Press Release

AAF Examines Administration’s Overtime Pay Expansion & Finds Few People Impacted

MARISSOL GARIBAY | NOVEMBER 20, 2014

The Administration’s effort to expand overtime pay requirements for salaried workers would impact very few people and minimally affect those in poverty, according to new research from the American Action Forum (@AAF). Specifically, the research found:

- Expanding overtime pay will only help 0.5 to 6.7 percent of salaried workers.
- Less than 1 percent of all salaried workers will be impacted by expansions in overtime pay and are in poverty.
- 69.0 to 91.2 percent of those affected by expansions in overtime pay have family incomes at least 2 times the poverty line.
- Over 60 percent of those affected by the rule change do not have dependent children.

“Instead of substantially improving the livelihood of low-income families, these rule changes will impose additional costs on the labor market, which likely will be in the form of layoffs, reduced hiring, and higher prices,” says Ben Gitis, AAF’s policy analyst.

Click here to read the research.