



## Obama planning overtime pay expansion for millions of workers

By Laura Clawson  
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President Barack Obama is taking advantage of another way to make life better for millions of workers by [revamping overtime regulations](#), Michael Shear and Steven Greenhouse report. This is something the president can do without Congress, through the Department of Labor's responsibility for setting the rules carrying out the Fair Labor Standards Act.

Under the new rules that Mr. Obama is seeking, fewer salaried employees could be blocked from receiving overtime, a move that would potentially shift billions of dollars' worth of corporate income into the pockets of workers. Currently, employers are prohibited from denying time-and-a-half overtime pay to any salaried worker who makes less than \$455 per week. Mr. Obama's directive would significantly increase that salary level.

In addition, Mr. Obama will try to change rules that allow employers to define which workers are exempt from receiving overtime based on the kind of work they perform. Under current rules, if an employer declares that an employee's primary responsibility is executive, such as overseeing a cleanup crew, then that worker can be exempted from overtime.

White House officials said those rules were sometimes abused by employers in an attempt to avoid paying overtime. The new rules could require that employees perform a minimum percentage of "executive" work before they can be exempted from qualifying for overtime pay.

The Economic Policy Institute's Ross Eisenbrey points out that [the current level of \\$455](#) a week or \$23,660 a year is "only \$2 a week above the poverty level for a family of four."

Naturally, the Cato Institute and U.S. Chamber of Commerce are already up in arms about the proposal to extend overtime pay to more workers. They'll have trouble claiming it's a horrific abuse of presidential power, though, since the last president to raise the threshold was George W. Bush, in 2004. Since, at the same time he raised that threshold, Bush also changed the rules to [strip overtime protection](#) from many workers, though, the right's response was a different story. Because Obama is looking to increase the number of workers eligible for overtime pay, we can expect a big fight and a lot of shrieking from the usual suspects (low-wage industries, that is). But American voters will once again have the chance to see who's on their side and who's fighting to keep their paychecks small.