



October 30, 2025

The Honorable Bill Cassidy  
Chairman  
Committee on Health,  
Education, Labor and Pensions  
United States Senate  
Washington, DC 20510

The Honorable Tim Walberg  
Chairman  
Committee on Education  
and the Workforce  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Cassidy and Chairman Walberg:

The U.S. Chamber of Commerce commends your efforts in addressing the critical issue of joint employment status under the Fair Labor Standards Act and the National Labor Relations Act. This matter has been a significant concern for employers since 2014, when the National Labor Relations Board, influenced by union advocacy, sought to expand the criteria for determining if a worker is employed by more than one business. The goal of this effort was to hold more employers liable for workers they neither employed nor controlled, by allowing factors like “indirect” control to play a decisive role in the analysis.

The concept of joint employment was originally designed to prevent businesses from evading liability for labor law violations, such as child labor in factories, by creating shell companies to act as the employer of record. This principle was a response to exploitative practices of the industrial age, ensuring accountability for unscrupulous actors. However, it was never intended to entangle legitimate business practices, such as subcontracting or franchising, in excessive and unwarranted liability.

To clarify that joint employment should be determined by tangible indicators of control, such as hiring, firing, or scheduling, the Chamber supports the Save Local Business Act (SLBA). The SLBA would establish a direct and immediate control standard that aligns with the operational realities of businesses. This approach ensures that businesses are not deemed joint employers simply for using standard contract terms with subcontractors or suppliers, or for being a franchisor. As you know, this legislation has been reintroduced in the 119th Congress, and the Chamber looks forward to collaborating with you to secure its passage.

Recognizing that some members of Congress may favor a more targeted approach, the Chamber also supports the American Franchise Act. This legislation would establish a similar standard specifically for the franchise sector, ensuring that franchisors are not classified as joint employers based on common practices, such as setting brand standards or providing training and education to franchisees—practices that are often legally required.

After a decade of debate, it is time to provide clarity and certainty for America's employers, enabling them to operate their businesses and create jobs without the looming threat of unwarranted liability. The Chamber encourages you to continue your vital work toward achieving the broadest possible resolution to the joint employer issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn Spencer", with a long horizontal flourish extending to the right.

Glenn Spencer  
Senior Vice President,  
Employment Policy Division  
U.S. Chamber of Commerce