



January 8, 2024

U.S. House of Representatives
Washington, DC 20515

Dear U.S. Representatives:

On behalf of Associated Builders and Contractors, a national trade association with 68 chapters representing more than 21,000 members, I am writing to express our support for H.J. Res. 98, the Joint Employer Congressional Review Act Resolution. ABC urges a yes vote on this joint resolution **and will be considering it a “KEY VOTE.”**

The new joint employer final rule from the National Labor Relations Board will drastically alter the existing contractor and subcontractor relationship in the construction industry, implementing a harsh new standard. In construction, a general contractor must exercise a certain amount of control over its subcontractors and their employees simply to ensure the safe and efficient performance of the work.

The most common construction jobsites are multiemployer worksites, and the general contractor or construction manager schedules and coordinates the work of many subcontractors, often in multiple tiers, who perform their services simultaneously or in sequence. The general contractor directs the work on the site and controls the schedule, which may be affected by weather, availability of materials, local building inspection regimes and many other factors.

Unfortunately, the new rule reverts to an unworkable standard based on “exercised control” and a nonexhaustive list of factors, some of which have yet to be determined. Under the new final rule, a general contractor, in most cases, would be considered a joint employer of its subcontractors. This will undoubtedly cause confusion related to employer liability, insurance, bonding, employee benefits obligations and other concerns unique to the construction industry. In short, this new rule will create confusion and chaos and will render many of these previously successful and effective business relationships and longstanding practices unsustainable.

H.J. Res. 98, if enacted, would not only prevent the rule from going into effect but would also prohibit a similar rule from being issued in the future. This CRA resolution of disapproval is critical to combatting this ill-advised rule and ensuring that the construction industry can continue its important work unimpeded. **ABC urges a YES VOTE on H.J. Res. 98 and will consider this a “KEY VOTE” for our scorecard on the 118th Congress.**

Sincerely,

Kristen Swearingen
Vice President of Legislative & Political Affairs