

SENATE BILL REPORT

ESB 6578

As of February 13, 1996

Title: An act relating to unemployment compensation for unemployment resulting from unfair labor practices.

Brief Description: Providing unemployment compensation for unemployment resulting from a strike or lockout found to be an unfair labor practice.

Sponsors: Senators Smith, Heavey, Wojahn, Franklin, Pelz, Quigley, Snyder, Fraser, Thibaudeau, Fairley, Spanel, Sutherland, McAuliffe, Loveland, Kohl, Bauer and Goings.

Brief History:

Committee Activity: Labor, Commerce & Trade: 2/1/96 [DP].
Failed Senate, 2/13/96, 23-25.

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; Franklin, Fraser and Wojahn.

Minority Report: Do not pass.

Signed by Senators A. Anderson and Deccio.

Staff: Patrick Woods (786-7430)

Background: Currently workers that are participating in a strike are not eligible to receive unemployment insurance (U.I.) benefits. In addition workers are not eligible to receive U.I. benefits if they are locked out by an employer who is a member of a multi-employer bargaining group and one of its members is undergoing a strike.

The National Labor Relations Act (NLRA) governs the relationship between employers and employees with regard to collective bargaining. Under the act, certain activities by employers and employees are considered unfair labor practices (ULP). A listing of unfair labor practices for employers under the National Labor Relations Act includes: (1) to interfere, restrain or coerce employees in the exercise of their rights; (2) to interfere with the formation or administration of a labor organization; (3) to discriminate against employees to adversely impact a labor organization; (4) to discharge an employee that has testified under the NLRA; (5) to refuse to bargain in good faith with employee representatives.

Currently during strikes or lockouts where the employer is determined by the National Labor Relations Board to have committed a ULP, it is unlawful to discharge or permanently replace the workers.

Summary of Bill: Workers involved in a strike or lockout are eligible to receive unemployment benefits if the labor dispute is determined by a sitting judge to be due to an employer's unfair labor practice.

Overpayments are not assessed by the Employment Security Department on a striking or locked out worker's unemployment payments if: (1) the worker receives back payments due to the labor settlement package.

Back payments to workers which are made under these circumstances are not credited to a worker's unemployment base year or attributed to the employer's unemployment insurance account.

Appropriation: None.

Fiscal Note: Requested on January 26, 1996.

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

Testimony For: The bill expands the rights of workers that are being unfairly treated by an employer who commits an unfair labor practice (ULP). Currently, if an employer is found to have committed an ULP, they may not discharge or permanently replace their striking or locked out workers. By allowing workers to receive unemployment insurance benefits under these specific circumstances, employers will be reluctant to commit ULPs and employees' interests will be safeguarded.

Testimony Against: Providing unemployment insurance benefits to striking or locked out workers greatly upsets the existing balance between employees or workers to the disadvantage of the employer. Also providing additional rights to workers attempts to supersede federal law and is beyond the state's jurisdiction. Technically the bill triggers benefits to workers at an administrative law judge level, which merely is the first step in the National Labor Relations Board review process.

Testified: Clif Finch, AWB (con); Carolyn Logue, NFIB (con); Jeff Johnson, WSLC - AFL/CIO (pro); Wayne Withrow, AFSCME/WSCCCE (pro); Linda Lanham, Mark Brown, IAM & AW Dist. 75 (pro).