

Economic Policy Institute

November 20, 2025

Representative Tim Walberg
Chairman
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC

Representative Robert C. Scott
Ranking Member
Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC

Dear Chairman Walberg and Ranking Member Scott:

On behalf of the Economic Policy Institute, we write to the Committee to express our strong opposition to the bills under consideration today: **the Working Families Flexibility Act (H.R. 2870)**, introduced by Rep. Mary E. Miller (R-Ill.); the **Tipped Employee Protection Act (H.R. 2312)**, introduced by Rep. Steve Womack (R-Ark.) and the **Ensuring Workers Get PAID Act of 2025 (H.R. 2299)**, introduced by Rep. Glenn Grothman (R-Wis.). All three of these deceptively-named bills would in fact ensure that bosses, *not* workers, would get even more power in the workplace.

The Economic Policy Institute (EPI) is a nonprofit, nonpartisan think tank created in 1986 to include the needs of low- and middle-income workers in economic policy discussions. EPI urges Members of the Committee to oppose these bills, which would further erode overtime protections, the right to earn minimum wage, and the enforcement of those rights.

The Working Families Flexibility Act would amend the Fair Labor Standards Act (FLSA) to allow private-sector employers to “compensate” hourly workers with compensatory time off in lieu of overtime pay. Contrary to proponents’ claims, the bill does not create employee rights or give them more genuine flexibility: instead, it takes rights away from workers. It does create a new *employer* right—the right to delay paying any wages for overtime work, and a new *burden* for workers, of asking for a payout of their overtime pay. The legislation forces workers to compromise their paychecks for the possibility—but not the guarantee—that they will get time off from work when they need it. The “Working Families Flexibility Act” does nothing to improve family flexibility, paid family leave, or fair scheduling practices. It simply gives employers the right not to pay overtime at the time when overtime is worked. H.R. 2870

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undermines the fundamental goal of overtime protections, which is to discourage employers from overworking employees without additional pay.

The FLSA is the original family-friendly law. It permits a wide range of flexible work schedules. All of these arrangements are permissible under the FLSA. Employers can and should take advantage of the flexibility the current law already provides.

H.R. 2870 will reduce worker income. The Working Families Flexibility Act would result in less money in employees' paychecks, even when they do work overtime. Many employees rely on overtime pay to earn enough money to make ends meet—but this bill would allow employers to avoid paying overtime premiums when employees work extra hours, by giving them “comp time” to bank for future use instead. This means employees will still be working longer hours, but they will be receiving less in their paychecks at the time they work the longer hours while they request and wait for a payout. They will essentially be loaning their employer their overtime pay (at no interest).

Further, comp time in lieu of overtime pay is wrong for the private sector. Public sector workers have better rates of union representation, making them more likely to be actually able to enjoy these benefits or coerced into accepting comp time in lieu of overtime. Private-sector workers also face a real danger of losing comp time accrued in the event of a business failure. If a company goes out of business or files bankruptcy, nothing in this legislation provides workers with a guarantee that they'll receive payment for any accrued comp time.

The Tipped Employee Protection Act would enshrine the use of the tipped minimum wage, locking service workers into an outdated and unfair two-tiered wage system that requires employers to pay them as little as \$2.13 an hour. While the bill purports to “protect” tipped workers, it’s certainly notable that only a national organization representing restaurant owners and employers, and not an organization representing low-wage restaurant workers, appeared to publicly supported this bill upon its introduction. EPI and others have documented extensively that workers who rely on tips to survive are uniquely vulnerable to wage theft, harassment, and exploitation on the job. Anyone in Congress who cares about protecting tipped workers should be focused on eliminating the subminimum wage and improving working conditions for service workers, not trying to make it easier for employers to take advantage of the “tip credit.”

And lastly, the Ensuring Workers Get PAID Act is the wrong way to tackle wage theft. There is nothing inherently wrong with expanding compliance assistance opportunities for employers or other regulated communities. But Department of Labor’s PAID program essentially permits employers who have stolen workers’ wages to confess their violations up front and get out of any penalties scot-free. If an employer proactively notified DOL, through the PAID program, that

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they had failed to pay minimum wage or overtime, or were taking illegal deductions from workers' paychecks, then DOL would waive all penalties and liquidated damages. When the PAID program was originally started at DOL by the first Trump administration in 2018, 11 state attorneys general publicly expressed concerns about the PAID program, including the concern that the program would require workers to waive rights under state law. EPI's research has shown that [wage theft is rampant](#), costing U.S. workers billions. Any program that *lowers* the deterrent financial penalties for wage and hour violations is keeping money from workers that are owed.

We strongly urge the members of this Committee to reject these bills.

Sincerely,

Celine McNicholas
Director of Policy

Samantha Sanders
Director of Government Affairs & Advocacy