

Opening Statement of the Honorable Fred Upton
Subcommittee on Commerce, Manufacturing, and Trade
Hearing on “The Disrupter Series: How the Sharing Economy Creates Jobs, Benefits
Consumers, and Raises Policy Questions”
September 29, 2015

(As Prepared for Delivery)

Today we are here to discuss one of the most promising aspects of our recovering economy: the sharing economy. Significant innovation and advances have enabled new platforms to connect self-employed individuals or small businesses with the consumers who demand their goods and services.

The sharing economy is growing in leaps and bounds. In a decade, it is expected to generate \$335 billion annually. That sort of growth cannot be ignored.

This series of hearings about disrupters – and I would include the Internet of Things and vehicle-to-vehicle communications under that umbrella as well – is important as we work to better understand how these innovative companies impact consumers, job creation, and our economy.

I am always encouraged by the creativity and ingenuity we see in America and this hearing is a great forum to learn how real people are taking advantage of new opportunities to make a better life for themselves and their families. I know that this is as true in Michigan as it is in the rest of the country, as families are glad to have new ways to make ends meet.

One of the most intriguing aspects of this model is that it is not tied to any particular industry. The press regularly highlights the disruption in the lodging and transportation sectors but there is innovation in every facet of the U.S. economy.

As with any developing marketplace, we must recognize the risk of stifling innovation with reactionary regulatory measures. At a time when jobs are still hard to find, and balancing the budget is a challenge, we should not risk job creation with hasty calls to regulate. Where new technologies and competition are responding to consumer needs, and doing so safely, we should be asking ourselves if reducing the regulatory burden makes sense. This may be true for both the new entrepreneurs and incumbents.

The sharing economy has also given folks across the country a chance to make decisions about how and when they work in a way that was not feasible even a few years ago.

We are familiar with high profile leaders in the sharing economy, but there are many other platforms that are using technology to connect niche markets that have not been able to connect before. I am interested to hear more about those areas of the sharing economy. Our witnesses today represent a broad and diverse spectrum of the sharing economy - and I'd like to welcome Michael Beckerman back to the committee, albeit on the other side of the dais this time around. I look forward to hearing all your stories and experiences with the sharing economy and how we can foster an environment for continued job growth and community development.

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