



NEWS

AMERICANS FOR TAX REFORM

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MEDIA ADVISORY

Press Conference: Harkin Amendment on Overtime will Hurt Businesses, the Economy and Workers *...but it will benefit trial lawyers*

- WHO:** Grover Norquist, President of Americans for Tax Reform
National Taxpayers Union
Citizens Against Government Waste
Karen Kerrigan, Small Business Survival Committee
Mike Eastman, U.S. Chamber of Commerce
Five U.S. Senators (not yet confirmed)
- WHAT:** Press conference calling on senate to reject the Harkin amendment and preserve new Department of Labor rules modernization
- WHERE:** 632 Senate Dirksen Office Building
- WHEN:** Tuesday May 4, 2004, 11:00 a.m.

WASHINGTON — As the Senate continues consideration of S. 1637, the FSC-ETI JOBS bill, Sen. Tom Harkin (D-IA) has announced that he will introduce an amendment to prevent the Department of Labor from modernizing the 50-year-old regulations defining exemptions from the Fair Labor Standards Act (FLSA) for “white-collar” employees. But Sen. Tom Harkin (D – Iowa), a primary opponent of the Department’s revisions appears to be taking his cue from trial attorneys.

Trial lawyers are strongly opposed to the new rules, because the updates will prevent them from taking advantage of arcane and confusing white-collar overtime regulations to bring wasteful class action lawsuits. **Since 2001, federal class action lawsuits under FLSA have outnumbered employment discrimination class actions. Trial lawyers have used the ambiguity of the old regulations to bring litigation against small businesses for unpaid overtime.** The increased litigation has forced small businesses and entrepreneurs to settle out of court for outrageous fees.

According to campaign contribution records, the previous two election cycles saw Tom Harkin receive large sums from trial attorneys. In 1996 election cycle he received more than \$575 thousand in campaign cash, and that figure jumped in his 2002 reelection bid by over \$200,000 more to \$766,000 in campaign donations. **“These large donations may explain why Sen. Harkin is so eager to protect trial lawyers instead of providing overtime to more than 1.3 million people,”** said Grover Norquist, President of ATR.

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.