



APPROPRIATIONS COMMITTEE DEMOCRATS

Rep. David Obey, Ranking Member • 1016 Longworth HOB • (202) 225-3481

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Republicans Refuse to Protect Overtime Pay for 6 Million American Workers

Republican members of the House Appropriations Committee rejected an attempt by Committee Ranking Member Dave Obey to protect the eligibility to earn overtime pay for overtime work for as many as 6 million American workers. Obey offered an amendment to the 2005 Labor, Health & Human Service, Education Appropriations bill that would have prevented a Bush Administration regulation change from taking effect.

“This Amendment is about honoring hardworking Americans by ensuring that they receive the overtime pay they have earned,” Obey told the Appropriations Committee. “It is about the values of working and middle class Americans who simply want a fair day’s pay for a hard day’s work. It is about protecting the 40-hour work week.”

Obey’s amendment, approved by every Democratic member of the Committee and rejected by every Republican, mirrors a measure passed last year to prevent the Administration from restrict millions of workers from earning overtime pay. That attempt won approval in both the House and Senate, but was stripped out of the bill by a Conference Committee before final passage.

Obey pointed out that the U.S. Department of Labor has received more than 80,000 comments critical of the change in worker classification. “Yet, without holding a single public hearing – this final rule will allow employers to vastly increase the numbers of workers classified as executive, professional or administrative employees who are exempt from overtime compensation.”

- M O R E -

The Economic Policy Institute in Washington, DC today released a comprehensive analysis that finds that more than 6 million workers in a broad range of occupations stand to lose overtime rights. The analysis found that:

- 2.3 million workers who lead teams of other employees assigned to major projects could be denied overtime pay – even if they have no direct supervisory responsibilities;
- Nearly 2 million low-level working supervisors in fast food restaurants, lodging and retail stores could lose 100 percent of their overtime eligibility;
- More than 900,000 employees without a college or graduate degree will be exempt from overtime pay as professional employees because employers will be able to substitute work experience for a degree;
- 30,000 nursery school and Head Start teachers will lose the right to overtime pay;
- A broad new exemption in the final rule for financial service employees will eliminate overtime coverage for hundreds of thousands of workers in the financial services industry, including 160,000 mortgage loan officers; and
- Nearly 90,000 computer employees, funeral directors and licensed embalmers will become exempt and lose their right to pay under the final rule.

Obey is expected to try again to win support for his amendment to block the change in overtime eligibility rules when the Labor, Health & Human Services, Education Appropriations bill comes to the House floor for a vote.