



# FACT SHEET

House Committee on Education and Workforce  
Ranking Member Robert C. "Bobby" Scott

## Vote “NO” on Republican Proposals to Make Everyday Life More Expensive

*House Republicans are considering five bills that will cut workers’ wages, give corporations and bad employers more loopholes to take advantage of their workers, and mess with workers’ retirement savings.*

Most Americans are struggling to make ends meet – let alone afford the *little extras* that make them feel like they are living comfortably – like owning a home, taking their family on vacation, or even going out to eat. And, making matters worse, according to last week’s Bureau of Labor Statistics, 2025 was the worst year for job growth in this country since President Trump’s first term in office.

Despite this reality, this week House Republicans are considering five bills that will cut workers’ wages, give corporations and bad employers more loopholes to take advantage of their workers, and mess with workers’ retirement savings.

### **The Republicans’ proposals will cut workers’ wages.**

#### **H.R. 2262, Flexibility for Workers Education Act**

Under the *Fair Labor Standards Act* (FLSA), employees must be compensated for employer-mandated education and training outside regular work hours. Essentially, the FLSA protects workers from being compelled to volunteer their time for job-related training without wage and hour protections.

Unfortunately, this bill significantly weakens these protections. Specifically, it would allow employers to provide job-related training after hours and off the clock, as long as they do not state that it is “technically required.” However, employers can still lead workers to believe the training is required and get away with not paying workers for the time. It would let employers get away with failing to properly pay workers for their time, all while claiming it is in the workers’ best interests.

#### **H.R. 2270, Empowering Child and Elder Care Solutions Act**

Under current law, employers must pay their non-exempt workers the “time and a half” overtime premium for working more than 40 hours in a workweek. That’s not just 1.5 times their hourly wage, but 1.5 times their “regular rate of pay,” including some non-wage compensation, such as the value of any regular child or dependent care services.

This bill would change the FLSA to remove the value of those services from the “regular rate of pay,” under the guise of incentivizing more employers to offer child or dependent care services. The bill purports to support families by encouraging businesses to help with child and elder care. But in practice, it

incentivizes employers to pressure workers to stay on the job longer, rather than expanding access to affordable care.

#### **H.R. 2312, *Tipped Employee Protection Act***

Under the present law, the FLSA allows employers to take a tip credit only if employees are in jobs where they regularly and customarily earn at least \$30 a month in tips. And if workers split their time between jobs that earn tips and jobs that don't – for example, one shift as a restaurant server and another as a line cook – the employer can apply the tip credit only to the tip-earning shifts.

This bill would amend the FLSA to do away with the limitation on using the tipped credit only where workers spend time in jobs that regularly and customarily earn tips. This would enable employers to lower wages by applying the tip credit in shifts where workers don't earn tips. It would also empower employers to seize tips from workers who earn tips only during the holidays and use them to pay part of those workers' wages. It will make workers more vulnerable to wage theft and give employers an excuse not to pay workers what they would otherwise be owed. Ultimately, this bill seeks to expand the pool of workers employers can pay a subminimum wage, rather than a full wage.

**The Republicans' proposal will give corporations and bad employers more loopholes to take advantage of their workers.**

#### **H.R. 4366, *Save Local Business Act***

Labor and employment laws have long held that when the company that signs a worker's paycheck shares authority over terms and conditions of employment with other companies, multiple businesses may, as a result, be accountable as employers for complying with the law. This is referred to as "joint employment."

This bill, however, would create a narrower definition of joint employment under the FLSA and the *National Labor Relations Act* (NLRA), letting the real decision-makers off the hook and making it harder for workers to fight back when they are underpaid, mistreated, or ignored at the bargaining table. It could even create a situation where technically no one could be the employer.

**The Republicans' proposal will mess with workers' retirement savings.**

#### **H.R. 2988, *Protecting Prudent Investment of Retirement Savings***

Currently, retirement plan fiduciaries are required to make prudent investment decisions in the best interest of plan participants and beneficiaries. The bill codifies two rules from the first Trump Administration that imposed first-of-their-kind restrictions on plan fiduciaries' ability to consider what's called environmental, social, and governance (ESG) factors when making investment decisions and exercising their shareholder rights.

The appropriate course of action is to permit plan fiduciaries to consider ESG factors. As we know, such factors – whether rising sea levels or poor corporate governance practices – are relevant to the performance of the companies in which retirement savers invest. We should be trusting professionals bound by law – not extreme House Republicans – to make decisions about Americans' retirement savings.