

Coalition Statement of Support for Legislation Updating Overtime Pay

November 30, 2017

We, the undersigned organizations, affirm our support for the **Restoring Overtime Pay Act**, a bill which would update the Fair Labor Standards Act (FLSA) to restore overtime pay protections to millions of workers. Our organizations represent a diverse coalition [including research institutions, policy organizations, and advocacy groups] committed to advancing the economic security of our nation's workers.

In 1975, the Labor Department set the level at which workers could be exempt from overtime to the equivalent of well over \$50,000 in today's dollars, high enough to cover more than 60 percent of full-time salaried workers. However, far too many salaried workers have fallen through the cracks because the salary threshold had not kept up with wage growth or inflation. The salary threshold in 2016 was just \$23,660 per year — under the poverty line for a family of four, and certainly not representative of the types of workers who were intended to fall under this exemption. This means that millions of workers with low salaries have been putting in longer hours — 50, 60, or more hours a week — without a dime of extra pay.

The Department of Labor issued a new rule in 2016 to set the salary threshold for exemption at \$47,476—high enough to cover about one-third of full-time salaried employees. However, business interests attacked this rule in the courts, and the Trump Department of Labor has been clear that it intends to weaken this threshold.

In light of these attacks on workers' overtime pay, we applaud the bill's cosponsors for stepping in and taking action to protect these workers. The Restoring Overtime Pay Act would set the salary level for exemption to the same painstakingly researched standard identified in the Department of Labor's 2016 rulemaking, the 40th percentile of wages in the lowest wage Census region, and require automatic updates every 3 years to prevent the threshold from falling so behind again.

Workers know that they are more productive than ever before, working harder and smarter than ever before, with <u>corporate profits at an all-time high</u>, yet <u>their wages are not keeping up with their productivity</u>. The Restoring Overtime Pay Act would provide a much-needed boost to middle-wage workers' earnings and security.

Sincerely,

AFL-CIO

American Federation of Teachers

Center for American Progress

Center for Law and Social Policy (CLASP)

Coalition on Human Needs

Colorado Center on Law and Policy

Community, Faith & Labor Coalition

Connecticut Legal Services

Daily Kos

Damayan Migrant Workers Association

Demos

Economic Opportunity Institute

Economic Policy Institute

Equal Justice Center

Equal Rights Advocates

Fair Work Center

Faith Voices Arkansas

Family Values@Work

Fe y Justicia Worker Center

Greater New York Labor-Religion Coalition

Indianapolis Worker Justice Center

Interfaith Worker Justice

Interfaith Worker Justice San Diego

Jobs with Justice

Labor Project for Working Families

Labor Resource Center at the University of Massachusetts-Boston

La Plata County Thrive! Living Wage Coalition

Leadership Conference on Civil and Human Rights

Legal Aid at Work

MomsRising

NAACP

National Center for Lesbian Rights

National Council of Jewish Women

National Employment Law Project

National Employment Lawyers Association

National Immigration Law Center

National Partnership for Women and Families

National Women's Law Center

New Jersey Policy Perspective

Oxfam America

Policy Matters Ohio

Pride at Work

Progressive Congress Action Fund

Restaurant Opportunities Centers United

Sargent Shriver National Center on Poverty Law

Service Employees International Union (SEIU)

South Florida Interfaith Worker Justice

UnidosUS (formerly National Council of La Raza)

United Automobile, Aerospace and Agricultural Implement Workers of America (UAW)

Women Employed

Workplace Fairness