

NDA Urges Support for Resolution to Overturn Joint Employer Rule

NDA recently sent a [letter](#) to the Senate Committee on Health, Education, Labor and Pensions in support of Senate Joint Resolution 49, a bipartisan Congressional Review Act resolution to overturn the National Labor Relations Board's (NLRB) final rule to alter the standard for determining joint employer status. The Congressional Review Act allows Congress to overturn regulations proposed by federal agencies.

Under the NLRB's final rule, an entity may be considered a joint employer of a group of employees if each entity has an employment relationship with the employees and they share or codetermine one or more of the employees' essential terms and conditions of employment such as wages, benefits, compensation, hours of work and scheduling, assignment of duties, and other factors. This new standard applies whether or not such control is exercised, and without regard to whether any such exercise of control is direct or indirect.

NDA has significant concerns with NLRB's final rule to redefine the joint employer relationship and its potential impact on demolition contractors and small businesses. NDA believes the rule is overly broad, inordinately complex, and will impose onerous compliance costs on employers, particularly for contractors in the construction industry. NDA is working with the resolution's primary sponsor, Sen. Bill Cassidy (R-LA), to build support for the resolution in Congress and put pressure on the Biden administration to withdraw the rule.

The NLRB recently announced in a court filing they were delaying the implementation of the [final rule](#) to Feb. 26, 2024. The NLRB's announcement came in response to a lawsuit filed by business groups in a federal court in Texas as well as concerns from Congress that NLRB was violating federal rulemaking procedures.