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ROD R. BLAGOJEVICH - GOVERNOR

NEWS

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Gov. Blagojevich signs new law protecting Illinois workers' overtime compensation
Illinois becomes first state to decouple from new federal overtime rules

CHICAGO – Just two days after the Illinois General Assembly passed legislation protecting hundreds of thousands of Illinois workers from new federal rules that would strip them of their right to overtime pay, Gov. Rod R. Blagojevich today signed the measure into law.

“In Illinois, we understand that time is the most precious commodity there is. Every extra hour you spend at work is an extra hour you spend away from your family, away from your spouse. Those extra hours are extra valuable. When you work late – when you work weekends – that’s time away from a lot of the things that make life worth living. And when you make the trade-off to spend those extra hours on the job, you deserve to be compensated for it,” the Governor said.

Illinois Comptroller Dan Hynes, who drafted the House version of the overtime legislation, explained, “I initiated this legislation more than a month ago because the way the Bush Administration is treating middle class wage earners in this country is simply not fair. With one hand the White House wants to take money away from working men and women. With the other, he wants to fatten corporate bottom lines. To me, that sounds like some perverse form of trickle-up economics.”

Under the Fair Labor Standards Act that was originally adopted in 1938, most workers are guaranteed the right to compensation equaling time and a half for every hour worked beyond the normal 40-hour workweek.

The new rules proposed by the U.S. Labor Department, and scheduled to take effect this month, redefine the three job classifications that are exempt from overtime pay. More workers would be classified as “professional,” “administrative,” or “executive,” and as a result, an estimated 375,000 Illinois workers would no longer qualify for overtime compensation. Among the types of workers that could lose the right to overtime pay are: licensed practical nurses, emergency medical technicians, retail and food service workers, secretaries and dental hygienists.

The bill signed by the Governor today rejects the federal changes and keeps the current job classification definitions in place, preserving overtime rights for Illinois workers who currently qualify.

The new Illinois law also raises the overtime eligibility level so that most employees who make less than \$425 a week, or \$22,100 a year, will be entitled to overtime pay. The previous limit of \$155 a week, or \$8,060 a year, had been unchanged since 1975.

“Working overtime by its very definition means someone is working hard, going above and beyond the call. Here in Illinois at least, a good day’s work still means a good day’s pay,” said state Sen. Barack Obama (D-Chicago), chief Senate sponsor of SB 1645.

“A lot of families rely on overtime pay just to make ends meet. This legislation is critical to the well being of thousands of families across our state who are already struggling to get by,” said state Rep. Brandon Phelps (D-Harrisburg).

The legislation, Senate Bill 1645, goes into effect immediately.