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*Testimony of Rep. Ryan Tipping presenting
LD 402, An Act To Restore Overtime Protections for Maine Workers
Before the Joint Standing Committee on Labor and Housing*

Senator Bellows, Representative Sylvester and esteemed members of the Joint Standing Committee on Labor and Housing. My name is Ryan Tipping and I have the honor to represent most of the residents of Orono in the House. I am here today to present **LD 402, An Act To Restore Overtime Protections for Maine Workers**.

A fair day's work should be rewarded with a fair day's pay.

The US overtime pay rules under the Fair Labor Standards Act used to be a reliable way to ensure that the majority of middle- and working-class Americans would either make it home in time to see their families or, alternatively, be compensated fairly by their employer for working beyond the 40-hour standard week. In 1975, roughly two thirds of salaried employees enjoyed this protection. Today that number is closer to 7%¹. This plummet is due in a large part to the fact that the threshold to determine who is eligible for these protections has not kept up with inflation.

A few years ago, the federal government took steps to renew the promise of overtime protection by attempting to change rules under the Fair Labor Standards Act, but those attempts were derailed by court actions and have now been scrapped by the Trump administration. A new set of flawed rules that just came out last week are a shadow of the proposals that came out under the previous administration.

This bill seeks to bring back the promise of overtime protection for more Mainers. It increases the threshold that determines which workers are eligible for overtime by phasing in the 2016 US DOL proposed rule, adjusted for wage inflation, over several years.

We are living through a time of stunning wealth disparity.² Year after year, we are watching the people who own large companies get wealthier while their employees see a comparatively

¹ <https://www.dol.gov/sites/default/files/overtime-overview.pdf>

² https://www.washingtonpost.com/us-policy/2019/02/08/wealth-concentration-returning-levels-last-seen-during-roaring-twenties-according-new-research/?noredirect=on&utm_term=.682d8c9da942

smaller and smaller return on their hard work. Overtime policies were supposed to be one piece of a toolset that, when combined with a strong minimum wage, would ensure working people would see a proportional benefit for the success of their labor. We must do better.

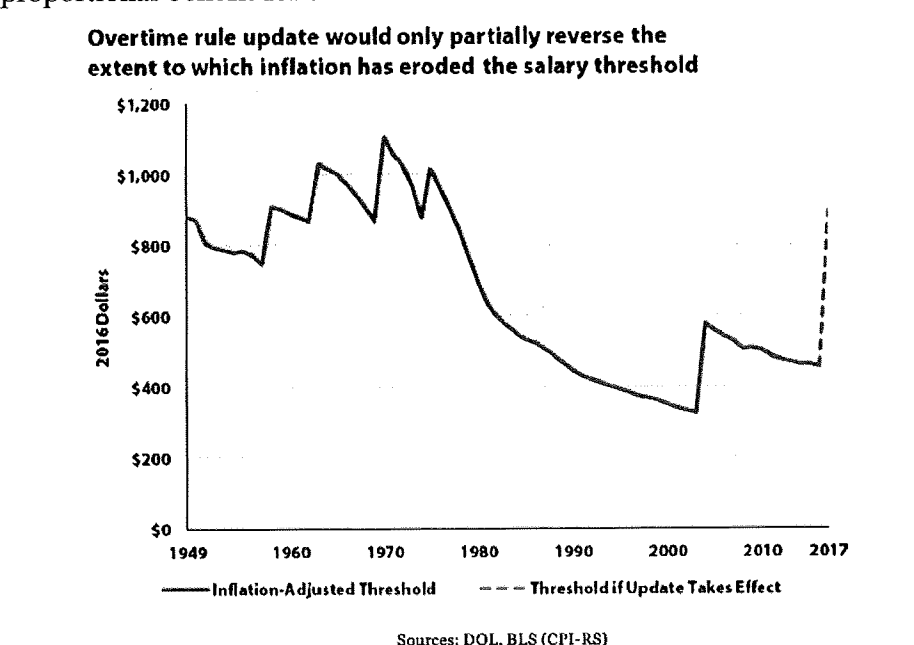


Image Source: Bernstein, J. (2016, December 05). The outrageous legal decision that took overtime pay from millions of workers. Retrieved from <https://www.vox.com/the-big-idea/2016/12/5/13838188/overtime-pay-rule-judge-strikes-down>

I am sure that critics will stand up today and tell you that this bill will cause the sky to fall. I am in my fourth term as a state representative and I have heard them say similar things about policies like this before. They claim that we cannot afford to ensure a decent minimum wage or fair labor protections. However, over the past few years, we have seen economic expansion alongside increases in minimum wage, and it makes sense.³ When working people have more money to spend in their community, their community benefits. When that money is instead diverted to out-of-state shareholders or offshore tax havens, Maine does not benefit.

This bill is relatively straight forward, but I do have one amendment. I have been contacted by the University and Community College systems about financial pressure this bill would place on their budgets. I would consider it a friendly amendment to add appropriations to cover their expenses, as that would be the only fair way for the cost of this bill to be represented to the Appropriations Committee should it make it that far.

In closing, I hope this committee takes the time to dig in to what this will mean for our state. I believe it will lead to more Mainers being fairly compensated for their hard work.

Thank you for your time. I would be happy to take any questions.

³ <http://mainebeacon.com/restaurant-licenses-sales-jobs-wages-and-hours-all-up-after-maines-tipped-wage-hike/>