



**AS PREPARED FOR DELIVERY
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**Opening Statement of Rep. Earl L. "Buddy" Carter (R-GA)
Hearing on "Redefining 'Employer' and the Impact on Georgia's Workers and Small
Business Owners"**

Good morning! I would first like to thank everyone for coming out this morning to learning more about this very important issue to the small business community. Second, I would like to thank Chairman Roe and the other Congressional members for holding this hearing in Savannah, Georgia, and for allowing me to show you around Savannah the last few days. It has been an honor and a privilege.

Earlier this year, the National Labor Relations Board announced that they were proposing to change the existing joint-employer standard. The new joint-employer standard by the NLRB has major implications for every small business community across the country. Essentially, the new rule would turn franchisees from small business owners into managers and would result in franchisors limiting their expansion because of undue legal liabilities. From retail stores to financial service providers, almost every business in every community in the country would be affected.

In Savannah, there are countless businesses that run under the franchisee-franchisor model. Whether it is the Hilton or McDonalds. With this new rule, Savannah small businesses would be subjected to legal liabilities that they have never been subjected to before, causing many businesses to shut their doors.

That is why we are here today. We can't continue to allow the government to enact rules and regulations that squeeze small businesses until they close their doors.

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U.S. House Committee on Education and the Workforce