

TO: The Honorable Members of the PA House Labor & Industry Committee

FROM: Alex Halper, Senior Vice President, Government Affairs

DATE: September 29, 2025

RE: PA Chamber memo: Oppose H.B. 145 - Paying People to Strike

The PA Chamber urges you to oppose H.B. 145, to provide unemployment compensation (UC) benefits for striking workers, which the Committee is scheduled to consider this week.

UC is a critical safety net for individuals who have lost their job through no fault of their own as they actively seek new employment. Pennsylvania employers pay some of the highest UC taxes in the country – over 50 percent higher than the national average – to finance one of the more generous systems for UC benefits in the country.

H.B. 145 would extend UC eligibility to those who voluntarily go on strike and we oppose for a number of reasons:

- Competitiveness: Currently only two states pay benefits to striking workers and California Democratic Governor Gavin Newsom recently vetoed similar legislation. This proposal makes Pennsylvania a less attractive place to do business.
- Tax increases: This proposal not only unfairly tilts the playing field, it will also
 mean higher taxes on these employers, since UC tax rates are based on employer
 experience.
- Violates Federal law: Section 303(a)(12) of the Social Security Act states that a "claimant must be able to work, available to work, and actively seeking work," which is contrary to H.B. 145.
- Cost: Pennsylvania's UC trust fund is below an acceptable solvency level according
 to federal standards and this proposal will exacerbate the current strain on the
 fund.

The federal government and states have considered criteria for UC eligibility during work-stoppages – for example, providing eligibility in the event of a lockout or during a strike if the working conditions or terms of employment have changed. Additionally, unions establish funds to pay workers if they voluntarily go on strike. This proposal would reverse a precedent that has been agreed to for nearly 90 years.

We urge you to oppose H.B. 145. Please contact Alex Halper at ahalper@pachamber.org or 717-645-8730 with questions or to discuss.

<u>Click here</u> to check the PA Chamber Legislative Scorecard.