



Wednesday, March 13<sup>th</sup>, 2024

Chair Champion and Senate Jobs & Economic Development Committee Members -

On behalf of the Associated Builders and Contractors of Minnesota, a statewide organization that represents 340 merit shop construction industry members and their 20,000+ employees, we request a **NO** vote on SF 3588. Our local contractor members, and the men and women that they employ, are part of the 75% of the construction industry in Minnesota that choose to be merit shop craft professionals. Our members are located throughout Minnesota and build our schools, multi-family housing, retail and commercial spaces, medical facilities, energy, and other critical infrastructure, and much more.

Although our members primarily employ workers who choose not to be part of a union, we are opposed to SF 3588 on the basis that it will increase unemployment insurance (UI) costs for all employers by allowing striking workers to collect UI benefits almost immediately and to collect benefits if the employer hires a replacement worker to cover the striking worker's duties. Since the UI Trust Fund is funded by employers, all employers will essentially be required to pay for labor disputes that they are not involved in.

ABC also fundamentally believes that the purpose of Minnesota's Unemployment Insurance system is to provide workers who were laid off, through no fault of their own, with benefits. Striking workers who make the choice to walk off the job do not meet the spirit of the underlying purpose of Minnesota's Unemployment Insurance system, and should not be eligible for unemployment benefits.

We respectfully request that the committee vote **NO** on SF 3588.

Sincerely,

Jon Boesche  
Director of Government & Public Affairs  
Associated Builders and Contractors MN/ND Chapter