

The ECONOMICS Act

Ensuring Continued Operations and No Other Major Incidents, Closures, or Slowdowns

Background: From Late 2014 through February 2015, a dispute between the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union (ILWU) drastically slowed import and export traffic at 29 West Coast ports, paralyzing the economy west of the Mississippi River. Agricultural producers, retailers, manufacturers, and countless other businesses and consumers suffered, and were unable to reliably get goods through the ports. The impact on American businesses equated to billions of dollars in damages, impacting thousands of jobs, and causing lost market share to foreign competitors.

While employer and employees should be entitled to healthy negotiations, disputes cannot be allowed to paralyze our economy, as the ports slowdown did. A definitive line should be drawn to require the Administration to act to investigate a dispute and prevent unnecessary harm.

The ECONOMICS Act: Under existing law, the President has the emergency authority to appoint a Board of Inquiry to recommend whether a judicial injunction should be sought in a dispute. The *Ensuring Continued Operations and No Other Major Incidents, Closures, or Slowdowns Act* – or The ECONOMICS Act – puts in place specific “triggers,” so that when certain economic impacts surrounding a dispute occur, a Board of Inquiry *must* be convened, and the Board is required to report to the President and the public to recommend whether there should be a judicial injunction.

These triggers include:

- Number of Ports: When a labor dispute occurs at 4 or more port facilities
- Number of Employees: When the number of affected employees at ports totals 6,000 or more
- Drop in Exports: When U.S. exports drop 15% or more in one month, or 5% or more in two consecutive months

The ECONOMICS Act also widens the definition of “strike” throughout U.S. labor law to clarify that the President has broad authority to intervene in a variety of disruptions – including slowdowns, strikes, lock-outs, or threatened strikes or lock-outs. This change in definition will also apply to economic impact triggers

The Goal: The purpose of The ECONOMICS Act is to require an objective standard that defines when a dispute has reached a level of economic impact to require possible intervention. In the heat of a dispute, this threshold can be hard to determine or agree upon. By requiring an objective standard for economic impact before a dispute takes place, disputes can be prevented from paralyzing our economy, costing jobs, and harming businesses and consumers alike.