



Top 6 Workplace Law Developments Tech Employers Can Expect Under President Trump

Insights

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Our firm has provided general perspectives on what employers can expect under the next Trump administration – but we are delving into core issues and opportunities for tech employers. Everyone expects President Trump and his new leadership team to create a friendlier administrative and regulatory environment for businesses as a whole. But what initiatives can tech employers expect to specifically impact their industry?

1. Independent Contractor Classifications

The gig economy is a cornerstone of the tech industry, with many companies relying heavily on independent contractors and freelancers. The Trump administration has historically supported policies that make it easier for businesses to classify workers as contractors rather than employees. This could mean fewer legal obligations to provide benefits like healthcare, paid leave, and retirement contributions to workers.

Implications for Tech Employers

- **Flexibility:** Tech companies, especially startups, may benefit from the flexibility and cost savings associated with using contractors.
- **Compliance Risks:** You still must navigate state contractor laws that could set a much higher bar (like California's AB5) and ensure you do not misclassify workers, which could lead to penalties or lawsuits.
- **Audit and Adapt:** You should regularly review contractor agreements to ensure compliance with evolving federal and state guidelines.

2. Wage and Hour Regulations

Wage and hour laws, including those governing overtime pay, could see a less aggressive Department of Labor. For the tech industry, where long work hours are common – especially in coding, development, and IT roles – this could lead to significant changes in how you compensate employees.

Implications for Tech Employers

- **Streamlined Rules:** Companies may face fewer challenges in managing overtime and compensating salaried employees.
- **Local Variances:** Employers in states with stricter wage laws (e.g., California) must ensure compliance at both state and federal levels.
- **Proactive Policies:** Develop clear, written policies on working hours and compensation to avoid disputes.
- **3. Workplace Safety and Remote Work Standards**

Tech companies have broadly embraced hybrid and remote work models, a trend accelerated by the pandemic. In line with this trend, workplace safety regulations under a Trump administration could see reduced enforcement, which may include safety and/or ergonomics-related regulations in remote workspaces.

Implications for Tech Employers

- **Remote Work Guidelines:** You should establish clear protocols to address remote work safety, including guidance on ergonomic setups and employee assistance and support.
- **Legal Exposure:** Employers remain liable for work-related injuries even in remote settings, so maintaining robust policies is crucial.
- **Investment in Resources:** Providing stipends for home office setups can help ensure compliance and boost employee satisfaction – especially in California and other states that require reimbursement of business expenses.

4. Unionization and Worker Advocacy

The tech industry has seen a rise in unionization efforts, particularly among contract workers and employees at large tech firms – and these efforts have impacted tech companies of all sizes. The Trump administration’s employer-friendly stance could make it easier for employers to challenge collective bargaining efforts.

Implications for Tech Employers

- **Reduced Union Pressure:** Businesses may face fewer regulatory hurdles in resisting unionization efforts.
- **Employee Engagement:** You should address workplace grievances proactively to reduce the appeal of unionization and rely upon employee surveys to create a better workplace environment.
- **Reputation Risks:** Public perception of anti-union practices can harm brand reputation and talent acquisition.

5. Immigration and H-1B Visa Policies

The tech industry relies heavily on skilled foreign workers, with H-1B visas playing a critical role in filling talent gaps. Under the Trump administration, visa programs may face increased restrictions, higher costs, and stricter eligibility requirements.

Implications for Tech Employers

- **Workforce Planning:** Companies may need to diversify talent acquisition strategies by investing in domestic upskilling or outsourcing roles to regions with more favorable immigration policies.
- **Compliance:** Employers should work closely with legal teams to ensure proper documentation and adherence to evolving visa regulations.
- **Retention Strategies:** Providing support for current visa holders, such as legal assistance or career development opportunities, can improve retention.

6. Diversity, Equity, and Inclusion (DEI) Policies

The Trump administration has previously emphasized merit-based hiring over utilization of diversity and equity-focused initiatives. However, the EEOC recently published a report discussing the need for more diversity in the tech industry. While federal pressure for DEI programs may ease, tech companies will still face public and market expectations to create and maintain inclusive workplaces.

Implications for Tech Employers

- **Voluntary Initiatives:** Companies may maintain or expand DEI efforts to attract top talent and meet stakeholder expectations.
- **Transparency:** Publicly sharing progress on diversity goals can enhance brand reputation. That said, communicating these efforts should be done carefully.
- **Training Programs:** Employers should consider continuing to offer training on unconscious bias and inclusive leadership.

Conclusion

If you have any questions, contact the authors of this Insight, your Fisher Phillips attorney, or any member of our Technology Industry Group. Make sure you are subscribed to Fisher Phillips' Insight System to get the most up-to-date information on Tech issues.

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