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Five Senate Republicans Snub Bush Administration in Favor of Trial Lawyers

Moderate to liberal Senators provide the necessary votes to stop historic overtime regulation modernization

WASHINGTON— This Tuesday, trial lawyers and their Democratic backers succeeded in persuading 5 Republican Senators to adopt Sen. Tom Harkin's (D-IA) amendment that will overturn Bush Administration labor rules by protecting (and even expanding) the numerous gray areas in the present regulations—a fertile ground for generating trial lawyer income.

"We expect the Democrats to be in the trial lawyers' pocket," said Grover Norquist, taxpayer advocate and president of Americans for Tax Reform (ATR). **"But they couldn't have done this one without these few weak-kneed Republicans. These 'flimsy five' have struck a blow for the trial lobby, but employers, and ultimately workers, will be paying the price. The overtime regulations that will result from the Harkin amendment are designed to protect the pay of lawyers, not Joe Six-pack."**

Under the rules in place for some 50 years, employees earning only \$155 a week qualify as white-collar employees, not entitled to overtime pay. The Labor Department's new rule would have raised this minimum salary to \$425 a week. The regulations were even endorsed by the editorial board of the Washington Post, a group not prone to offering paeans to the Bush administration.

Trial lawyers were strongly opposed because the updates would have prevented them from bringing wasteful and expensive lawsuits. This trial lawyer profit center relies on using the ambiguity of the old white-collar regulations to bring litigation against small businesses for unpaid overtime. Since 2001, federal class action lawsuits under FLSA have outnumbered employment discrimination class actions, crippling businesses.

Sen. Harkin took the Democratic lead in defeating the new regulations in favor of trial lawyers' interests, after receiving more than \$575 thousand in campaign cash from them in 1996 and \$766 thousand in 2002. And according to the May 5, 2004 issue of *The Hill* newspaper, trial lawyers have now begun an aggressive campaign to recruit the assistance of Republicans. For example, in Pennsylvania the Association of Trial Lawyers of America gave \$4,000 to **Sen. Arlen Specter**, the Republican lead in fighting Bush Labor Department policies.

Harvard-educated and honed by years as a Washington DC conservative leader, **Norquist is your show's ultimate guest for a tax, regulation, or political analysis segment.** His bio can be found at <http://www.atr.org/staff> and you can find more information about his organization, Americans for Tax Reform, at www.atr.org.

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