

SENATE BILL REPORT

SB 6754

As Reported By Senate Committee On:
Labor, Commerce & Financial Institutions, February 7, 2002

Title: An act relating to allowing unemployment benefits during lockouts.

Brief Description: Allowing unemployment benefits during lockouts.

Sponsors: Senators Franklin, Fairley, B. Sheldon, Prentice, Brown, Rasmussen, Fraser, McAuliffe, Costa, Shin, Gardner, Kohl-Welles, Thibaudeau, Spanel, Jacobsen, Regala, Kline and Keiser.

Brief History:

Committee Activity: Labor, Commerce & Financial Institutions: 2/6/02, 2/7/02 [DP, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Keiser, Vice Chair; Fairley, Franklin, Gardner, Rasmussen and Regala.

Minority Report: Do not pass.

Signed by Senators Hochstatter and Honeyford.

Staff: Kim Johnson (786-7486)

Background: In a labor dispute, a "lockout" is a management action preventing employees from performing work in the organization until a labor settlement is reached. Workers may be physically prevented from entering the workplace.

Some lockouts are legal, depending upon criteria established under case law. Some lockouts are illegal if they are attempts to prevent legitimate union participation or to avoid good faith bargaining.

Workers who are unemployed due to a lockout may exhaust their unemployment insurance benefits and may experience financial stress and difficulty finding new employment.

Summary of Bill: Maximum unemployment insurance benefits are extended for workers who are unemployed due to a lockout. Benefits are payable until the lockout is terminated or until the worker has received 60 weeks of benefits, whichever occurs first. The employer or employer's successor entity is chargeable for the benefits.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Lockouts have a severe impact on workers and their families. Long-term lockouts are especially devastating. Lockouts burden the local services by forcing employees to rely on food banks and social services. Often other employers will not hire workers who are locked out. Lockouts for long periods of time are very coercive.

Testimony Against: It is unfair to subsidize employees in a lockout situation while industry is not compensated when workers strike. This bill would cause an imbalance in existing laws governing labor disputes. This bill would penalize an employer for exercising their rights under the NLRA and will not survive federal preemption.

Testified: Dan Sexton, WA State Assn. of Plumbers and Pipefitters (pro); Clif Finch, AWB (con); Arlan Hodneland, USWA (pro); Richard King, IBEW L46 et. al (pro); Jeff Johnson, WA State Labor Council (pro).