November 20, 2022

Roxanne L. Rothschild
Executive Secretary
National Labor Relations Board
1015 Half Street, SE
Washington, DC 20570-0001

Dear Ms. Rothschild,

I write to you on behalf of the Asian American Hotel Owners Association (AAHOA) to express our concerns with the National Labor Relations Board's (NLRB's) proposed rule on joint employment. AAHOA represents more than 20,000 first- and second-generation Americans. Our members are small-business owners who own and operate 60% of the hotels nationwide, supporting 1.1 million quality jobs in hospitality. As franchisees and independent operators, our members consistently contribute to the economy through job creation, tourism promotion, real estate development, and community investment – in fact, our members contribute 1.7% to the nation's GDP.

The proposed rule would significantly expand the scope of what constitutes joint employment – even beyond the standard set in the 2015 NLRB decision of *Browning-Ferris Industries of California, Inc*. The proposed joint employer rule could not come at a worse time for hotel owners. AAHOA Members were severely economically impacted by COVID and are still facing various hurdles as their businesses struggle to be profitable once again. These include, but are not limited to: historic inflation; labor shortages; and supply chain difficulties.

This proposed rule could cloud the employment status of many workers. Like any business, hotels are often dependent on outside vendors. Linen suppliers, landscapers, food and beverage deliverers, and construction workers are just a few examples. Hotels, by their very nature, are asset-heavy businesses. This combined with the uncertainty of the proposed rule could make AAHOA Members targets for litigation.

The vast majority of AAHOA Members own franchised properties. Relations between many franchisees and franchisors are already strained, and the proposed rule will only exacerbate this situation by creating confusion as to whether franchisees' employees could be deemed to be jointly employed by franchisors. The franchise industry has many unique attributes to its relationship and we urge the NLRB to work with the Federal Trade Commission on defining the aspects of the relationship that exceed normal control in a brand and cross the joint employer line. Items that are needed to support the existence of the brand, but are immaterial to employment relationship, such as uniforms and training, should not create a joint employer status..

AAHOA Members are proud of their contributions to the U.S. economy through job creation, tourism promotion, real estate development, and community investment. We therefore urge the NLRB not to proceed further with this proposed rule as proposed without first addressing its potential negative consequences.

Thank you for your leadership on this important issue. We look forward to being part of this dialogue as this and other rules are discussed. If you have any additional questions, please contact AAHOA's Vice President of Government Affairs, Dean Heyl, at Dean@aahoa.com or 202-236-5985.

Respectfully,

Neal Patel
AAHOA Chairman