

Who Does EFCA Impact?

Small Businesses at Greatest Risk

There is a widespread misperception that the Employee Free Choice Act (EFCA) would not apply to small businesses. Some have even gone as far as to say “the corner grocery probably won’t face an organizing drive.”

However, nearly every business in America could potentially be impacted by EFCA. Small businesses are covered by the National Labor Relations Act (NLRA), which EFCA amends, and there is no small-business exemption in EFCA.

Although there is no exception in the statute based on business size, the NLRB has adopted standards based on an annual minimum dollar volume of business. These amounts generally range from \$100,000 (office buildings, radio or television stations) to \$500,000 (hotels, restaurants, country clubs, and casinos).

With the Service Employees International Union (SEIU) currently positioned as the fastest growing union, businesses such as restaurants, catering companies, hotels, franchisees, and retailers stand to face the greatest impact if EFCA is enacted. These businesses are typically small, and locally owned and operated. They could face heavy financial burdens as a result of lengthy mediation and arbitration processes.

Some of the industries and businesses that would be impacted by EFCA include:

- Hotels
- Restaurants
- Franchisees
- Retailers
- Catering companies
- Landscapers
- Hospital administrators
- Telecommunications industry
- Gaming industry
- Temp agencies
- General contractors
- Grocery stores
- Manufacturers
- Airline industry
- Trucking industry
- Radio industry
- Farming industry
- Grain mills
- Theater industry
- Iron industry
- Steel industry
- Blacksmith industry
- Technical engineering
- Electrical industry
- Bricklaying industry
- Plumbing industry
- Utility companies
- Carpentry companies
- Security companies
- Pizza delivery drivers
- Graphics designers
- Painting companies
- Textile companies