

August 11, 2015

The Honorable Mark Pearce
Chairman, National Labor Relations Board
1099 14th Street, NW
Washington, D.C. 20570-0001

Re: Opposition to redefining legal standard for joint-employer status

Dear Chairman Pearce:

As the chief legal officers in our states, we are concerned with the efforts by the National Labor Relations Board (NLRB) to redefine the legal standard used to determine joint-employer status. This change could significantly disrupt commercial relationships between franchisors and their franchisees, employers and their subcontractors, and potentially even between businesses and their suppliers and vendors.

The NLRB's current standard is clear and therefore provides certainty. Under the current standard, unless a company shares direct and immediate control over the terms and conditions of employment with another company, it is not a joint employer. This clarity has allowed business models that facilitate growth, flexibility, and innovation. In turn, this has led to franchised businesses and specialized subcontractors providing millions of jobs to workers throughout the nation.

A new joint-employer standard, particularly as enunciated by the NLRB's General Counsel in the Browning-Ferris case, would negatively affect these successful business models. Instead of a clear standard of direct and immediate control, employers would be faced with a vague and unworkable "economic realities" test. If adopted, this test will expose companies to liability for workers they don't actually employ, make it more difficult to determine how to structure relationships with other businesses, and compromise one of the core purposes of the National Labor Relations Act - to promote the flow of commerce.

We are very concerned with the impact this would have on our states as we attempt to attract new businesses and create new jobs. Overturning a standard that has been in place and worked for more than 30 years will harm our businesses and lead to fewer jobs. We urge you to leave the existing joint-employer standard unchanged.

Sincerely,



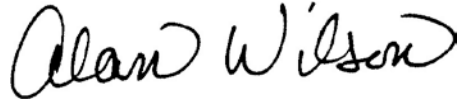
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