

OPENING STATEMENT

House Committee on Education and the Workforce

Ranking Member Robert C. "Bobby" Scott

Opening Statement for Ranking Member Alma Adams (NC-12) Subcommittee on Workforce Protections "*Examining the Polices and Priorities of the Wage and Hour Division*" 2175 Rayburn House Office Building Wednesday, February 14, 2024 | 10:15 a.m.

Thank you, Mr. Chairman. And thank you, Ms. Looman, for testifying before this Subcommittee today.

The Biden Administration and Congressional Democrats have prioritized growing our economy from the bottom up and middle out, resulting in a recovery that has far outpaced expectations.

For instance, the *American Rescue Plan Act* — which passed without the support of a single Congressional Republican — helped vulnerable workers make ends meet and keep them in the workforce. And the *Inflation Reduction Act* — which also passed without the support of a single House Republican — accelerated our economic growth, lowered costs for workers and families, and helped families keep a roof over their heads and food on their tables.

Well don't take my word for it. Don't take my word for it. Just look at the numbers.

According to the Bureau of Labor Statistics, under President Biden, the economy has added 14.8 million jobs, with 2021 representing the second-largest years of job growth on record. 127,800 of those jobs were created in my district within the Charlotte-Concord-Gastonia metropolitan area. That's more jobs in his first two years than former President Trump created in all four.

Furthermore, President Biden has fully embraced a progressive, pro-worker regulatory agenda by raising federal contract workers' pay to \$15 an hour and repealing harmful restrictions imposed by the previous administration that allowed unscrupulous employers to misclassify workers and evade liability for labor violations.

While wages and salaries have grown faster than prices since the beginning of 2021— thanks to the Biden Administration and Congressional Democrats handling the economy – our federal minimum wage has not kept up with prices.

It's simply not feasible for residents to live off of \$7.25 per hour. An increase in the federal minimum is something that I've fought for since my days in the North Carolina State House and it is indeed need as much as ever today. Working hard is not enough if you don't make enough.

Lastly, Americans filed over 5.5 million new business applications in 2023, far exceeding the pre-pandemic rate. Biden-omics is not only good for workers — it's good for business.

Contrary to my Republican colleagues' claims, President Biden *and* Committee Democrats have always been committed to supporting workers *and* business owners.

The most dangerous proposals for our economy come from hardline Republicans who want to turn back the clock on fundamental workplace protections that date back to the New Deal. Republicans on this Committee have spent more time this Congress undermining Acting Secretary Su than protecting children from being forced to work in slaughterhouses.

For example, the Trump administration gave unscrupulous employers a free pass to misclassify workers and deny them essential protections, like overtime, minimum wage, workers' compensation, unemployment, and health and safety protections.

And the lack of strong workplace protections winds up costing workers, families, *and taxpayers* billions of dollars. The Trump-era *Fair Labor Standards Act* (FLSA) joint employer rule would have ultimately cost workers more than <u>\$1 billion</u> a year. And the Trump-era rule independent contractor rule would have cost workers nearly \$4 billion each year in lost wages and benefits.

Workers should get the money they earn and have the workplace protections that they deserve. Congress must support—not obstruct—the Wage and Hour Division's progress to deliver for workers and their families.

Under Ms. Looman's leadership, the Wage and House Division is:

- Expanding overtime pay protections for an additional 3.6 million Americans,
- Returning millions of stolen wages to workers' pockets, and
- Leading an interagency effort to hold unscrupulous employers accountable for endangering children through unsafe and illegal child labor.

Unfortunately, years of Republican-led funding cuts have undermined the Department's ability to adequately enforce wage and hour laws thoroughly and thoroughly investigate violations.

We cannot afford to go backward to a time when young children worked long hours in hazardous workplaces, when employers could demand workers stay on the job for 12 hours a day, and when all that it took to break the law was to get off the hook.

And so, Mr. Chairman, I again want to welcome Ms. Looman and thank you again for appearing before us today, and I look forward to a productive conversation.

Thank you Mr. Chairman and I yield back.