# **Government Matters**

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# Working 9 to 5: Upgraded Overtime Rule Could Help Restore 40-Hour Work Week for Millions of Americans

### by Michell McIntyre

Last week, the White House announced a long-anticipated new rule that upgrades Americans' access to overtime pay. Worker advocates, economists, and unions have been working with the Obama administration and U.S. Department of Labor for years to modernize the rules on overtime, and thanks to their efforts, millions of salaried employees will be paid for the work they do beyond the standard 40 hours per week.

### What are the problems with the current overtime rule?

Americans are working harder than ever while corporate profits are skyrocketing, yet incomes are stagnant. A substantial portion of the increased hours that salaried workers spend on the job seems to be in the form of uncompensated overtime.

The current overtime rule requires that <u>any</u> employee (paid <u>hourly or salaried</u>) working more than 40 hours a week be paid time-and-a-half if they fall under a specific federal earnings threshold or work certain jobs. But the current threshold – \$23,660 (\$455 a week) is so low that it would leave a family of four living in poverty. The upgraded rule will more than double that threshold.

According to economists at the <u>Economic Policy Institute</u>, almost two-thirds of salaried workers were eligible for overtime in the mid-'70s, but today, only eight percent of salaried workers were guaranteed overtime pay. The Department of Labor hasn't adjusted the pay threshold for overtime work to account for the rising cost of living <u>since 1975</u>. So inflation has eroded overtime protections for millions of workers. About half these salaried workers are women; many have children.

Unscrupulous employers also take advantage of the weakened overtime protections and slack enforcement of the law to deny employees who already qualify from receiving overtime pay. Unethical employers classify some workers as "managers and supervisors" and pay them a salary instead of an hourly wage to avoid paying overtime. But many assistant managers spend a majority of their time doing work that is not managerial. When these employees are expected to work 50 or 60 hours a week, they may end up working for less than the hourly employees they nominally supervise.

Unpaid overtime is legalized wage theft. An assistant manager in a store or a restaurant who is paid an annual salary of \$25,000 and routinely works 60 hours a week is working for just \$8 an hour, less than the minimum wage in most states like Connecticut, Oregon, Florida, South Dakota and Ohio.

### Who will benefit from the stronger overtime rule? Everyone.

The updated overtime rule will raise the threshold for overtime for salaried workers to \$50,440 – meaning millions of workers will either be paid 50 percent more per hour of their ordinary wage for work beyond the normal 40 hours, and have more money for their families, or have more time to spend with their families. Overtime rules also ensure employers think twice before demanding long work hours from their employees.

Anyone who isn't a boss — an "executive or administrator" — or a "professional" and earns an annual salary of less than \$50,440 (or \$970 a week) will be eligible to receive overtime pay. An estimated 5 million new workers will immediately qualify for working overtime. With a shift to restore the traditional 40-hour work week, millions can spend more time with their families, volunteer in their communities, take a second job if so desired, and more.

The <u>workers most likely to benefit</u> from the updated rule are women, minorities, people under 35 years old, and workers with less education. But the children of these workers could be the biggest beneficiaries of the rule because their parents will now have more time to spend with them or more money to support them and be less stressed.

More money in the pockets of American workers can stimulate the economy. People may spend more at local stores and restaurants. And some employers will hire new staff instead of pay overtime, reducing unemployment.

#### You can help push the overtime rule across the finish line.

The overtime rule is a change that the Department of Labor can make without legislation — it simply sets new rules for overtime. People have the <u>opportunity</u> to tell the Department of Labor how they feel about the rule and staff there are supposed to respond. We know opponents will send in negative comments. If you support the change, please talk with everyone you know about the proposed overtime rule and how it could improve the lives of people they know and others in your community — especially young workers and working parents.

And ask people to <u>send a comment</u> to the Department of Labor to let the agency know that you support the new rule and why. Explain how your life and your family's life would be different if you only worked 40 hours a week or how your life would be better if you were actually paid time-and-a-half for all your extra hours worked. Check out the <u>overtime calculator</u> to figure out how much more you would make each week with the new overtime rule.

Big business and their lobby groups will try to turn the tide against the rule, but even they admit that the updated rule will create tens of thousands of new jobs. We need your voice to push back against big corporate interests and bring the overtime rule across the finish line. Please send in your comment today!

## Pennsylvania Residents Near Fracking Sites Report Health Problems

#### by Amanda Frank

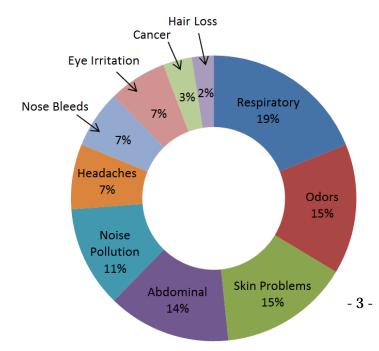
Last week, Food & Water Watch <u>released</u> the Pennsylvania Department of Health's log of health complaints from communities living near fracking sites. The logs include many of the health complaints that critiques have linked to fracking for years — and the state's inadequate response.

## People reported respiratory problems, hair loss, and headaches, and they attributed their symptoms to foul-smelling air and water.

Food & Water Watch obtained the health log through a public records request, following a news report that Department of Health officials are <u>forbidden to talk about fracking</u> with concerned residents. The log includes 87 reports received between March 30, 2011 and April 6, 2015. Many reports show multiple people were affected, sometimes entire families or clusters of patients.

Roughly 20 percent of reports came from public health professionals and doctors concerned about patients. The other 80 percent came from concerned residents and other public officials. The most reports came from regions in Pennsylvania with the highest levels of drilling activity.

### Health Complaints, by number of persons affected



The most commonly reported health symptoms were respiratory issues, skin irritation, and abdominal issues. According to a 2011 study, over 75 percent of chemicals used in fracking cause these same symptoms. It is possible that contaminated drinking water and polluted air caused these residents' health issues, but to be sure, state officials would have to test the air and drinking water sources near fracking sites for traces of fracking chemicals, then use modeling and other tools to document the connections between the drilling methods and residents' health problems.

## Health department employees were told not to talk to residents complaining of frackingrelated symptoms.

When residents call the Pennsylvania Department of Health, employees usually talk with them about their concerns and refer them to agency services. But last summer, <a href="StateImpact Pennsylvania">StateImpact Pennsylvania</a> reported that health department employees were instructed not to talk to residents who reported fracking concerns. Employees were reportedly given a list of "buzzwords," including "gas" and "fracking," and were instructed to record the contact information of callers using these words and forward the information to their supervisors.

A retired health department worker said that she had never seen this protocol used for any other health issue. She worried that her supervisors were not following up with these callers, especially after receiving angry calls from residents whose concerns went unanswered.

According to StateImpact, the Department of Health denied this protocol and the existence of a list of "buzzwords."

## While it's uncertain why the health department might be avoiding these residents, it's clear that state agencies are ill-equipped to deal with fracking concerns.

A 2012 <u>law</u> created an "impact fee" on Pennsylvania fracking wells that has generated hundreds of millions of dollars in just three years. The funds are given to state agencies and local governments that regulate fracking – but none is shared with the Department of Health.

The Department of Health does not have the capacity to conduct air and water quality tests, so when residents voice concerns about drilling-related contamination, they are often referred to the Pennsylvania Department of Environmental Protection. However, a July 2014 <u>audit</u> suggests that the agency is facing its own resource constraints, as fracking is expanding faster than the agency can keep up with it.

For instance, auditors examined 15 confirmed cases of water impacts from fracking; in only one case did the agency order the drilling company to restore or replace the water supply. The audit also found that the Department of Environmental Protection lags behind in communicating with residents who have reported concerns.

State agencies need more funding to respond to fracking concerns. They also need to communicate with the public in a timely manner and respond to complaints and health concerns regarding environmental pollution, regardless of the industry involved.

## Additionally, drilling companies must be required to conduct baseline testing of water supplies and air near fracking sites – and continue to monitor them throughout drilling.

Without proper environmental monitoring – along with <u>disclosure of fracking chemicals</u> – it is impossible to link health symptoms to fracking operations.

After many years of delay, EPA has finally confirmed that fracking contaminates our <u>drinking water</u>; community monitoring shows that it also pollutes the <u>air we breathe</u>. But since industry influence and federal law have limited the ability of federal agencies to comprehensively regulate fracking that occurs on private land, it is up to state agencies to protect the public's health and to clean up Pennsylvania

communities that have had to deal with the toxic outputs of fracking operations.

## Rachel Carson Was Right: World Health Organization on Pesticides and Cancer

### by Brian Gumm

In 1962, <u>Rachel Carson</u> published a groundbreaking book, *Silent Spring*, that rang the alarm about the health and environmental impacts of rampant pesticide use – on our crops, lawns, and gardens. Two of those toxic chemicals – <u>DDT</u> and <u>lindane</u> – were the subject of <u>a recent World Health Organization review</u>. The agency found that they pose cancer risks to humans, highlighting the need for more effective public protections against dangerous pesticides.

At the time of *Silent Spring*'s release, <u>the chemical industry launched vicious personal attacks</u> against Carson. Criticism continued long after her death from breast cancer in 1964, with <u>industry apologists</u> <u>claiming</u> that Carson's DDT claims were based on "sentimental fanaticism" and a selective reading of science. <u>Other critics blamed her</u> for the spread and persistence of malaria, saying that the DDT bans she inspired have hampered efforts to wipe out mosquitoes that carry the disease.

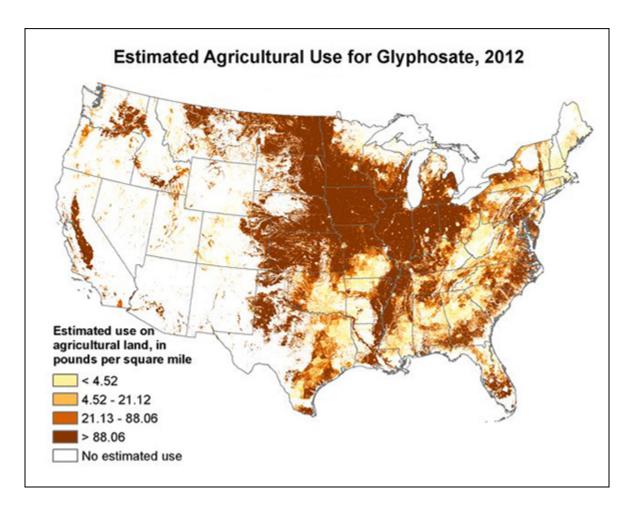
### Rachel Carson was right to worry about DDT.

But <u>the recent World Health Organization assessment</u> underscores Carson's concerns about DDT. The review found that DDT "probably" causes cancer and could raise the risk of <u>non-Hodgkin lymphoma</u> (a cancer of the immune system's lymph nodes), testicular cancer, and liver cancer. <u>Liver cancer is especially deadly</u>, with a five-year survival rate of only 17 percent.

The World Health Organization's International Agency for Research on Cancer was even more pointed about the risks of lindane, finding that it definitively causes cancer in people. Lindane was heavily used in agriculture but has been severely restricted due to its toxicity, though it is still found in some prescription lice and scabies treatments used primarily on children. According to the cancer research agency, exposure to lindane could increase the risk of non-Hodgkin lymphoma by 60 percent.

## The weed killer Roundup, widely used in the U.S., probably causes cancer.

The June review comes on the heels of another World Health Organization finding that glyphosate, <u>a weed killer better known as Roundup</u>, probably causes cancer in humans. Manufactured and marketed by Monsanto, the chemical is <u>widely used by the agricultural industry</u> and has also been implicated in the <u>rapidly shrinking population of monarch butterflies</u> because it kills off milkweed, the monarch caterpillar's only food source. Monarchs are a <u>key indicator species</u> in the United States, meaning that if they are disappearing, there is something wrong in our environment. They also help plants reproduce; like bees, bats, and hummingbirds, they are important pollinators.



Click the map above to view an animation showing Roundup usage in the United States from 1992-2012.

Created by Environmental Working Group based on U.S. Geological Survey data.

## Our national pesticide law is supposed to prevent harmful products from reaching the market, but the chemical industry is masterful at exploiting loopholes.

The U.S. Environmental Protection Agency (EPA) is supposed to carefully oversee pesticides under the <u>Federal Insecticide</u>, <u>Fungicide</u>, <u>and Rodenticide Act</u>. The law is often held up as a model because it directs chemical companies to prove the safety of pesticides before EPA allows them on the market.

<u>But the law doesn't work the way it's supposed to</u>: because of intense chemical industry influence, EPA often grants "conditional" pesticide registrations, which means companies don't have to submit all the rigorous scientific studies normally needed to sell these products in American stores. When government relies only on industry studies to assess safety, even when companies submit a full set of materials, that evidence can be slanted in the industry's favor and rarely includes information on potential damage to our immune and hormone systems or the potential to cause learning problems in children.

Another shortcoming of our current national pesticide policy is that new scientific evidence, like that released by the World Health Organization, is frequently ignored, and dangerous pesticides remain on the market despite the risks they pose.

## We need stronger government oversight and enforcement to keep these harmful products off our lands and out of the food supply.

In *Silent Spring*, Rachel Carson <u>wrote</u>, "[T]he chemical barrage has been hurled against the fabric of life." We can all play an important role in pushing back on this onslaught by <u>decreasing or eliminating our own</u> <u>pesticide use</u> on our lawns and gardens, but we can't take on the powerful chemical industry by ourselves.

To protect our families and communities, we need strong, comprehensive oversight and enforcement from our government to keep risky poisons off store shelves and away from our croplands. A good first step would be to ensure our national pesticide law actually works as intended — making pesticide companies prove their products are truly safe for people and our natural resources **before** they can be sold and used.

## \$248 a Minute? CEO Pay is Sky-high at America's Low-wage Employers

## by Scott Klinger

Florida's Disney World bills itself "the happiest place on Earth." But last year, some Disney World employees made so little they became <u>homeless</u>.

Meanwhile, Disney paid CEO Robert Iger <u>\$46.5 million</u>. That amounts to a stunning \$248 a minute if he works 60 hours a week. It's over 2,200 times <u>the median pay</u> of the workers he employs to welcome guests, operate rides, sell food, and clean his theme parks, according to economist Dean Baker.

Iger rakes in the price of a single-day pass to the main park every 25 seconds. His lowest-paid workers, meanwhile, can't afford the cost of entry after a full day's work. Ride operators and park cleaners would need to work full time for nearly six days to afford a single day's park admission for a family of four.

Even after a raise to \$10 an hour they negotiated <u>for next year</u>, Disney employees can only expect to take home about \$20,000 over the course of a year. It's hard to live on that kind of pay in Orlando, where one-bedroom apartments average <u>\$822 a month</u>.

Across the country, tens of thousands of low-wage workers have participated in strikes calling for a \$15-an-hour minimum wage. A major target has been Wal-Mart, the nation's largest employer.

Like Disney, Wal-Mart has responded to pressure by announcing modest wage increases for its lowest-paid workers. Since April, all Wal-Mart employees have earned <u>\$9 an hour</u>. Early next year, a \$10-an-hour minimum will kick in.

Yet Wal-Mart's new CEO, C. Douglas McMillon, raked in <u>over \$19 million</u> last year. He made as much in one minute as entry-level Wal-Mart workers made in a day and a half.

Wal-Mart's also provided McMillon with a retirement account worth <u>\$65.7 million</u>. If he retired today, he'd get a monthly check for \$361,230 for the rest of his life. A low-wage Wal-Mart worker would have to work full-time nearly 20 years to earn that.

But the winner of the Holy Guacamole pay award goes to Chipotle's co-CEOs Steve Ells and Monty Moran. The company touts itself as a pay leader in the fast-food industry, but its average starting wage is only <u>about \$9 an hour</u>. Ells and Moran together pulled in <u>\$305 a minute last year</u>.

These are just a few examples of highly profitable companies that pay their CEOs millions while forcing workers to rely on public assistance and private charities. Ten bucks an hour is sure better than the current federal minimum of \$7.25, but it's nowhere near enough to live on or support a family.

Legislation called the Raise the Wage Act would increase the federal minimum to \$12 an hour by 2020. This would directly benefit more than 37 million American workers. It's good for the rest of us, too.

More people with money in their pockets means businesses will sell more stuff. It encourages new job growth to satisfy increased demand. And the government will spend less to help low-wage workers pay for food and housing, so our tax dollars can be invested in education and repairing roads, bridges, dams, and other infrastructure — creating more jobs and a better quality of life for all of us.

Raising wages alone won't turn America into the happiest place on earth, but it's an important step toward creating an economy that works for us all.

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2040 S Street, NW, 2nd Floor
Washington, DC 20009
202-234-8494
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