Congressional Budget Office
Cost Estimate

January 9, 2024

H.J. Res. 98, a joint resolution providing for Congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the National Labor Relations Board relating to "Standard for Determining Joint Employer Status"

As reported by the House Committee on Education and the Workforce on January 3, 2024

By Fiscal Year, Millions of Dollars	2024	2024-2028	2024-2033
Direct Spending (Outlays)	0	0	0
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	not estimated

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2034?	*	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

* = between -$500,000 and $500,000.

H.J. Res. 98 would disapprove the final rule titled "Standard for Determining Joint Employer Status" that was submitted by the National Labor Relations Board (NLRB) and published in the Federal Register on October 27, 2023, and scheduled to take effect on February 26, 2024. That rule rescinds and replaces the current rule, which went into effect on April 27, 2020. The two rules establish different standards for determining whether two employers are considered joint employers under the National Labor Relations Act.

Under current law, the NLRB may seek remedies, including reinstatement and back pay for discharged workers, in cases of labor law violations and in a few cases can seek criminal monetary penalties. Criminal fines are recorded as revenues, deposited into the Crime Victims Fund, and spent without further appropriation. CBO expects that repealing the rule would result in fewer employers being determined to be "joint employers" and thus subject to NLRB oversight. As a result, CBO estimates that enacting the resolution could reduce revenues and the consequent direct spending by an insignificant amount. On net, the resolution would increase deficits by less than $500,000 in every year and over the 2024-2033 period.

CBO estimates that implementing H.J. Res. 98 would not significantly affect the operating costs of the NLRB over the 2024-2028 period; any spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Meredith Decker. This estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Phillip L. Swagel
Director, Congressional Budget Office