



NEWS

AMERICANS FOR TAX REFORM

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7 January, 2003

Hard Working Americans to Media: Tell the TRUTH!

Associated Press article insinuates that the Labor Department is alerting to employers on ways to avoid paying overtime to workers.

WASHINGTON — In an article written by Leigh Strobe for the Associated Press on January 6, 2004, the author attempts to create the false impression that the Department of Labor is providing tips and ideas to employers to help them circumvent the new proposed Fair Labor Standard Act's (FLSA) overtime requirements. The author further insinuates that the Department's motive is to assist companies to categorically cut the pay of their employees.

The reporter failed to report that such action is illegal under both the current and the proposed regulations. If an employee is covered by the overtime rules, an employer must pay overtime, as required by the statute. Furthermore, the Department of Labor has consistently emphasized that the Department will use strong enforcement mechanisms to go after any employee that abuses the law, and that the new rule is designed to protect workers - not to take away their overtime pay.

“It never ceases to amaze me how members of the liberal media will use fear tactics and insinuations to help smear Secretary Elaine Chao’s efforts to help American workers,” said Grover Norquist, President of ATR. **“Instead of pretending to be an objective reporter for the AP, she should follow her true calling and become Senator Kennedy’s press secretary.”**

The U.S. Department of Labor is attempting to modernize the 50-year-old regulations defining exemptions from the FLSA for “white-collar” employees. The department’s proposed rule raises the minimum salary to \$425 a week to qualify as a white collar employee who is not entitled to overtime pay. This represents an increase of \$270 a week and is the largest increase since the FLSA was passed by Congress in 1938. Enactment of this proposed rule will help small businesses grow and guarantee overtime pay for 1.3 million more low-wage workers.

“Secretary Chao’s continued efforts to bring the department’s rules into the 21st century while clarifying outdated regulatory language should be commended,” said Norquist. **“The changes made to the FLSA help employees understand their rights and ensure that they receive their hard-earned pay. Instead of attacking the Secretary and insinuating that the DOL wants to cut workers pay, the media should praise these new changes that guarantee overtime pay for 1.3 million more workers.”**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal and state tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at jcollegio@atr.org.
