



**House Bill 6904, An Act Concerning Unemployment
Benefits for Striking Workers**

Labor and Public Employees Committee
February 17, 2025

The Connecticut River Valley Chamber of Commerce (CRVCC) represents the collective interests of more than 550 member companies and businesses serving Glastonbury, East Hartford, Hebron and Marlborough. CRVCC members employ thousands of workers across every sector of the economy in the Greater Hartford area; they support public policies that foster a strong economic climate and enhance a regional business environment. The Chamber is a thriving community of business leaders, entrepreneurs, and organizations dedicated to driving growth and success in the Connecticut River Valley.

House Bill 6904 would allow employees involved in a labor dispute to qualify for unemployment benefits after being on strike for fourteen consecutive days. The bill is identical to sec. 10 of Senate Bill 8, also pending before the Labor Committee.

CRVCC is **strongly opposed to House Bill 6904** and respectfully requests that the committee **reject the bill**. It could have significant adverse and unintended consequences for the state's economy, businesses and employees. All businesses will be impacted, even if their labor force is not organized, since all employers pay into the Unemployment Insurance Trust Fund. With the exception of New York, no other state allows actively striking workers to receive unemployment benefits.

Employers in Connecticut and CRVCC members are already doing all they can to make ends meet and grow their workforce. Our members cite the cost of doing business as one of the biggest hurdles to growing their workforce and keeping costs down.

House Bill 6904 will not make the cost of doing business in Connecticut more affordable. Indeed, the bill will inevitably increase costs for our members and employers across the state.

Allowing workers to collect unemployment benefits while striking would directly contradict the fundamental principles of unemployment insurance, which is intended to support those who are involuntarily unemployed. Current law determines that unemployment benefits are available for those who are unemployed through no fault of their own, actively looking for work, and are available for work.

Workers involved in a labor dispute are not eligible for unemployment benefits based on any of the three qualifying factors in state statute.

A strike is the exact opposite of employees being unemployed through no fault of their own; it is a choice made by workers who have not lost their jobs. Striking workers are not actively seeking employment. And, if employees are picketing their workplace, they are not available for work.

Strikes are damaging for both employees and employers. The bill shifts the entire financial burden of a strike to employers.

House Bill 6904 will likely cause unemployment taxes to increase significantly for businesses, regardless of whether or not employees choose to go on strike. Additionally, the possibility of all employers having to provide unemployment benefits for striking workers would put the state's Unemployment Insurance Trust Fund at risk of insolvency.

The bill will negatively impact the state's troubled UI Trust Fund, which employers fund. The state borrowed more than \$1 billion from the federal government for the fund during the pandemic, leading to costly surcharges on employers. They incurred millions of dollars of debt during the pandemic to ensure that every eligible unemployed worker received benefits. Employers are now at risk of seeing an unprecedented increase in UI taxes, as well as the unintended consequences of incentivizing people to go on strike, as opposed to settling a labor dispute fairly and in a timely manner.

The unemployment trust fund is a critical safety net that must be preserved for qualified employees who have found themselves out of work and are in need. The fund, particularly given its precarious position, recent debts and potential lack of solvency, should not be treated as a source of revenue to fund policy goals or to provide leverage in disputes between employers and employees.

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