



House Committee on Education and the Workforce Ranking Member Robert C. "Bobby" Scott

Vote "NO" on H.J. Res. 98, Extreme Republicans' Anti-Worker, Anti-Union Resolution

H.J. Res. 98 will make it harder for workers to bargain for higher wages, better benefits, and safer working conditions.

What is "Joint Employer Status"?

Labor law has long held that when more than one company controls the essential terms and conditions of employment, those companies can be considered "joint employers." Employees need to be able to collectively bargain with both joint employers to ensure the parties calling the shots are at the table. This requirement is particularly important for employees of subcontractors and staffing agencies, such as janitors, housekeepers, cooks, and many others. They work on behalf of a company that directs their work – but does not sign their paycheck.

What is the 2023 National Labor Relations Board "Standard for Determining Joint Employer Status"?

The 2023 NLRB rule ensures that companies cannot evade their responsibility to negotiate with workers by hiding behind subcontractors and staffing agencies. Specifically, it maintains that any company that directly controls, indirectly controls, or maintains the power to control a person's working conditions must engage in collective bargaining. This is a nearly identical standard to the one that the NLRB set in its 2015 *Browning-Ferris* decision, which was affirmed in 2018 by the <u>United States Court of Appeals for the D.C. Circuit</u>.

Will the 2023 NLRB rule hurt small businesses or franchisees?

No. The NLRB has never issued a final decision finding a franchisor to be a joint employer of its franchisees' employees. *In fact, the 2023 NLRB rule protects franchisees by preventing franchisors from dictating franchisees' employee relations while leaving franchisees on the hook for any violations*.

Why is maintaining the 2023 NLRB "joint employer" standard important?

Workers have the right to bargain for fair wages and working conditions with every company that directly or indirectly controls their terms and conditions of employment. Too often, companies deny workers this right by hiding behind subcontractors, staffing agencies, and temporary agencies. Reversing the NLRB's 2023 joint employer rule will prevent workers from exercising their right to bargain for higher wages, better benefits, and safer working conditions.

As companies increasingly rely on subcontractors and staffing agencies, employees must be able to bargain with all the parties calling the shots. If workers cannot sit down with all the companies that have power over their working conditions, they do not truly have the right to negotiate with their employers.

Don't just take our word for it. <u>Here</u> are what workers, unions, and experts have said about H.J. Res. 98.