



Small Businesses Before Bureaucrats Backgrounder

Bill name: Small Businesses Before Bureaucrats Act, [H.R. 7743](#)

Sponsored by Rep. Bob Good (R-VA)

Background: The National Labor Relations Act applies to private-sector businesses that have a gross annual volume of business above certain financial thresholds, depending on the industry. A retailer, for example, falls under NLRB authority when revenue exceeds \$500,000 per year. For many non-retail businesses, that number falls to \$50,000. Those thresholds for the National Labor Relations Board's [jurisdictional standard](#) were set in 1958.

Rep. Good's "Small Businesses Before Bureaucrats Act" seeks to modernize the NLRB's jurisdictional standard by increasing the financial thresholds by a multiple of ten. Small business owners would once again be able to operate their businesses without the threat of interruption by government bureaucrats, just as was set in 1958.

In a statement announcing the bill's introduction, Rep. Good said, "Our nation's small businesses should be able to operate freely without facing the threat of a federal agency imposing mandates that can put them out of business."

Summary: Under Good's bill, the jurisdictional standard for non-retail businesses would increase from \$50,000 to \$500,000 and retailers from \$500,000 to \$5 million. The various other "special categories" in the NLRB's jurisdictional standards, such as health care and childcare institutions, would also increase by a multiple of ten.

Upon enactment of this legislation – and the immediate update to the NLRB's jurisdictional standards – there would be further, annual updates based on a "Personal Consumption Expenditure Per Capita Index," as completed by the U.S. Bureau of Economic Analysis, to reflect changes in expenditures for personal consumption by Americans on a per-capita basis. Thereby the jurisdictional standards would keep pace with the changing economy and avoid once again becoming outdated.

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