



September 15, 2015

Dear Chairmen Alexander, Kline, Isakson, and Roe:

On behalf of Associated Builders and Contractors (ABC), a national construction industry trade association with 70 chapters representing nearly 21,000 chapter members, I write to thank you for introducing the Protecting Local Business Opportunity Act (S. 2015/H.R. 3549), which will help restore the “joint employer” standard that has been in place for over 30 years and bring stability back into the economy for contractors and subcontractors across the country.

On August 27, 2015, the National Labor Relations Board (Board or NLRB) issued its decision in *Browning-Ferris Industries* altering the “joint employer” standard under the National Labor Relations Act. The standard is used to determine when two separate companies are considered one employer with respect to a group of employees for purposes of liability and bargaining obligations under the National Labor Relations Act. Prior to this decision, companies were only deemed joint employers when they both exercised “direct and immediate” control over the “essential terms and conditions of employment.” In *Browning-Ferris*, however, the Board overturned 30 years of precedent to impose a new standard expanding the definition to include those employers who have “indirect” control and “unexercised potential” control. The two Republican members who dissented in the case explained the potential consequences of such a change, stating that the 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 Board’s decision will disrupt hundreds of thousands of business operations throughout the country and threaten the ability of hardworking Americans to achieve the American dream of owning their own business. Thank you again for introducing this much-needed legislation, and we urge Congress to quickly pass it.

Sincerely,

Geoffrey Burr

Vice President, Government Affairs