

## Senators Express Concern Over Labor Board's Planned Rulemaking

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Several U.S. Senators recently sent a letter to National Labor Relations Board (NLRB) Chairman John Ring expressing concern over the agency's planned rulemaking with respect to the standard the board uses for evaluating "joint employment." Specifically, Sens. Elizabeth Warren (D-Mass.), Bernie Sanders (I-Vt.), and Kirsten Gillibrand (D-N.Y.) stated in their letter that the potential rulemaking may be an attempt to "evade the ethical restrictions" pertaining to NLRB members – a reference to some conflicts of interest issues that have popped up in recent months at the agency.

This all stems from the fact that the NLRB recently announced the agency is considering rulemaking to modify the standard the board uses when evaluating whether joint employment exists. This has been a hot issue since the NLRB issued its now infamous *Browning-Ferris* decision in August 2015 that significantly altered its joint employment standard. In *Browning-Ferris*, the NLRB stated that it will <u>no</u> longer require that a company <u>actually</u> exercise control over a workforce's terms and conditions of employment in order to be deemed a joint employer; rather, "reserved" or "indirect" (i.e., potential) control is sufficient. Many anticipate that the current NLRB will use rulemaking to revert to a standard where direct control generally is required for a finding of joint-employment.

This remains a critical issue to many in the business community, particularly those in franchise settings and those utilizing staffing companies. Stay tuned.

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