MAHALO for the opportunity to testify in strong support of HB158.

The entertainment industry is very sporadic. We rely on our unemployment benefits to get through slow periods. In 2021, we nearly went on strike over rest periods and meal breaks. In 2023, we experienced an industry stoppage when the actors and writers went on strike. This past year, our industry experienced a 30% contraction where there is a lack of work nationwide.

When we go on strike, it is always a last resolt because all efforts have been exhausted. It is imperative that when we go on strike, our members are allowed to access the unemployment benefits set aside for us during times of hardship.

HB158 will provide protection to union members who are standing in solidarity against employers who intentionally want to drain their resources. We urge the committee to pass HB158 to protect Hawai'i's workers during a difficult collective bargaining process.

Respectfully submitted,

Irish Barber

**Business Representative** Mobile (808) 479-1770



#### COMMITTEE ON LABOR Rep. Jackson Sayama, Chair Rep. Mike Lee, Vice Chair

February 6, 2025, at 9:00 A.M.

#### RE: HB 158, Relating to Unemployment Benefits

Chair Sayama, Vice Chair Lee, and members of the Committee:

The Society of Human Resource Management – Hawaii ("SHRM")<sup>1</sup> respectfully opposes HB 158, relating to unemployment benefits.

Unemployment insurance (UI) exists to provide financial relief to workers who lose their jobs due to circumstances beyond their control, such as layoffs or company closures. A strike, however, is a voluntary work stoppage initiated as a bargaining tool in labor negotiations. Expanding UI benefits to striking workers would fundamentally shift the program's purpose and create an unfair burden on Hawaii's businesses, the costs of which would ultimately be borne by the whole community. who are not responsible for the lack of available work in these situations.

Further, this measure could unintentionally incentivize prolonged strikes, making labor disputes harder to resolve and creating instability for both workers and employers. This could lead to unintended consequences, such as reduced hiring, increased automation, or relocation of jobs outside of the state. Finally, UI funds should remain available for those who truly need them—workers who are unemployed due to economic downturns or business closures. Redirecting these funds to striking workers could deplete resources meant for individuals who had no choice in their job loss. As human resource management professionals, we believe in fair and balanced policies that protect the workforce while maintaining a sustainable business environment.

Thank you for this opportunity to provide testimony.

Erin Kogen and Rosanne M. Nolan Co-chairs, SHRM Legislative Affairs Committee

<sup>&</sup>lt;sup>1</sup> SHRM Hawaii serves and represents nearly 600 members and employers' statewide and human resource management is a critical component to the success and survival of the many businesses that make up our local economy. HR professionals are responsible for evaluating and balancing the needs of both the employers and employees and caring for businesses' most valuable asset: the working people of our state.



Cade Watanabe, Financial Secretary-Treasurer

Gemma G. Weinstein, President

Eric W. Gill, Senior Vice-President

February 5, 2025

House Committee on Labor (hearing on 2/6/25) Rep. Jackson D. Sayama, Chair Rep. Mike Lee, Vice Chair

#### **Testimony in Strong Support of HB158**

Chair Sayama, Vice Chair Lee, members of the committee,

UNITE HERE Local 5 represents over 10,000 working people in the hotel, foodservice and healthcare industries across Hawaii.

We are in strong support of HB158. Workers in a labor dispute should be entitled to unemployment insurance benefits.

Labor disputes, such as strikes or employer lockouts, are a unique and special circumstance. The employment status of workers temporarily striking is not the same as workers who quit or are fired permanently from their workplace. Strikes and labor disputes are an unusual and relatively rare occurrence in the context of unemployment insurance regulation.

Workers who are on strike or involuntarily locked out of a workplace are not unwilling to work - these workers generally intend to return to the exact same jobs as soon as the dispute is settled. In fact, these are workers so passionate about their working conditions they feel it necessary to risk their short-term financial stability to fight for the work conditions, wages, and benefits that uplift their families, their coworkers' families, and their entire communities. It is because of workers taking on these hardships and risks that working people in Hawai'i have what we have today; and yet it is clear that even the current standards are not enough for people to continue to thrive in Hawai'i. Work stoppages are a short-term, unique and temporary employment status and should be recognized as such by unemployment insurance rules.

In most cases, neither workers nor employers enter a labor dispute with the intention of permanently severing the employment relationship. Labor disputes resulting in work stoppages are unique situations that should qualify affected workers for unemployment benefits.

SB158 will support working class families who take on financial difficulties by exercising their labor rights for the purpose of achieving standards that support our economy and the thriving of our whole community. **We strongly urge you to pass HB158.** 

Thank you for this opportunity to testify.



#### International Brotherhood of Electrical Workers

Telephone Local Union 1357 1103 9th Avenue, Suite 200 • Honolulu, Hawaii 96816 Telephone (808) 941-7761 • Toll-free 1 (800) 994-4239 • Fax (808) 944-4239



Troy J. Benevides Business Manager-Financial Secretary

Darren Sakai President

## The Thirty-Third Legislature House of Representatives Committee on Labor

Testimony by IBEW Local 1357

February 6, 2025

## TESTIMONY IN STRONG SUPPORT OF H8158 - RELATING TO UNEMPLOYMENT BENEFITS

Chair Sayama, Vice Chair Lee, and members of the committee:

IBEW Local 1357 is in strong support of H8158, which expands unemployment insurance eligibility to striking workers. Under current law, individuals are disqualified from receiving unemployment insurance benefits if their unemployment results from a work stoppage caused by a labor dispute at their workplace. This prevents striking workers from accessing financial support and allows employers to use economic hardship as leverage during negotiations.

Hawaii would join New York and New Jersey, which have enacted similar policies, alongside states like Oregon, Minnesota, and Rhode Island, where comparable legislation is advancing. These states recognize that providing unemployment insurance benefits to striking workers is a cost-effective policy that strengthens collective bargaining, promotes fair negotiations, and helps stabilize the economy.

H8158 is an essential step toward protecting workers and ensuring a fair collective bargaining process. We respectfully urge the committee to pass this measure.

Respectfully submitted,

Troy Benevides

Business Manager/Financial Secretary



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: House Committee on Labor

Re: HB 158 – Relating to Unemployment Benefits

Hawai'i State Capitol & Via Videoconference

February 6, 2025, 9:00 AM

Dear Chair Sayama, Vice Chair Lee, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 158**. This bill allows striking workers to be eligible for unemployment benefits.

It is well-established that unions provide major economic benefits for workers and their families and that the right to organize is a key way to boost wages and increase the quality of jobs. When workers make the difficult decision to strike, they should be able to do so without fear of losing their livelihood.

Unemployment insurance for striking workers would provide meaningful benefits to workers at a very low cost to the state. In addition to mitigating some of the economic risk to workers and their families, unemployment benefits help keep dollars flowing to communities and local businesses where a strike is happening.

According to the Economic Policy Institute, providing unemployment insurance for striking workers in Hawai'i would cost **only 0.56% of state unemployment insurance benefits**.<sup>2</sup>

Currently over 30 states provide unemployment insurance coverage during labor disputes.<sup>3</sup> Hawai'i should join the growing number of states that extend unemployment insurance to striking workers, for the good of the strikers, their families, local businesses, and our economy.

Mahalo for the opportunity to provide this testimony. Please pass this bill.

Sincerely,

Nicole Woo

Director of Research and Economic Policy

<sup>&</sup>lt;sup>1</sup> https://www.jec.senate.gov/public/ cache/files/f46bc621-abb1-4cb9-9523-27029254e47b/union-issue-brief-final.pdf

<sup>&</sup>lt;sup>2</sup> https://www.epi.org/publication/ui-striking-workers/

<sup>&</sup>lt;sup>3</sup> Ibid.

#### **HB-158**

Submitted on: 2/4/2025 12:47:22 PM

Testimony for LAB on 2/6/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Michael Olderr	Individual	Support	Written Testimony Only

#### Comments:

With working and labor laws being attacked nationwide, now is the time to encourage and provide more protection to our unions. I support this bill as it gives workers to practice their fundamental right to strike and bargain for better working conditions. If passed, this bill could encourage others to raise their voices and strike if they are trapped in an unsafe working environment.

#### **HB-158**

Submitted on: 2/4/2025 5:11:56 PM

Testimony for LAB on 2/6/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Leslie Lopez	Individual	Support	Written Testimony Only

#### Comments:

Chair Sayama, Vice Chair Lee, and members of the committee: I am writing in support of HB158. According to a reprt by the Economic Policy Institute, unemploymen insurance for striking workers:

- Cost states less than of 1% of total UI expenditures;
- Protect workers, while discouraging employers from engaging in bad faith negotiation tactics;
- Allow workers to advocate for safer, better workplaces—improving job quality standards
  within firms, across industries, and in local economies, for both union and nonunion
  workers; and
- Help maintain workers' right to organize and collectively bargain amid ongoing legal and political attacks on labor standards.

Given that Hawai'i has the highest union density of any state, I respectfuly urge the committee to pass this measure.

Leslie Lopez

<u>HB-158</u> Submitted on: 2/5/2025 8:06:13 AM

Testimony for LAB on 2/6/2025 9:00:00 AM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Kerry Long	Individual	Support	Written Testimony Only

Comments:

Strongly support

#### **HB-158**

Submitted on: 2/5/2025 10:32:28 AM

Testimony for LAB on 2/6/2025 9:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dion Dizon	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support expanding unemployment eligibility to striking workers. It takes a large amount of courage and grit for workers to stand up for themselves. By the time workers have voted to strike, it means that they have been pushed to the point of risking personal financial hardship in order to be heard by the employer.

I appreciate your consideration of my testimony and urge you to pass HB158.

Dion Dizon