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Business Leaders Rally To Oppose 'Joint-Employer' Rule

By: Connor Wolf

Business groups rallied in Georgia Friday to oppose a new labor board standard that opponents say could end the franchise model.

"The main reason we've organized this rally here in Atlanta is to put pressure on the NLRB to back off small businesses," Alfredo Ortiz, president of the Job Creators Network, told The Daily Caller News Foundation.

Under the National Labor Relations Act a company can be considered an employer over a company it contracts with if it has significant enough control over its employees. Known as the joint-employer standard, the rule helps to resolve labor disputes when it's not clear whether the dispute arose from decisions made by the direct employer or a larger corporation it contracts with.

Recently, the National Labor Relations Board received significant criticism from business leaders for

applying a broader standard to the joint-employer rule. JCN is a coalition of business leaders who hope to end the rule change. The group includes the International Franchise Association, Associated Builders and Contractors, Americans for Prosperity and many more.

"The concern is great overall among business owners," Ortiz continued. "They are afraid to speak out because of retaliation they've seen on the news."

Ortiz hopes the rally will allow business owners to express their concern over the rule change. The rally was held outside the regional NLRB headquarters.

"It's looking like they are becoming more pro-union," Ortiz noted. "They need to just be pro-Americans."

Nevertheless, Ortiz notes that a lot of progress has been made to bring attention to the issue. The rallies are

part of a larger campaign which includes national advertising, grassroots, media outreach and a petition which can be found at the Defend Main Street website.

"When you look at where this issue was in December," Ortiz noted. "We have really been able to make some noise on this."

The NLRB has defended its "joint employer" decision by stating that franchisors have too much control over the independent franchisees they contract with for them to be consider their own operations.

"Through its franchise relationship and its use of tools, resources and technology, engages in sufficient control over its franchisees' operations, beyond protection of the brand, to make it a putative joint employer with its franchisees, sharing liability for violations of our Act," the NLRB argued.