

## **Testimony on H.338**

## Presented to

Vermont House Committee on Commerce and Economic Development

February 2025

Hayden Dublois, *Visiting Fellow* FGA Action Chair Marcotte, Vice Chair Graning, and Members of the Committee:

Thank you for the opportunity to submit written testimony regarding H.338, an act relating to unemployment compensation. My name is Hayden Dublois; I am a Visiting Fellow at FGA Action, a non-profit organization dedicated to advancing commonsense reforms in a variety of policy areas, including unemployment insurance. As a former Vermonter myself, I always appreciate the opportunity to weigh in on these discussions on issues of substantial policy importance. For the reasons outlined below, I would request that the committee decline to advance H.338.

If implemented, H.338 would permit workers to collect unemployment insurance compensation while on strike.<sup>1</sup> Historically, unemployment insurance has been reserved for individuals truly in need of compensation due to a legitimate separation from employment, such as termination. Expanding unemployment insurance compensation would not only break this precedent, **but could dramatically increase the burden on employers paying into the state's unemployment insurance trust fund and deplete resources for vulnerable Vermonters who are experiencing difficult times.** 

**Currently, 48 out of 50 states—including Vermont—do not permit workers on strike to collect unemployment insurance while on strike**, and for good reason: These workers have not been separated from their employer.<sup>2</sup> This type of legislation has even failed in states like California, which typically has policies that are overly generous to organized labor.<sup>3</sup>

Today, Vermont's average unemployment insurance tax rate ranks in the top 10 highest in the nation according to the U.S. Department of Labor, more than four times higher than neighboring New Hampshire.<sup>4</sup> Adding yet another category of workers—who technically remain employed—to be categorically eligible for unemployment insurance compensation would only further exacerbate the state's underlying economic challenges.

## For these reasons, H.338 should not be advanced out of committee.

Thank you again for the opportunity to submit written testimony on this important matter.

<sup>&</sup>lt;sup>1</sup> Vermont General Assembly, "H.338," State of Vermont (2025), <u>https://legislature.vermont.gov/bill/status/2026/H.338</u>.

<sup>&</sup>lt;sup>2</sup> Fisher Phillips, "More States Consider Unemployment Benefits for Striking Workers: What Employers Should Know About This Growing Trend," Fisher Phillips (2025), <u>https://www.fisherphillips.com/en/news-insights/more-states-consider-unemployment-benefits-for-striking-workers.html</u>. <sup>3</sup> Ibid

<sup>&</sup>lt;sup>4</sup> Employment and Training Administration, "Q4 2024 Summary Table," U.S. Department of Labor (2025), <u>https://oui.doleta.gov/unemploy/data\_summary/SummaryTables.pdf.</u>