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**Labor & Workplace Standards  
Committee**

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**HB 1893**

**Brief Description:** Concerning unemployment insurance benefits for striking or lockout workers.

**Sponsors:** Representatives Doglio, Berry, Fosse, Reeves, Farivar, Hackney, Ryu, Ortiz-Self, Orwall, Callan, Macri, Goodman, Senn, Slatter, Riccelli, Tharinger, Bronoske, Ramel, Wylie, Pollet, Cortes, Chopp, Bergquist, Berg, Fey, Donaghy, Reed, Street, Stonier, Kloba, Leavitt, Mena, Simmons, Morgan, Alvarado, Walen, Taylor, Peterson, Ormsby, Stearns, Thai, Bateman, Duerr and Ramos.

**Brief Summary of Bill**

- Removes the prohibition against receiving unemployment insurance (UI) benefits for workers unemployed due to an employer-initiated lockout resulting from a strike against another employer in a multi-employer bargaining unit.
- Allows striking workers to qualify for UI benefits on the Sunday following the first day of a strike.

**Hearing Date:** 1/9/24

**Staff:** Kelly Leonard (786-7147).

**Background:**

Unemployment Insurance.

The unemployment insurance (UI) system, administered by the Employment Security Department, is designed to provide partial wage replacement for unemployed workers. A worker

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is eligible to receive benefits if he or she: worked at least 680 hours in covered employment in his or her base year; was separated from employment through no fault of his or her own or quit work for good cause; is able to work; and is actively searching for work. The current maximum weekly benefit amount is \$1,019. With some exceptions, a worker must be eligible for a one-week waiting period before receiving benefits.

Benefits are financed through contributions paid by employers, commonly referred to as payroll taxes. An employer's contributions are determined by multiple factors, including an experience rating based on the benefits paid to its employees. By default, benefits are proportionally charged to base-year employers according to the amount of wages paid to the person by each employer in the person's base year compared to the wages paid by all employers. In some specific instances, benefits are charged only to the separating employer, and in other instances, benefits are not charged to any employer. If benefits are not charged to any employer, those costs are socialized and shared evenly by all employers participating in the UI system.

#### Strikes and Lockouts.

A worker is disqualified from receiving benefits if he or she is unemployed because of either:

- a strike; or
- a lockout initiated by an employer, who is a member of a multi-employer bargaining unit, after another member of the multi-employer bargaining unit has been struck by its employees as a result of the multi-employer bargaining process.

The disqualification does not apply if the worker is not financing, or participating or directly interested in the strike or lockout, and if the worker does not belong to a grade or class of workers financing, or participating or directly interested in the strike or lockout.

The disqualification coincides with the strike or lockout, and therefore ends when the strike or lockout is terminated.

#### **Summary of Bill:**

The disqualification based on a lockout of employees in a multi-employer bargaining unit is removed, thereby allowing those workers to qualify for UI benefits.

The time period for which striking workers are disqualified from benefits is modified, thereby allowing striking workers to receive benefits in some instances. The disqualification ends at the earlier of the Sunday following: the first day of the strike; or the date the strike is terminated. The worker is subject to the one-week waiting period before receiving benefits. Benefits paid to striking workers are not directly charged to contribution-paying employers, meaning the costs are socialized and evenly shared by all employers participating in the UI system.

**Appropriation:** None.

**Fiscal Note:** Requested on January 2, 2024.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.