

June 30, 2016

The Honorable Tom Cole Chairman Subcommittee on Labor, Health and Human Services, Education, and Related Agencies House Committee on Appropriations 2358-B Rayburn House Office Building Washington, DC 20515 The Honorable Rosa DeLauro
Ranking Member
Subcommittee on Labor, Health and
Human Services, Education, and Related
Agencies
House Committee on Appropriations
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Cole and Ranking Member DeLauro:

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy organization, I write to urge inclusion of key policy provisions in the draft version of the *FY2017 Labor*, *Health and Human Services*, *Education*, *and Related Agencies Appropriations Act*. Specifically, NFIB encourages targeted language to address two regulations from the U.S. Department of Labor (DOL) and one ruling from the National Labor Relations Board (NLRB). Including these limitation provisions would provide a much needed check on executive overreach in a time when small businesses are increasingly burdened by unnecessary regulation.

First, NFIB requests language preventing implementation of DOL's recently finalized overtime rule to mitigate substantial negative effects on small businesses and their employees. NFIB's Research Foundation estimates the rule will impact 44% of small businesses and even DOL states the rule will impact 4 million employees. Many of these businesses are expected to convert some employees to hourly jobs, which will result in limited hours, reduced benefits, and diminished opportunities for career growth. The overtime rule will create higher costs for small businesses and decreased employee morale. As such, NFIB encourages the Subcommittee to address this rule.

Second, NFIB supports restoring the previously long-standing "joint employer" standard for determining liability in employer-employee disputes. The recently adopted change to the standard by the NLRB, the previous version of which had been in place for over 30 years, will lead to a small business owner's diminished control over their business. The new, broader standard will also lead to a loss of jobs, stifle economic growth, and upset long-standing employer-employee relationships. This new standard would make it harder for independent business owners to build and operate effective, profitable local businesses. For these reasons, NFIB urges the Subcommittee to include language to restore the "joint employer" standard, which would protect against increased operating costs and a loss of small business autonomy.

Finally, NFIB supports language addressing the recently finalized "persuader" rule. The Department of Labor (DOL) finalized the rule this spring, which substantially limits small businesses from consulting with lawyers when they are facing union organizing campaigns. NFIB believes the finalized "persuader" rule will have a chilling effect on employer free speech. The rule will greatly diminish employees' opportunities to obtain necessary information to make an informed choice in a union election. For these reasons, NFIB supports language to prevent the implementation of the "persuader" rule.

Thank you for your consideration of these commonsense limitation provisions intended to prevent further government overreach at the expense of small business growth and development. We look forward to working with you to secure this much needed regulatory relief as the legislation moves through the Committee and is considered by the full House of Representatives.

Sincerely,

Amanda Austin Vice President Public Policy

CC: The Honorable Harold Rogers, Chairman, House Committee on Appropriations
The Honorable Nita M. Lowey, Ranking Member, House Committee on Appropriations