



Tom Chamberlain, *President*
Barbara Byrd, *Secretary-Treasurer*

(503) 232 - 1195
3645 SE 32nd Ave
Portland, OR 97202
oraflcio.org

TO: Chair Barker
Vice Chair Bynum
Vice Chair Baretto
Members of the House Committee on Business and Labor

FR: Alma Raya, Legislative Specialist, Oregon AFL-CIO

RE: Oregon AFL-CIO Support for Overtime Salary Exemptions in HB 3374

The Oregon AFL-CIO represent 300, 000 working people across the state and we advocate for all workers in the legislative process. We are committed to ensuring every working Oregonian has an opportunity to thrive and is fairly compensated for their hard work. Thank you for the opportunity to testify in support of this very important conversation regarding overtime wages for lower wage salaried workers.

Our overtime laws need updated. Employers can avoid compensating workers for overtime, by paying their employees on a salary basis. While hourly based workers get time and a half after working 40 hours a week, some salary workers in food and retail businesses often work as many as 60 hours a week and are exempted from overtime wages.

Under the Obama administration, the US Department of Labor attempted to increase the salary threshold for overtime exemptions under the Fair Labor Standards Act going from \$23,660 annually to \$47,476¹. After a long debate, this March the US Department of Labor proposed another rule that would increased the salary threshold to \$35,308 annually². While this is lower than the original intent, currently some Oregon workers earning \$21,840 cannot be compensated for overtime regardless of the number of hours they work.

Increasing the salary threshold, like HB 3374 proposed ensures that employers are not finding a loophole in labor laws to avoid paying fair wages. Washington is considering adjusting the annual salary threshold from \$23,660 to between \$56,160 and \$70,200³. Our labor laws are

1

<https://www.natlawreview.com/article/washington-state-set-to-substantially-increase-salary-required-exempt-status-and>

2

<https://www.laboremploymentlawblog.com/2019/03/articles/fair-labor-standards-act-flsa/usdol-minimum-salary-threshold-exemption/>

3

<https://www.natlawreview.com/article/washington-state-set-to-substantially-increase-salary-required-exempt-status-and>



Tom Chamberlain, *President*
Barbara Byrd, *Secretary-Treasurer*

(503) 232 - 1195
3645 SE 32nd Ave
Portland, OR 97202
oraflcio.org

falling behind, hardworking Oregonians deserve a livable wage that can support their families and we need to make sure that we are building an economy that works for everyone. Thank you for the opportunity to testify, we look forward to future discussions that can help workers across the state make fair wages regardless of their salary classification.