

COALITION FOR A DEMOCRATIC WORKPLACE

October 1, 2015

Dear Chairmen Alexander, Kline, Isakson and Roe:

On behalf of the millions of American businesses concerned with the rights of their employees, the fragile economy, and the need for balance in federal regulation, the Coalition for a Democratic Workplace (CDW) writes to thank you for introducing the Protecting Local Business Opportunity Act (S. 2015/H.R. 3549). The bill will restore the longstanding “joint employer” standard under the National Labor Relations Act—a standard that has paved the way for franchisors, franchisees, contractors, subcontractors and other businesses to create millions of jobs and has allowed hundreds of thousands to achieve the American dream of small business ownership.

CDW is a broad-based coalition of over 600 organizations representing millions of businesses, which employ tens of millions of employees nationwide in nearly every industry. CDW members are joined by their mutual concern over recent actions by the National Labor Relations Board (NLRB or Board), which threaten entrepreneurs, other employers, employees and economic growth.

On August 27, 2015, the NLRB issued its decision in *Browning-Ferris Industries* overturning the 30 year-old “joint employer” standard for determining, with respect to a certain group of employees, when one company is liable for the labor practices of another separate company under the NLRA. Until the Board’s recent ruling, two separate entities were only considered “joint-employers” when they both exercised “direct and immediate” control over “essential terms and conditions of employment.” In *Browning-Ferris Industries*, the Board announced it will now also impose joint employer liability where an entity has “indirect” control and “unexercised potential” of control over another entity’s employees. As noted by the Board’s two dissenting members, this new rule will “subject countless entities to unprecedented new joint-bargaining obligations that most do not even know they have, to potential liability for unfair labor practices and breaches of collective bargaining agreements, and to economic protest activity, including what have heretofore been unlawful secondary strikes, boycotts and picketing.”

The decision threatens to disrupt hundreds of thousands of business relationships to the detriment of entrepreneurs, other small businesses and their employees. We thank you for introducing this much-needed legislation and urge Congress to pass it quickly.

Sincerely,

The Coalition for a Democratic Workplace
and the following organizations:

ACCA- The Indoor Environment & Energy Efficiency Association
Aeronautical Repair Station Association
American Bakers Association
American Fuel & Petrochemical Manufacturers
American Fire Sprinkler Association
American Foundry Society
American Home Furnishings Alliance
American Hospital Association
American Hotel & Lodging Association
American Moving & Storage Association
American Pipeline Contractors Association
American Staffing Association
American Supply Association
American Trucking Associations
AmericanHort
Arizona Builders Alliance
Asian American Hotel Owners Association
Assisted Living Federation of America
Associated Builders & Contractors
Associated Builders & Contractors, Central Florida Chapter
Associated Builders & Contractors, Delaware Chapter
Associated Builders & Contractors, Eastern Pennsylvania Chapter
Associated Builders & Contractors, Florida East Coast Chapter
Associated Builders & Contractors, Hawaii Chapter
Associated Builders & Contractors, Indiana & Kentucky Chapter
Associated Builders & Contractors, Mississippi Chapter
Associated Builders & Contractors of Greater Houston
Associated Builders & Contractors of Oklahoma
Associated Builders & Contractors, Pelican Chapter
Associated Builders & Contractors, Rhode Island Chapter
Associated Builders & Contractors, Rocky Mountain Chapter
Associated Builders & Contractors, South Texas Chapter
Associated Builders & Contractors, Virginia Chapter
Associated Equipment Distributors
Associated General Contractors
California Delivery Association
Cardinal Health
CAWA- Representing the Automotive Parts Industry
Center for Individual Freedom
Center for the Defense of Free Enterprise
Coalition of Franchisee Associations
Food Marketing Institute
Forging Industry Association
Foundry Association of Michigan
Franchise Business Services
Global Cold Chain Alliance
Heating, Air-Conditioning & Refrigeration Distributors International
HR Policy Association
Independent Electrical Contractors, Inc.

Independent Office Products & Furniture Dealers Alliance
Indiana Cast Metals Association
Industrial Fasteners Institute
Industrial Supply Association
Industrial Supply Chain Association
Interlocking Concrete Pavement Institute
International Council of Shopping Centers
International Foodservice Distributors Association
International Franchise Association
International Sign Association
International Warehouse Logistics Association
Metals Service Center Institute
Minnesota Grocers Association
Montana Chamber of Commerce
Motor & Equipment Manufacturers Association
NASTO, Representing America's Travel Plazas and Truckstops
National Apartment Association
National Association of Home Builders
National Association of Manufacturers
National Association of Wholesaler-Distributors
National Club Association
National Concrete Masonry Industry
National Council of Chain Restaurants
National Federation of Independent Business
National Franchisee Association
National Grocers Association
National Lumber & Building Material Dealers Association
National Multifamily Housing Council
National Office Products Alliance
National Pest Management Association
National Precast Concrete Association
National Ready Mixed Concrete Association
National Retail Federation
National Roofing Contractors Association
National Small Business Association
National Stone, Sand and Gravel Association
National Tooling and Machining Association
Nebraska Chamber of Commerce & Industry
Nebraska Grocery Industry Association
North American Die Casting Association
Northeastern Retail Lumber Association
Ohio Cast Metals Association
Office Furniture Dealers Alliance
Pennsylvania Foundry Association
Precision Machined Products Association
Precision Metalforming Association
Retail Industry Leaders Association
Society for Human Resource Management
Society of American Florists
Texas Cast Metals Association
Textile Rental Services Association

Truck Renting and Leasing Association
U.S. Chamber of Commerce
Wood Floor Covering Association
Wisconsin Cast Metals Association
World Millwork Alliance
Zimolong LLC