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California State Senate

SENATOR BRIAN DAHLE

FIRST SENATE DISTRICT



VICE CHAIR

ENERGY, UTILITIES
& COMMUNICATIONS

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BUDGET & FISCAL REVIEW SUBCOMMITTEE #2 ON RESOURCES, ENVIRONMENTAL PROTECTION, & ENERGY

GOVERNANCE & FINANCE

NATURAL RESOURCES & WATER

TRANSPORTATION

September 25, 2023

Honorable Gavin Newsom Governor, State of California 1021 O Street, Suite 9000 Sacramento, CA 95814

RE: Request for Veto of SB 799 (Portantino)

Dear Governor Newsom:

I write to you to respectfully request a veto of Senate Bill 799, which will make striking employees eligible for unemployment benefits after the first two weeks of a strike.

This bill will harm businesses throughout California and contradicts current law. Unemployment benefits are meant for those who lose their jobs due to no fault of their own, not those who willingly enter a strike in the midst of a labor dispute. The UI fund is already strained enough as it is and this bill will only make the problem worse.

SB 799 places yet another burdensome cost on all California businesses, not just the ones with the striking workers. Business owners are the ones who pay into the UI fund. Expanding benefit eligibility will require all businesses to pay higher taxes to support the fund. This means that even businesses not involved with the strike will be forced to pay for it. We should be doing all we can to keep businesses in California, not driving up their costs even further.

It is not appropriate for the State to control how private businesses conduct labor negotiations, but this bill disregards that and picks the winners and losers of those disputes. Allowing striking workers to receive unemployment benefits puts businesses at a massive disadvantage because this bill essentially requires employers to pay employees to strike against them. Workers will be incentivized to not go back to work and continue striking. As a small business owner, I know just how devastating this will be to all California businesses, especially small businesses.

For these reasons, I respectfully request your veto of this measure.

Sincerely,

BRIAN DAHLE Senator, 1st District