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CALIFORNIA LABOR FEDERATION * STATE BUILDING AND CONSTRUCTION TRADES COUNCIL

FACT SHEET

AB 1066 (Gonzalez)

UNEMPLOYMENT INSURANCE FOR STRIKING OR LOCKED OUT WORKERS

Purpose

To guarantee striking or locked out workers access to unemployment insurance benefits for the duration of the dispute or when replacement workers are hired.

Background

No right is more fundamental to the Labor Movement than the right to strike. Since the first documented strike in America, which took place in 1619, workers have treasured their right to withhold labor when circumstances call for such drastic action. While not all workers currently have legal access to strike, those who do will fight to protect it from efforts by employers, governments, or anyone else to weaken this core right.

Recent years have seen an inspiring resurgence of workers' willingness to use this fundamental right, from teachers to hotel workers to communications workers and everyone in between. Across California, many workers are standing together to fight back against mistreatment, disrespect, low wages, and other forms of exploitation on the job. With often stunning success, the recent wave of strikes has brought this time-honored tool back to the forefront of Labor's efforts to create the workplaces—and the state—we all deserve.

However, going out on strike remains a major sacrifice, no matter how necessary. Workers lose all wages, usually leaving families unable to meet basic needs. This temporary crisis can lead to permanent consequences such as poor credit, repossessed vehicles, and even foreclosed homes. Strike benefits are sometimes available, but rarely enough to avoid major hardships on families. Striking is an extreme last resort that no worker wants, but all too often, severe mistreatment by employers leave no other option.

Landlords, banks, and creditors offer little sympathy for the struggles of those who are locked out or on strike. This creates pressure on individual strikers, as well as entire bargaining units, to settle with employers and end the strike prematurely to avoid additional harm. This translates into less effective strike actions and weaker collective bargaining agreements.

Meanwhile, California's unemployment insurance (UI) program offers modest but essential assistance to those unemployed through no fault of their own. After a week waiting period, UI recipients earn \$40-\$450 per week, based on qualifying wages, for up to 26 weeks. While a far cry from what was actually lost, these benefits provide a critically important lifeline to those unable to work despite being ready, able, and willing to do so.

While UI greatly assists workers, it also exists to help the business community, given that unemployed workers with no income typically can't pay bills, buy groceries, or otherwise meaningfully participate in the economy. These benefits then allow unemployed workers to keep themselves, as well as local businesses and creditors afloat.

What This Bill Will Do

AB 1066 (Gonzalez) will allow striking or locked out workers to receive UI benefits for the duration of the dispute. The bill will be modeled on New York state statute upheld by the U.S. Supreme Court and found to not be preempted by the National Labor Relations Act (NLRA).

This bill simply furthers the primary goal of the unemployment insurance program, which is to assist unemployed workers and their communities when suitable work is unavailable and all other legal criteria are met.

Sponsors

- California Labor Federation
- Communications Workers of America,
District 9
- United Food and Commercial Workers
Western States Council

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