

# AFL-CIO

## LEGISLATIVE ALERT

January 12, 2026

Dear Representative:

On behalf of the 15 million workers and 64 affiliate unions represented by the AFL-CIO, I urge you to oppose the *Save Local Business Act (H.R. 4366)*, which is scheduled for consideration on the House floor this week.

Despite its name, this bill would not protect local businesses. It rewrites federal labor law so that a company is only treated as an employer if it directly hires, pays, schedules, and supervises workers. That narrow definition ignores how many large corporations operate today. Big companies often use franchises, staffing agencies, or contractors to hire workers while still controlling pay, schedules, and working conditions through contracts and corporate systems. This bill would allow those companies to keep that control while claiming not to “employ” the workers they are controlling.

As a result, corporations that profit from workers’ labor would avoid responsibility for them by pushing employment relationships through intermediaries. Workers would be left trying to exercise their collective bargaining rights with the intermediaries that often lack the authority to raise wages, improve benefits, or fix unsafe or unlawful conditions. If wages are stolen, if working conditions are unsafe, or if workers want to bargain for better pay, they would not be able to negotiate with the company that actually controls their jobs.

The bill would also weaken enforcement of minimum wage, overtime, and child labor laws. Right now, when workers are underpaid or children are illegally employed, the government and workers can go after the companies that actually benefit from the work, even if a contractor or franchise is involved. This bill would block that. It would let large companies avoid responsibility simply by hiring workers through a middleman, even when those companies control the job and profit from it. That means violations would be harder to stop and harder to fix, while small local businesses would be left carrying the legal risk for decisions they do not fully control.

In simple terms, the Save Local Business Act lets big corporations hide behind complex business structures while workers and small businesses pay the price. Please vote no on H.R. 4366 and support policies that hold companies that effectively control how workers are treated responsible for that treatment.

Sincerely,



Jody Calemine  
Director, Government Affairs