



555 12th Street NW, Suite 1001
Washington, D.C. 20004

1-800-552-5342
NFIB.com

October 8, 2025

The Honorable Bill Cassidy
Chairman
Committee on Health, Education, Labor, &
Pensions
United States Senate
428 Senate Dirksen Office Building
Washington, D.C. 20510

The Honorable Bernie Sanders
Ranking Member
Committee on Health, Education, Labor, &
Pensions
United States Senate
428 Senate Dirksen Office Building
Washington, D.C. 20510

Dear Chairman Cassidy and Ranking Member Sanders,

On behalf of NFIB, the nation's leading small business advocacy organization, I write regarding the hearing entitled, "Labor Law Reform Part 1: Diagnosing the Issues, Exploring Current Proposals." NFIB represents nearly 300,000 small businesses nationwide and we appreciate the opportunity to discuss labor law reforms that would impact our members.

NFIB members continuously rank "unreasonable government regulation" as one of the top problems facing their businesses.¹ Additionally, millions of small businesses have job openings but are unable to find qualified workers. Yet, Members of Congress continue to ignore the challenges faced by small businesses, specifically the role that burdensome regulations play in increasing the cost of employment. The overwhelming majority of small businesses do not have HR departments or lawyers to assist with burdensome and time-consuming regulatory issues. This reality has not detracted bipartisan proposals in Congress that would directly threaten small businesses and their workforce. If implemented, these proposals could wipe out the very Main Street small businesses that members of Congress claim to support.

NFIB recently released a white paper entitled, "Direct Assault on Main Street: Looming Labor Threats That Could Decimate Small Business and Their Workforce" (see appendix A), which explores numerous policy proposals that would have devastating effects to small businesses including by increasing government involvement in the daily operations of small businesses, boosting labor and employment mandates, and raising costs for hiring and keeping qualified employees.

¹ Holly Wade & Madeline Oldstone, *Small Business Problems & Priorities*, NFIB Research Center, July 2024, <https://nfib.com/wp-content/uploads/2024/10/2024-Small-Business-Problems-Priorities.pdf>.

Specifically, S. 852 the *Richard L. Trumka Protection the Right to Organize (PRO) Act* is a radical piece of legislation that would dramatically upend long-standing employment law in favor of labor unions at the expense of small businesses and American workers. The *PRO Act* includes numerous policies that would devastate small businesses including legalizing secondary boycotts, requiring employers to provide personal contact information for employees to union organizers, codifying the National Labor Relations Board's (NLRB's) expansive Browning-Ferris Industries joint-employer standard, implementing an unworkable and complicated employee vs independent contractor classification test, abolishing state "Right-to-Work" laws, and banning so-called "captive audience" meetings. Small businesses have long opposed the policies included in the *PRO Act*.²

The *Warehouse Worker Protection Act* (S. 2613) would significantly increase the federal government control over small businesses. For example, the *Warehouse Worker Protection Act* would ban all workplace productivity standards, such as quotas and metrics, revive the Clinton Administration's Occupational Safety and Health Administration (OSHA) Ergonomics Rule, and deputize union representatives to file, investigate, and enforce labor laws on behalf of the Department of Labor (DOL), among other concerning provisions.

NFIB is encouraged that there is a limited small businesses exemption of 200 employees for parts of the legislation, including the ergonomics rule and union enforcement provision. Unfortunately, this exemption is half-hearted and ill-conceived as it fails to protect the smallest of small businesses from more government mandates and intrusion, such as the performance standard ban, and fails to cover every small business nationwide. The exemption also fails to consider the downstream effects to small businesses of increased costs and an inefficient supply chain.

Proponents of the *Warehouse Worker Protection Act* claim to be targeting unfair business practices by large billion-dollar corporations that are harmful to workers. Yet, the legislation proposes blanket mandates and regulations that would leave tens of millions of small businesses dealing with dramatically increased regulatory burdens, more red tape, and more government intrusion on the daily operations of their business. Proponents of this legislation should expand the exemption they included in the legislation to fully consider the detrimental impacts this legislation would have on small businesses.

Lastly, S. 844, the *Faster Labor Contracts Act* would strip workers, unions, and employers of their rights to negotiate the terms and conditions of collective bargaining agreements. Instead, the legislation mandates a government-appointed arbitrator to write and impose a binding two-year labor contract without the advice, consent, or approval of workers, employers, or the union, should an agreement not be completed within 120 days and the three-person arbitration panel not be agreed to between unions and the employer.

² Dylan Rosnick, *Small Businesses Oppose Big Labor's PRO Act*, March 2025, <https://www.nfib.com/wp-content/uploads/2025/03/Final-Letter-of-Opposition-to-the-PRO-Act-senate.pdf>.

The most shocking aspect for small businesses is that these government-written contracts do not have to ensure the viability of the business. The *Faster Labor Contracts Act* would essentially put small businesses at the mercy of government bureaucrats, which could lead to small businesses being forced to close their doors due to an unviable labor contract imposed on them by the federal government

Unfortunately, these three proposals are only the beginning. For example, other policy proposals would raise the minimum wage to \$15 per hour, which would immediately and dramatically increase labor costs for small businesses, and price out many entry level workers and job applicants from employment opportunities. There are also leftover regulations from the Biden Administration's DOL and OSHA that are detrimental to small businesses, such as the DOL's 2024 Independent Contractor Rule and OSHA's Worker Walkaround Rule. Further, OSHA's proposed Heat Standard continues to be a threat to small businesses and if finalized it would increase compliance burdens, red tape, and mandates on small businesses nationwide.

Small businesses are under a barrage of threats coming from Washington, D.C. Congress must reject policies detrimental to small businesses such as those included in the *PRO Act*, the *Warehouse Worker Protection Act*, and the *Faster Labor Contracts Act*. Congress should also pass H.R. 1319, the *Modern Worker Empowerment Act* to codify the 2021 DOL Independent Contractor Rule and pass legislation preventing an OSHA Heat Standard.

NFIB appreciates the opportunity to describe how the legislation under consideration by this Committee would impact small businesses. To say enactment of the policies highlighted above would devastate the small business economy is not just hyperbole. The ultimate irony is that these policies would fuel the consolidation and growth of larger businesses that the legislation's advocates are claiming to target.

We look forward to working with you to fight these proposals and protect small businesses and their workers from federal government overregulation and government intrusion during the 119th Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Dylan Rosnick", written in a cursive style.

Dylan Rosnick
Principal, Federal Government Relations
NFIB