

June 9, 2025

The Honorable Lori Chavez-DeRemer Secretary U.S. Department of Labor 200 Constitution Avenue, NW Washington, DC 20210

Dear Secretary Chavez-DeRemer:

On behalf of the National Restaurant Association, congratulations and thank you for your public service as our nation's 30th Secretary of Labor. Your work with President Trump will foster a regulatory environment that supports economic growth, job creation, and operational clarity for our nation's restaurants. We look forward to partnering with you to promote policies that empower small businesses, strengthen the workforce, and expand opportunity across the country.

As you know, the National Restaurant Association represents more than one million restaurant and foodservice establishments across the United States—an industry employing over 15 million people and generating \$1.4 trillion in annual sales. Restaurants are a cornerstone of the U.S. economy, offering critical pathways to economic mobility, first-time employment, and career advancement for millions of workers.

We encourage your leadership in three areas critical to the continued success of our industry:

- Strengthening Workforce Development and Career Pathways: Restaurants serve as America's training ground, offering unmatched economic mobility and career advancement opportunities. We look forward to working with you on initiatives such as apprenticeships and targeted workforce development programs that equip more Americans to succeed in the labor force.
- Advancing a Pro-Growth Regulatory Agenda: Clear, predictable labor policies empower restaurant operators to grow their businesses and create jobs. We urge DOL to pursue regulatory reforms that respect regional diversity, support entrepreneurship, and reduce unnecessary compliance burdens.
- Collaborative Compliance Efforts: Effective compliance assistance and education are essential to helping restaurant operators navigate complex labor laws. We look forward to working together to expand outreach efforts that support compliance and operational clarity.

Strengthening Workforce Development and Career Pathways

The restaurant industry has long served as America's essential training ground, with two-thirds of Americans having worked in a restaurant at some point in their lives. Restaurant jobs cultivate diverse, transferable skills such as teamwork, multitasking, communication, and customer service—skills that are invaluable across industries and career paths. Strengthening workforce development within our industry is critical to expanding economic opportunity, supporting career advancement, and meeting the evolving needs of a dynamic economy.

Hon. Chavez-DeRemer May 18, 2025 Page Three

The National Restaurant Association Educational Foundation (NRAEF) is deeply committed to transforming lives and uplifting communities by equipping people with essential skills and training. In 2024 alone, the NRAEF empowered over 220,000 individuals through initiatives including first-job training, high school career and technical education through the ProStart program, apprenticeships, scholarships, grants, and specialized military foodservice training.

Our flagship ProStart initiative has grown substantially, now serving over 214,000 high school students nationwide across 2,200 classrooms, providing hands-on, practical training in restaurant management and culinary skills. Additionally, the Restaurant Ready program continues to expand, equipping thousands of individuals, including disengaged youth, people with disabilities, and those with prior justice involvement, with job readiness and fundamental career skills.

Apprenticeship programs are critical for strengthening the restaurant workforce and supporting career advancement. In partnership with DOL, the NRAEF is expanding opportunities for individuals to build rewarding restaurant careers through programs such as the Restaurant Youth Registered Apprenticeship (RYRA) and the Hospitality Sector Registered Apprenticeship (HSRA). These initiatives offer structured pathways to develop leadership skills, boost retention, and create career trajectories for employees at all stages of experience. Through our national network of restaurant operators, community organizations, and state restaurant associations, we are committed to growing these apprenticeship opportunities to help meet the evolving needs of the industry.

As the Administration works to "Make America Skilled Again," we stand ready to partner with DOL to ensure our nation's workforce is equipped for tomorrow's economy. Restaurants play a vital role in providing job-ready skills, upward mobility, and long-term career opportunities in every community. As technology continues to shape the workplace, we are committed to preparing workers for new tools and innovations across restaurant operations. We are eager to collaborate with DOL to further these initiatives and maximize our collective impact on workforce development and career advancement.

Advancing a Pro-Growth Regulatory Agenda

A regulatory environment grounded in operational realities is essential to the sustained success of America's restaurants. With appropriate regulatory adjustments, DOL can foster conditions that encourage innovation, facilitate growth, and support the entrepreneurial spirit that defines our industry. Specifically, we recommend prioritizing reforms in the following key regulatory areas to bolster restaurant operations and employment opportunities nationwide:

- **Joint Employer Rule:** We urge DOL to restore the clarity provided by the 2020 Joint Employer Rule. The previous standard offered restaurant operators and franchise owners clear, predictable criteria regarding joint employer liability, reducing legal uncertainty, supporting small business independence, and promoting franchise growth.
- Overtime Rule: The previous Administration's overtime salary threshold ignored significant regional
 cost-of-living variations and posed substantial financial burdens for restaurant operators, particularly
 small and independent businesses operating with thin margins. We encourage revisiting this rule to
 better reflect economic realities and regional differences, preserving managerial flexibility and
 opportunities for career advancement within our industry.

- **Independent Contractor Rule:** We recommend simplifying independent contractor classification criteria to protect the flexible business models critical to various restaurant industry segments, including catering and delivery services. Flexible arrangements support innovation and maintain vital employment pathways across our sector.
- **80/20/30 Rule:** We were pleased to see DOL withdraw the 80/20/30 rule, which imposed substantial administrative burdens on restaurant operators. We encourage DOL to issue clarifying guidance confirming that the rule is no longer applicable and that prior sub-regulatory materials should not be followed.
- OSHA Proposed Heat Hazard Rule: The Occupational Safety and Health Administration's proposed
 heat hazard rule imposes impractical, overly broad, and costly requirements that do not adequately
 reflect the operational realities of restaurant establishments. Rather than imposing a rigid, one-size-fitsall mandate, we encourage collaborative efforts with our association to develop and promote practical,
 industry-specific best practices and voluntary standards. This approach will help ensure worker safety
 while minimizing unnecessary regulatory costs and operational disruptions.

Collaborative Compliance Efforts

A proactive, partnership-based approach to compliance benefits both restaurant operators and regulators by fostering voluntary adherence and minimizing enforcement challenges. We welcome the opportunity to partner with DOL to expand and enhance education and outreach efforts, equipping businesses with the tools they need to navigate complex labor laws effectively. Providing accessible resources, such as webinars, workshops, and compliance toolkits, can further promote a culture of proactive compliance and reduce the need for heavy-handed enforcement actions.

We also encourage DOL to reinstate the Payroll Audit Independent Determination (PAID) program, which previously demonstrated success by allowing employers to self-report and correct inadvertent wage and hour violations. Reviving PAID would offer a clear, structured pathway for businesses to address issues voluntarily while fostering open communication and trust between regulators and the industry. Expanding collaborative compliance efforts will promote better outcomes for workers, empower employers to succeed, and strengthen the broader economy.

The National Restaurant Association is committed to working closely with you and your team to advance policies that foster economic opportunity, workforce development, and regulatory clarity for America's restaurants. We look forward to building a strong partnership with DOL to ensure our nation's restaurants—and the millions of people they employ—can continue to grow, innovate, and serve their communities.

Sincerely,

Michelle L. Korsmo President & CEO

elibelle Hann