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## AAHOA Applauds NLRB's Withdrawal of Joint-Employer Rule Appeal

**WASHINGTON, D.C., July 22** – The Asian American Hotel Owners Association (AAHOA) welcomes the <u>recent announcement</u> that the National Labor Relations Board (NLRB) has <u>formally withdrawn</u> its appeal of the Federal Court decision nullifying the latest attempt to rewrite the joint-employer rules. This development marks a significant victory for hotel owners and franchisees across the United States.

The joint-employer rule, which could have a significant impact on small business owners, including franchisees, determines when multiple employers are responsible for an individual employee. The proposed changes created considerable ambiguity. The court's decision to revert to the 2020 standard, requiring direct and immediate control over another employer's worker, brings much-needed clarity.

"This decision is a tremendous win for our industry, ensuring hotel owners and franchisees are not held accountable for employment practices beyond their control," said **AAHOA Chairman Miraj S. Patel**. "The certainty provided by retaining the 2020 rule allows AAHOA Members to operate confidently, fostering a healthier business environment and supporting economic growth."

The NLRB's withdrawal follows a <u>successful legal challenge</u> by a coalition including the National Restaurant Association, the International Franchise Association, and the U.S. Chamber of Commerce, among others. The coalition argued that the broadened definition of "joint employer" was too expansive and improperly implemented.

"We are pleased with the NLRB's decision to step back from reviving the joint employer regulation," **said AAHOA President & CEO Laura Lee Blake**. This decision reinforces the independence of hotel owners and allows them to manage their businesses without undue interference. It is a win for our members and the broader hospitality industry."

While this is a positive step, AAHOA remains vigilant against any future actions by the NLRB that may overreach at the expense of American workers and businesses. We will continue to advocate for clear, fair standards that support the franchise business model and empower thousands of hotel owners in their pursuit of the American Dream.

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## **About AAHOA**

AAHOA is the largest hotel owners association in the world, with Member-owned properties representing a significant part of the U.S. economy. AAHOA's 20,000 members own 60% of the hotels in the United States and are responsible for 1.7% of the nation's GDP. More than 1 million employees work at AAHOA Member-owned hotels, earning \$47 billion annually, and member-owned hotels support 4.2 million U.S. jobs across all sectors of the hospitality industry. AAHOA's mission is to advance and protect the business interests of hotel owners through advocacy, industry leadership, professional development, member benefits, and community engagement.