



House of Representatives

General Assembly

File No. 78

February Session, 2024

Substitute House Bill No. 5164

House of Representatives, March 21, 2024

The Committee on Labor and Public Employees reported through REP. SANCHEZ, E. of the 24th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING UNEMPLOYMENT BENEFITS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (3) of subsection (a) of section 31-236 of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2024*):

4 (3) During any week in which the administrator finds that the
5 individual's total or partial unemployment is due to the existence of a
6 labor dispute other than a lockout at the factory, establishment or other
7 premises at which the individual is or has been employed, [provided]
8 except that the provisions of this subsection do not apply if it is shown
9 to the satisfaction of the administrator that: (A) For a labor dispute that
10 begins on or after December 14, 2025, such labor dispute has been
11 continuous for fourteen days since the commencement of such labor
12 dispute; (B) (i) the individual is not participating in or financing or
13 directly interested in the labor dispute that caused the unemployment,
14 and [(B)] (ii) the individual does not belong to a trade, class or

15 organization of workers, members of which, immediately before the
 16 commencement of the labor dispute, were employed at the premises at
 17 which the labor dispute occurred, and are participating in or financing
 18 or directly interested in the dispute; or (C) the individual's
 19 unemployment is due to the existence of a lockout. A lockout exists
 20 whether or not such action is to obtain for the employer more
 21 advantageous terms when an employer (i) fails to provide employment
 22 to its employees with whom the employer is engaged in a labor dispute,
 23 either by physically closing its plant or informing its employees that
 24 there will be no work until the labor dispute has terminated, or (ii)
 25 makes an announcement that work will be available after the expiration
 26 of the existing contract only under terms and conditions that are less
 27 favorable to the employees than those current immediately prior to such
 28 announcement; provided in either event the recognized or certified
 29 bargaining agent shall have advised the employer that the employees
 30 with whom the employer is engaged in the labor dispute are ready, able
 31 and willing to continue working pending the negotiation of a new
 32 contract under the terms and conditions current immediately prior to
 33 such announcement;

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2024	31-236(a)(3)

LAB *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Labor Dept.	UITF - Potential Cost	See Below	See Below
Labor Dept.	UITF - Potential Revenue Gain	See Below	See Below
Labor Dept.	GF - Cost	197,000	197,000

Note: UITF=Unemployment Insurance Trust Fund; GF=General Fund

Municipal Impact: None

Explanation

The bill, which makes striking workers eligible for unemployment benefits after they have been on strike for 14 consecutive days, results in a potential cost and potential revenue gain to the Unemployment Insurance Trust Fund. In addition, the bill results in a one-time cost of \$396,000 cost to the General Fund, which would be split evenly between FY 25 and FY 26.

To the extent any striking workers become eligible for unemployment benefits as a result of the bill, this would result in a cost to the trust fund. Subsequent increases in experience ratings by employers would result in increased tax revenue to the trust fund on a lagged basis. The amounts are dependent on striking workers' benefits and affected employers' experience ratings.

Additionally, the bill would require the Labor Department to make state-specific technology changes to ReEmployCT, the unemployment

insurance administration system, which results in a cost of \$197,000 for FY 25 and FY 26 (\$396,000 in total).

The Out Years

State Impact: The annualized ongoing fiscal impact identified above for the trust fund would continue into the future subject to the number of workers and employers affected. There are no fiscal impacts to the General Fund beyond FY 26.

Municipal Impact: None

OLR Bill Analysis

sHB 5164

AN ACT CONCERNING UNEMPLOYMENT BENEFITS.

SUMMARY

For labor disputes that start on or after December 14, 2025, this bill generally makes striking workers eligible for unemployment benefits after they have been on strike for 14 consecutive days. Current law generally disqualifies claimants for benefits during any week in which their unemployment is due to a labor dispute. The bill lifts this disqualification once the labor dispute has been continuous for 14 days since it began.

Existing law also allows claimants to qualify for benefits during a labor dispute, with no waiting period, if the (1) unemployment is due to a lockout (e.g., the employer closed the employment premises) or (2) claimant is not participating in the dispute and does not belong to a trade, class, or organization of workers that is participating in, financing, or directly interested in the dispute (e.g., non-union employees at a business temporarily closed by a strike).

EFFECTIVE DATE: October 1, 2024

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 8 Nay 4 (03/07/2024)