

The National Council of Social Security Management Associations, Inc.

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- **Senate Blocks the Bush Administration's Proposed Overtime Rules**

Late last Friday, Sen. Tom Harkin (D-IA) introduced Senate Amendment 1580 to effectively bar the Department of Labor from using any FY04 appropriated funds to implement revised overtime rules (text of the amendment is included at the end of this report) as proposed by the Department of Labor. Today, the Senate voted to support Sen. Harkin's amendment. While speaking on the Senate floor on Monday, Sen. Harkin made the following statement:

“We want to recognize that workers need more time with their families. Well, OK, here is a chance to not just have a sense-of-the-Senate resolution but to take concrete action to make sure that happens by telling the administration that we are not going to permit these changes in rules and regulations that would take away overtime protection for up to 8 million people.

Again, a quick summary of the Bush administration's proposal is simply this: Eliminate the 40-hour workweek by allowing employers to deny millions of workers overtime pay, workers who are currently guaranteed overtime pay protections under the Fair Labor Standards Act passed in 1938. This proposal is antiworker. It is antifamily. It is the antithesis, the total opposite, of what we passed on Friday as a sense-of-the-Senate resolution. It is an attack on America's middle and lower income workers. It will not create one job. In fact, just the opposite; it will kill a lot of jobs.”

The four Democratic Senators –John Kerry (MA), John Edwards (NC), Joseph Lieberman (CT), and Bob Graham (FL) – who are also current presidential candidates, were present this morning for the important vote. This vote occurred after Harkin threatened to block action on other issues until his overtime amendment was put to a vote. The final vote tally this afternoon was 54-45, with six Republicans – Olympia Snowe (ME), Arlen Specter (PA), Ted Stevens (AK), Lisa Murkowski (AK), Ben Nighthorse Campbell (CO), Lincoln Chafee (RI) – joining the Democrats in supporting Harkin's amendment. One Democrat, Zell Miller (D-GA), voted against Harkin's amendment.

According to data from the Department of Labor, the proposed new regulations would provide overtime pay to 1.3 million additional low-income workers. Currently, workers who earn \$8,060 per year or less must be paid overtime; the DOL's proposed overtime regulations would raise that amount to include workers who earn up to \$22,600 per year. Other provisions of the proposed regulations would allow employers to rewrite job descriptions for many mid-level managers – with the possibility that these employees would be exempt from overtime pay. Workers who earn more than \$65,000 per year, regardless of the kind of job they hold, would no longer qualify for any requirement that they receive overtime wages. The Economic Policy

Institute has estimated that 8 million employees will lose eligibility for overtime if the regulations are implemented.

Earlier this summer, the House defeated a similar overtime measure introduced by Congressman David Obey (D-WI) by a close vote of 213-210. The Bush administration is threatening to veto any spending measure that does not support the Department of Labor's proposed overtime rules.

Text of the amendment proposed by Senator Tom Harkin (D-IA) and passed by the Senate:

SA 1580. Mr. HARKIN (for himself, Mr. KENNEDY, Mr. DASCHLE, Ms. MIKULSKI, Mrs. CLINTON, Mr. EDWARDS, Mrs. MURRAY, Mr. CORZINE, Mr. BYRD, Mr. SCHUMER, Mr. LAUTENBERG, Mr. KERRY, Mr. LIEBERMAN, Mr. FEINGOLD, Mr. SARBANES, Mr. DODD, Ms. STABENOW, Mr. REID, Mr. LEAHY, Mr. DURBIN, Mr. AKAKA, Mr. DAYTON, MR. PRYOR, Mr. REED, Mr. NELSON of Florida, and Mr. JOHNSON) proposed an amendment to amendment SA 1542 proposed by Mr. SPECTER to the bill H.R. 2660, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; as follows:

On page 23, between lines 15 and 16, insert the following:

SEC. __. None of the funds provided under this Act shall be used to promulgate or implement any regulation that exempts from the requirements of section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) any employee who is not otherwise exempted pursuant to regulations under section 13 of such Act (29 U.S.C. 213) that were in effect as of September 3, 2003.

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