

President's Puzder Pick Presents Positives For Sharing Economy

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President-elect Donald Trump has announced the <u>nomination of Andrew Puzder</u> as the next Secretary of Labor. Mr. Puzder, the CEO of CKE Restaurants (the parent company of Carl's Jr., Hardee's and Green Burrito), will head the U.S. Department of Labor, a federal agency that plays a major role in regulating employment matters and directing employment policy on the federal level. What should the sharing economy expect from Mr. Puzder? Some commentators believe that he will be a "<u>big win</u>" for the gig economy.

For one, Mr. Puzder has been an outspoken critic of government regulation of business, particularly with respect to labor issues. For example, Mr. Puzder wrote an <u>op-ed in Forbes magazine</u> earlier this year where he criticized the USDOL's new overtime rule, stating that it was an ill-conceived effort by the government to regulate its way to economic prosperity. Mr. Puzder has also been a vocal opponent of the Affordable Care Act, criticizing it for increasing insurance premiums and labor costs for businesses, reducing discretionary income for consumers. The sharing economy can therefore expect Mr. Puzder will be loath to implement regulations which increase employment-related costs to employers, regulations which interfere with the relationship between organizations and independent workers, and regulations which negatively impact the number of working opportunities.

Mr. Puzder has also been a very vocal proponent for job growth, particularly with respect to entrylevel positions. Mr. Puzder has taken stances against aggressive minimum wage increases and certain business taxes. Mr. Puzder, it seems, favors an economy that maximizes the *number* of working opportunities over an economy that maximizes the *quality* of working opportunities. Again, as for the sharing economy, this all suggests Mr. Puzder will promote a business climate that emphasizes expansion of the number of available working opportunities.

Finally, because Mr. Puzder will be responsible for directing USDOL policy with respect to enforcement of federal labor and employment law, the sharing economy should see a decrease in the number of enforcement procedures and audits, particularly with respect to wage and hour and worker classification matters.

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