

More than eight million workers will be left behind by the Trump overtime proposal

Workers would receive \$1.2 billion less than under the 2016 rule

Report • By Heidi Shierholz • April 8, 2019

This is an update to a [report](#) that was originally published on March 22, 2019. This updated version includes data on wages lost under the 2019 Trump administration overtime proposal that would have been received under the 2016 rule.

The backstory: Millions of working people are working overtime but not getting paid for it because business interests have successfully challenged a 2016 rule that would have protected them. Federal law requires that people working more than 40 hours a week be paid 1.5 times their pay rate for the extra hours, but allows employers to exempt salaried workers who make above a certain threshold and are deemed to have executive, administrative, or professional duties. Basically, the threshold is supposed to help protect workers with little bargaining power—for example, modestly compensated front-line supervisors at fast-food restaurants—from being forced to work unpaid overtime. But the overtime pay threshold has been so eroded by inflation that people earning as little as \$455 per week (the equivalent of \$23,660 per year) can be forced to work 60 or more hours a week for no more pay than if they worked 40 hours.

In 2016, the Obama Labor Department issued a rule that would have raised the overtime pay salary threshold to \$47,476. But in November 2016—just before the rule was set to go into effect—a district court judge in Texas blocked the rule nationwide.

On March 22, 2019, the Department of Labor published a [proposal](#) to set the salary threshold under which almost all workers are entitled to overtime pay to \$679 per week, or \$35,308 for a full-year worker, in 2020.¹ The adoption of this proposal would leave behind millions of workers who would have gotten new or strengthened overtime protections under [regulations finalized in 2016](#).² This analysis compares the economic impact of the Trump administration proposal to the 2016 rule. Key findings include:

- An estimated 8.2 million workers would be left behind by the Trump proposal.
- The 8.2 million workers left behind by the Trump proposal include 3.1 million workers who would have gotten new overtime protections under the 2016 rule and 5.1 million workers who would have gotten strengthened protections under the 2016 rule.
- The 8.2 million workers who would be left behind include 4.2 million women, 3.0 million people of color, 4.7 million workers without a college degree, and 2.7 million parents of children under the age of 18.
- Because the Trump proposal does not automatically index the threshold going forward, the number of workers left behind grows from 8.2 million in 2020 to an estimated 11.5 million over the first 10 years of implementation.
- The annual wage gains from workers who get new protections are \$1.2 billion dollars *less* under the Trump proposal than under the 2016 rule. These annual earnings losses will grow from \$1.2 billion to \$1.6 billion (in inflation-adjusted terms) over the first 10 years of implementation due to the fact that the Trump administration proposal does not include automatic indexing.

The 2016 rule, which was [held up in court](#)³ following a challenge by business trade associations and Republican-led states, would have increased the overtime salary threshold to \$913 per week, or \$47,476 for a full-year worker, from its current level of \$455 per week, or \$23,660 for a full-year worker. It would also have indexed the threshold to wage growth on a triennial basis; under the 2016 rule, the threshold would have increased to roughly \$51,000 on January 1, 2020.

In publishing the new proposal with a lower threshold, the Department of Labor under the Trump administration is alleging that the 2016 rule set the threshold too high and needs to be corrected. This is not supported by the data. The 2016 rule was well within historical norms; in fact, it would have covered far fewer workers than the threshold had covered in the past. In 1975, more than 60 percent of full-time salaried workers earned below the threshold.⁴ By 2016, the share of full-time salaried workers covered by the threshold had dropped to less than 7 percent. The 2016 rule would have just partially restored this coverage, to roughly 33 percent. The Trump proposal would cover less than half of the workers covered by the 2016 rule, just 15 percent.⁵

The 2016 rule did require a large increase in the threshold, *but only because the rule had not been appropriately updated since 1975*. If the 1975 rule had simply been updated for inflation, it would be roughly \$58,000 in 2020—well above the projected 2020 threshold of the 2016 rule, \$51,000. The new proposed rule, at \$35,308 in 2020, is around \$23,000 less than the inflation-adjusted 1975 level.

If the department finalizes its new proposal, millions of workers who should get overtime protections will fall through the cracks. In their proposal, the department provides estimates showing that 2.8 million fewer workers will be affected under their proposal than under the 2016 rule, but this is a vast underestimate, for two reasons. First, they use pooled 2015–2017 data, benchmarked to 2017 wage and employment levels, and state that these figures “are the Department’s best approximation for impacts starting in 2020.” This leads to an underestimate because it doesn’t account for employment growth and other changes in the three years between 2017 and 2020. I correct for this issue to the extent possible by using more updated data—pooled 2016–2018 data, benchmarked to 2018 wage and employment levels—and inflating employment and wage levels based on Congressional Budget Office economic projections for 2018–2020.

Second, the department’s estimate of those left behind leaves out an entire group of workers who would be affected by the rule—those who will no longer get *strengthened* protections. To understand what a large omission this is, it is useful to keep in mind that there are two groups of workers who would be affected by any update to the overtime threshold. One group consists of those workers who get *new* protections under a new threshold—namely salaried workers who are bona fide managers, supervisors, or learned professionals who earn above the old threshold but below the new threshold. These workers are not legally entitled to overtime protections under the old threshold but would be overtime-eligible under the new threshold. But there is another large group of workers who are affected by any increase in the threshold—workers who get *strengthened* protections. Workers who get strengthened protections are salaried workers who earn above the old threshold and below the new threshold but who are *not* bona fide managers, supervisors, or learned professionals. These workers *should* have overtime protections under the old threshold—but because they earn a salary and earn above the threshold, they are vulnerable to being misclassified by their employer as overtime-exempt. However, once the threshold rises above their earnings level, their status as overtime-eligible becomes very clear. In their estimate of how many workers get left behind by their proposal, the department ignores the millions of workers who will not get strengthened protections under their proposal but who would have gotten strengthened protections under the 2016 threshold.

Table 1 shows how many workers will be left behind by the Trump proposal, broken down by demographic and by whether these workers would have gotten new or strengthened protections under the 2016 rule. For reference, the table also provides the underlying numbers of workers who would have gotten new or strengthened protections under the 2016 rule compared with the numbers who would get new or strengthened protections under the 2019 proposal. The table shows that the 8.2 million workers who would be left behind include 4.2 million women, 3.0 million people of color, 4.7 million workers without a college degree, and 2.7 million parents of children under the age of 18. The appendix tables provide further breakdowns by major industry and occupation (**Appendix Table A1**) and by state (**Appendix Table A2**).

The number of workers left behind by the Trump proposal grows over time because the proposal does not include automatic updating, whereas the 2016 rule would have automatically updated the threshold every three years. **Table 2** shows the increase in the

number of workers that would be left behind during the first 10 years of implementation of the Trump proposal. While the department does not assume the threshold will be updated in future years in its own economic impact projections, it is worth noting that the department claims that it is “committing to evaluate” the threshold “more frequently” going forward, in particular mentioning a flexible commitment to notice and comment rule-making to increase the threshold every four years. Given that notice and comment rule-making is extremely time- and resource-intensive—the 2016 rule-making took more than two years—this is an enormously inefficient way for the government to operate (and is why huge stretches of time go by between rule-makings). It makes little sense to go through notice and comment rule-making just to *maintain* a standard—that process should be reserved for when policymakers want to change the *substance* of a rule, while automatic updating should be used to ensure that the standard does not erode in the meantime. Further, automatic updating provides crucial predictability for employers. With automatic updating, as opposed to a vague claim that updating will be considered every four years, employers know exactly what to expect and when to expect it.

The lower salary threshold of the Trump proposal will translate into lower earnings for workers. **Table 3** shows that the annual wage gains from workers who get new protections are \$1.2 billion dollars *less* under the Trump proposal than under the 2016 rule. This calculation includes both wages lost by workers who would have gotten new protections under the 2016 rule but would not get new protections under the Trump proposal, and wages lost by workers who would get new protections under either the Trump proposal or the 2016 rule but who would have gotten a larger raise under the 2016 threshold than under the 2019 proposal. The calculation does *not* include earnings losses by those who would have gotten strengthened protections under the 2016 rule but would not get them under the Trump proposal. **Table 3** also shows that the annual earnings losses grow from \$1.2 billion to \$1.6 billion (in inflation-adjusted terms) over the first 10 years of implementation due to the fact that the Trump administration proposal does not include automatic indexing. **Appendix Table A3** in the appendix provides wage loss breakdowns by state.

Given the large number of workers who will be left behind under this proposal who would have been covered by the painstakingly justified 2016 rule, we encourage the department to drop this rule-making and instead defend the 2016 rule. Further, defending and then implementing the 2016 threshold would lead to better use of one of the most precious resources of working families in this country—their time—by providing an incentive for employers to balance the additional hours they ask of their workers with the costs of either overtime pay or of raising salaries to the new salary threshold. That incentive is consistent with a fundamental principle embodied in the Fair Labor Standards Act—that workers should receive a fair day’s pay for a long day’s work. The department’s new proposed rule—which is based on the notion that someone struggling by on \$35,000 a year is a highly paid executive who doesn’t need or deserve overtime protections—flies in the face of those principles and should be abandoned.

Table 1

Number of salaried workers left behind by the Trump overtime proposal, by demographic group, projected for 2020

Group	Workers left behind by 2019 proposal			Under the 2016 rule			Under the 2019 proposal			Total salaried workers in the U.S.
	Total workers left behind	Workers who would have gotten new protections under 2016 rule	Workers who would have gotten strengthened protections under 2016 rule	Total affected workers	Workers with new protections	Workers with strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	
All	8,240,000	3,140,000	5,100,000	13,470,000	4,550,000	8,920,000	5,230,000	1,410,000	3,820,000	59,140,000
Gender										
Male	4,000,000	1,330,000	2,670,000	6,560,000	1,970,000	4,590,000	2,560,000	640,000	1,920,000	32,570,000
Female	4,240,000	1,810,000	2,440,000	6,910,000	2,580,000	4,340,000	2,670,000	770,000	1,900,000	26,570,000
Parenthood										
Not a parent	5,540,000	2,120,000	3,410,000	9,060,000	3,060,000	6,000,000	3,520,000	940,000	2,580,000	37,470,000
Father	1,320,000	420,000	900,000	2,130,000	630,000	1,510,000	810,000	210,000	600,000	12,210,000
Mother	1,390,000	600,000	790,000	2,280,000	860,000	1,420,000	890,000	260,000	630,000	9,460,000
Race/ethnicity										
White	5,250,000	2,160,000	3,090,000	8,220,000	3,120,000	5,100,000	2,970,000	950,000	2,010,000	40,680,000
Black	1,010,000	340,000	670,000	1,680,000	480,000	1,200,000	670,000	140,000	520,000	5,460,000
Hispanic	1,280,000	350,000	920,000	2,410,000	530,000	1,880,000	1,130,000	180,000	960,000	7,230,000
Asian	550,000	230,000	330,000	930,000	340,000	580,000	370,000	120,000	260,000	4,810,000
Others	150,000	50,000	90,000	230,000	70,000	160,000	90,000	20,000	70,000	960,000
Age group										
16–24	510,000	200,000	300,000	1,000,000	320,000	680,000	490,000	120,000	370,000	2,800,000
25–34	2,430,000	1,040,000	1,400,000	3,840,000	1,420,000	2,420,000	1,410,000	380,000	1,020,000	13,510,000
35–44	1,830,000	680,000	1,150,000	2,930,000	980,000	1,950,000	1,100,000	300,000	800,000	14,550,000
45–54	1,800,000	640,000	1,160,000	2,880,000	940,000	1,940,000	1,080,000	300,000	780,000	14,330,000
55–64	1,320,000	450,000	870,000	2,170,000	670,000	1,500,000	850,000	220,000	630,000	10,720,000
65+	350,000	130,000	220,000	660,000	220,000	440,000	310,000	90,000	210,000	3,220,000

Table 1 (cont.)

Group	Workers left behind by 2019 proposal			Under the 2016 rule			Under the 2019 proposal			Total salaried workers in the U.S.
	Total workers left behind	Workers who would have gotten new protections under 2016 rule	Workers who would have gotten strengthened protections under 2016 rule	Total affected workers	Workers with new protections	Workers with strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	
Educational attainment										
Less than high school	320,000	40,000	280,000	800,000	60,000	740,000	480,000	30,000	460,000	1,980,000
High school	1,940,000	450,000	1,490,000	3,470,000	680,000	2,780,000	1,520,000	230,000	1,290,000	9,240,000
Some college	2,440,000	830,000	1,610,000	4,040,000	1,210,000	2,830,000	1,600,000	380,000	1,220,000	12,080,000
College degree	2,620,000	1,280,000	1,340,000	3,800,000	1,790,000	2,000,000	1,180,000	520,000	660,000	20,810,000
Advanced degree	920,000	540,000	380,000	1,360,000	800,000	570,000	440,000	250,000	190,000	15,030,000

Note: Subtotals may not add up to totals due to rounding. Following the methodology used by the U.S. Department of Labor, the estimates include all workers affected by the *federal* salary threshold increase, and do not account for higher state salary thresholds.

Source: EPI analysis of pooled Current Population Survey Outgoing Rotation Group microdata, 2016–2018, following the methodology used in the U.S. Department of Labor’s 2019 **proposed rule**, “Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees,” 29 CFR Part 541 (published March 22, 2019).

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Table 2

The number of workers left behind by the Trump overtime proposal will grow to 11.5 million in the first 10 years of implementation

Projected number of salaried workers left behind by the Trump overtime proposal in the first 10 years of implementation

	Projected standard threshold under the 2016 rule	Standard threshold under the 2019 proposal	Workers left behind by 2019 proposal			Under the 2016 rule			Under the 2019 proposal			
			Total workers left behind	Workers left behind who would have gotten new protections	Workers left behind who would have gotten strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	Total salaried workers
2020	\$51,053	\$35,308	8,240,000	3,140,000	5,100,000	13,470,000	4,550,000	8,920,000	5,230,000	1,410,000	3,820,000	59,140,000
2021	\$51,053	\$35,308	7,940,000	2,950,000	4,990,000	13,010,000	4,330,000	8,690,000	5,070,000	1,380,000	3,690,000	59,180,000
2022	\$51,053	\$35,308	7,540,000	2,720,000	4,830,000	12,610,000	4,070,000	8,540,000	5,070,000	1,350,000	3,710,000	59,220,000
2023	\$55,055	\$35,308	9,250,000	3,420,000	5,830,000	14,050,000	4,740,000	9,310,000	4,790,000	1,310,000	3,480,000	59,370,000
2024	\$55,055	\$35,308	9,350,000	3,320,000	6,020,000	13,990,000	4,570,000	9,420,000	4,650,000	1,250,000	3,400,000	59,630,000
2025	\$55,055	\$35,308	9,330,000	3,220,000	6,110,000	13,440,000	4,320,000	9,120,000	4,110,000	1,100,000	3,010,000	59,890,000
2026	\$59,098	\$35,308	10,900,000	3,890,000	7,000,000	15,170,000	5,050,000	10,110,000	4,270,000	1,160,000	3,110,000	60,080,000
2027	\$59,098	\$35,308	10,560,000	3,690,000	6,880,000	14,710,000	4,820,000	9,890,000	4,140,000	1,130,000	3,010,000	60,300,000
2028	\$59,098	\$35,308	10,070,000	3,430,000	6,640,000	14,280,000	4,600,000	9,680,000	4,210,000	1,170,000	3,040,000	60,560,000
2029	\$63,346	\$35,308	11,520,000	4,080,000	7,440,000	15,740,000	5,280,000	10,460,000	4,220,000	1,200,000	3,020,000	60,860,000

Note: Subtotals may not add up to totals due to rounding. Following the methodology used by the U.S. Department of Labor, the estimates include all workers affected by the *federal* salary threshold increase, and do not account for higher state salary thresholds.

Source: EPI analysis of pooled Current Population Survey Outgoing Rotation Group microdata, 2016–2018, following the methodology used in the U.S. Department of Labor’s 2019 [proposed rule](#), “Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees,” 29 CFR Part 541 (published March 22, 2019).

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Table 3

The total annual wages workers will lose under the Trump overtime proposal will grow to \$1.6 billion in the first 10 years of implementation

Projected wages workers lose under the Trump overtime proposal relative to the 2016 rule in the first 10 years of implementation of the Trump proposal

	Projected standard threshold under the 2016 rule	Standard threshold under the 2019 proposal	Wages lost under the 2019 proposal relative to the 2016 rule	Total wage increase under the 2016 rule	Total wage increase under the 2019 proposal
2020	\$51,053	\$35,308	\$1,214,000,000	\$1,787,200,000	\$573,100,000
2021	\$51,053	\$35,308	\$1,072,300,000	\$1,606,000,000	\$533,700,000
2022	\$51,053	\$35,308	\$978,200,000	\$1,477,100,000	\$498,900,000
2023	\$55,055	\$35,308	\$1,321,000,000	\$1,770,700,000	\$449,700,000
2024	\$55,055	\$35,308	\$1,208,200,000	\$1,632,400,000	\$424,200,000
2025	\$55,055	\$35,308	\$1,126,100,000	\$1,504,200,000	\$378,200,000
2026	\$59,098	\$35,308	\$1,440,600,000	\$1,798,500,000	\$357,900,000
2027	\$59,098	\$35,308	\$1,348,200,000	\$1,687,000,000	\$338,900,000
2028	\$59,098	\$35,308	\$1,268,900,000	\$1,595,800,000	\$327,000,000
2029	\$63,346	\$35,308	\$1,632,500,000	\$1,938,300,000	\$305,800,000

Notes: Subtotals may not add up to totals due to rounding. Following the methodology used by the U.S. Department of Labor, the estimates include all workers affected by the *federal* salary threshold increase, and do not account for higher state salary thresholds. Calculations account only for wage increases of workers with new protections (i.e., they do not account for workers with strengthened protections).

Source: EPI analysis of pooled Current Population Survey Outgoing Rotation Group microdata, 2016–2018, following the methodology used in the U.S. Department of Labor’s 2019 *proposed rule*, “Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees,” 29 CFR Part 541 (published March 22, 2019).

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Number of salaried workers left behind by the Trump overtime proposal, by industry and occupation, projected for 2020

Group	Workers left behind by 2019 proposal			Under the 2016 rule			Under the 2019 proposal			Total salaried workers in the U.S.
	Total workers left behind	Workers who would have gotten new protections under the 2016 rule	Workers who would have gotten strengthened protections under 2016 rule	Total affected workers	Workers with new protections	Workers with strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	
All	8,240,000	3,140,000	5,100,000	13,470,000	4,550,000	8,920,000	5,230,000	1,410,000	3,820,000	59,140,000
Major industry										
Agriculture, forestry, fishing, and hunting	100,000	10,000	90,000	200,000	10,000	180,000	90,000	–	90,000	490,000
Mining	40,000	10,000	30,000	60,000	20,000	40,000	20,000	10,000	20,000	350,000
Construction	500,000	90,000	410,000	910,000	140,000	770,000	410,000	40,000	370,000	2,740,000
Manufacturing	700,000	250,000	450,000	1,080,000	350,000	720,000	380,000	110,000	270,000	5,660,000
Wholesale and retail trade	1,060,000	380,000	680,000	1,700,000	560,000	1,140,000	640,000	180,000	460,000	6,000,000
Transportation and utilities	400,000	100,000	310,000	670,000	140,000	530,000	270,000	50,000	220,000	3,060,000
Information	210,000	110,000	100,000	310,000	160,000	150,000	100,000	50,000	50,000	1,510,000
Financial services	870,000	410,000	450,000	1,330,000	610,000	730,000	470,000	190,000	270,000	5,750,000
Professional and business services	1,090,000	530,000	550,000	1,680,000	760,000	920,000	600,000	230,000	370,000	8,610,000
Educational and health services	1,730,000	780,000	950,000	2,860,000	1,130,000	1,730,000	1,140,000	350,000	780,000	15,600,000
Leisure and hospitality	560,000	180,000	380,000	1,010,000	270,000	740,000	450,000	90,000	360,000	2,830,000
Other services	440,000	120,000	320,000	830,000	180,000	660,000	390,000	60,000	340,000	2,800,000
Public administration	550,000	160,000	390,000	830,000	210,000	620,000	280,000	60,000	220,000	3,750,000
Major occupation										
Management, business, and financial occupations	1,740,000	1,290,000	450,000	2,480,000	1,810,000	660,000	740,000	530,000	210,000	15,800,000
Professional and related occupations	1,850,000	1,160,000	690,000	2,750,000	1,660,000	1,080,000	900,000	500,000	390,000	20,640,000

Appendix Table
A1 (cont.)

Group	Workers left behind by 2019 proposal			Under the 2016 rule			Under the 2019 proposal			Total salaried workers in the U.S.
	Total workers left behind	Workers who would have gotten new protections under the 2016 rule	Workers who would have gotten strengthened protections under 2016 rule	Total affected workers	Workers with new protections	Workers with strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	
Service occupations	950,000	60,000	890,000	1,990,000	100,000	1,890,000	1,040,000	40,000	1,010,000	4,990,000
Sales and related occupations	970,000	360,000	610,000	1,580,000	560,000	1,010,000	610,000	210,000	400,000	5,830,000
Office and administrative support occupations	1,420,000	250,000	1,160,000	2,300,000	370,000	1,930,000	890,000	120,000	770,000	5,200,000
Farming, fishing, and forestry occupations	70,000	–	70,000	140,000	–	140,000	80,000	–	80,000	300,000
Construction and extraction occupations	360,000	–	360,000	690,000	–	690,000	330,000	–	330,000	1,580,000
Installation, maintenance, and repair occupations	260,000	–	260,000	420,000	10,000	410,000	160,000	–	160,000	1,190,000
Production occupations	290,000	10,000	280,000	480,000	10,000	470,000	190,000	–	190,000	1,330,000
Transportation and material moving occupations	340,000	10,000	330,000	630,000	10,000	630,000	300,000	–	290,000	2,270,000

Notes: Subtotals may not add up to totals due to rounding. Following the methodology used by the U.S. Department of Labor, the estimates include all workers affected by the *federal* salary threshold increase, and do not account for higher state salary thresholds. Values less than 5,000 are omitted from the table and are indicated with the “–” symbol.

Source: EPI analysis of pooled Current Population Survey Outgoing Rotation Group microdata, 2016–2018, following the methodology used in the U.S. Department of Labor’s 2019 **proposed rule**, “Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees,” 29 CFR Part 541 (published March 22, 2019).

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Number of salaried workers left behind by the Trump overtime proposal, by state, projected for 2020

State	Workers left behind by 2019 proposal			Under the 2016 rule			Under the 2019 proposal			Total salaried workers in the U.S.
	Total workers left behind	Workers who would have gotten new protections under 2016 rule	Workers who would have gotten strengthened protections under 2016 rule	Total affected workers	Workers with new protections	Workers with strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	
All states	8,240,000	3,140,000	5,100,000	13,470,000	4,550,000	8,920,000	5,230,000	1,410,000	3,820,000	59,140,000
Alabama	111,000	44,000	68,000	182,000	68,000	114,000	71,000	24,000	47,000	716,000
Alaska	11,000	4,000	7,000	18,000	6,000	12,000	7,000	2,000	5,000	103,000
Arizona	151,000	65,000	86,000	243,000	92,000	151,000	92,000	27,000	65,000	1,129,000
Arkansas	77,000	33,000	44,000	128,000	45,000	82,000	50,000	12,000	38,000	454,000
California	774,000	281,000	493,000	1,292,000	426,000	866,000	518,000	145,000	373,000	6,644,000
Colorado	173,000	61,000	112,000	278,000	91,000	187,000	105,000	30,000	75,000	1,237,000
Connecticut	72,000	29,000	44,000	117,000	43,000	74,000	45,000	14,000	31,000	722,000
Delaware	27,000	11,000	16,000	42,000	15,000	27,000	15,000	4,000	11,000	177,000
Washington, D.C.	19,000	8,000	11,000	28,000	11,000	17,000	9,000	3,000	6,000	240,000
Florida	691,000	263,000	428,000	1,160,000	377,000	784,000	469,000	114,000	355,000	3,879,000
Georgia	342,000	124,000	218,000	565,000	175,000	390,000	224,000	51,000	172,000	2,101,000
Hawaii	38,000	11,000	27,000	63,000	17,000	46,000	25,000	6,000	19,000	246,000
Idaho	39,000	15,000	24,000	66,000	22,000	44,000	27,000	7,000	20,000	249,000
Illinois	324,000	133,000	191,000	513,000	183,000	330,000	189,000	50,000	139,000	2,502,000
Indiana	162,000	67,000	94,000	268,000	98,000	170,000	106,000	30,000	76,000	1,091,000
Iowa	78,000	35,000	43,000	120,000	48,000	72,000	42,000	13,000	29,000	515,000
Kansas	63,000	27,000	36,000	105,000	40,000	66,000	42,000	13,000	29,000	484,000
Kentucky	108,000	42,000	65,000	173,000	63,000	111,000	66,000	20,000	45,000	664,000
Louisiana	119,000	40,000	80,000	201,000	59,000	142,000	82,000	19,000	62,000	729,000
Maine	33,000	14,000	19,000	48,000	19,000	29,000	15,000	5,000	10,000	216,000
Maryland	154,000	59,000	94,000	248,000	88,000	160,000	95,000	29,000	66,000	1,399,000
Massachusetts	180,000	71,000	109,000	299,000	109,000	190,000	119,000	39,000	81,000	1,672,000
Michigan	192,000	83,000	109,000	296,000	117,000	180,000	104,000	34,000	71,000	1,532,000
Minnesota	126,000	49,000	76,000	181,000	67,000	114,000	56,000	18,000	38,000	1,058,000
Mississippi	67,000	23,000	43,000	117,000	34,000	83,000	50,000	11,000	39,000	413,000
Missouri	163,000	75,000	87,000	258,000	100,000	158,000	96,000	25,000	71,000	1,030,000

Appendix Table
A2 (cont.)

State	Workers left behind by 2019 proposal			Under the 2016 rule			Under the 2019 proposal			Total salaried workers in the U.S.
	Total workers left behind	Workers who would have gotten new protections under 2016 rule	Workers who would have gotten strengthened protections under 2016 rule	Total affected workers	Workers with new protections	Workers with strengthened protections	Total affected workers	Workers with new protections	Workers with strengthened protections	
Montana	20,000	9,000	11,000	31,000	13,000	18,000	11,000	4,000	8,000	131,000
Nebraska	50,000	19,000	31,000	80,000	28,000	52,000	30,000	9,000	22,000	328,000
Nevada	71,000	25,000	46,000	115,000	36,000	80,000	45,000	11,000	33,000	428,000
New Hampshire	34,000	15,000	19,000	52,000	21,000	31,000	18,000	6,000	12,000	276,000
New Jersey	285,000	93,000	192,000	454,000	137,000	316,000	169,000	45,000	125,000	2,197,000
New Mexico	39,000	15,000	24,000	69,000	22,000	47,000	30,000	7,000	23,000	282,000
New York	601,000	204,000	397,000	996,000	290,000	705,000	395,000	86,000	308,000	4,253,000
North Carolina	278,000	103,000	175,000	443,000	149,000	294,000	165,000	46,000	119,000	1,821,000
North Dakota	20,000	8,000	12,000	29,000	10,000	19,000	9,000	2,000	7,000	123,000
Ohio	226,000	100,000	127,000	371,000	152,000	220,000	145,000	52,000	93,000	1,771,000
Oklahoma	103,000	38,000	65,000	167,000	54,000	113,000	65,000	16,000	48,000	641,000
Oregon	93,000	38,000	56,000	147,000	55,000	93,000	54,000	17,000	37,000	669,000
Pennsylvania	304,000	125,000	180,000	494,000	185,000	309,000	189,000	61,000	129,000	2,218,000
Rhode Island	24,000	10,000	14,000	37,000	15,000	22,000	13,000	5,000	8,000	188,000
South Carolina	152,000	61,000	91,000	235,000	83,000	152,000	83,000	22,000	60,000	874,000
South Dakota	19,000	8,000	11,000	29,000	10,000	19,000	10,000	3,000	8,000	121,000
Tennessee	177,000	77,000	100,000	283,000	105,000	179,000	106,000	28,000	78,000	1,087,000
Texas	832,000	292,000	540,000	1,428,000	429,000	999,000	596,000	137,000	460,000	5,476,000
Utah	65,000	28,000	37,000	102,000	38,000	63,000	36,000	10,000	26,000	499,000
Vermont	18,000	8,000	10,000	26,000	11,000	16,000	9,000	3,000	6,000	115,000
Virginia	221,000	76,000	145,000	377,000	120,000	257,000	156,000	44,000	112,000	1,893,000
Washington	150,000	52,000	97,000	233,000	77,000	156,000	83,000	24,000	59,000	1,301,000
West Virginia	37,000	14,000	23,000	64,000	21,000	43,000	27,000	7,000	20,000	237,000
Wisconsin	120,000	50,000	70,000	177,000	67,000	110,000	58,000	17,000	40,000	929,000
Wyoming	12,000	4,000	8,000	19,000	6,000	13,000	7,000	2,000	5,000	82,000

Note: Subtotals may not add up to totals due to rounding. Following the methodology used by the U.S. Department of Labor, the estimates include all workers affected by the *federal* salary threshold increase, and do not account for higher state salary thresholds.

Source: EPI analysis of pooled Current Population Survey Outgoing Rotation Group microdata, 2016–2018, following the methodology used in the U.S. Department of Labor’s 2019 **proposed rule**, “Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees,” 29 CFR Part 541 (published March 22, 2019).

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Wages lost under the 2019 proposal relative to the 2016 rule, by state, projected for 2020

States	Wages lost under the 2019 proposal relative to the 2016 rule	Total wage increase under the 2016 rule	Total wage increase under the 2019 proposal
All states	\$1,214,000,000	\$1,787,200,000	\$573,100,000
Alabama	\$16,200,000	\$23,700,000	\$7,500,000
Alaska	\$2,200,000	\$3,100,000	\$1,000,000
Arizona	\$24,500,000	\$35,900,000	\$11,400,000
Arkansas	\$10,300,000	\$14,600,000	\$4,300,000
California	\$106,800,000	\$167,100,000	\$60,300,000
Colorado	\$27,700,000	\$44,600,000	\$16,900,000
Connecticut	\$8,600,000	\$15,800,000	\$7,200,000
Delaware	\$2,700,000	\$4,000,000	\$1,300,000
Washington, D.C.	\$3,500,000	\$6,000,000	\$2,500,000
Florida	\$84,800,000	\$117,500,000	\$32,700,000
Georgia	\$36,500,000	\$53,200,000	\$16,700,000
Hawaii	\$3,700,000	\$5,200,000	\$1,600,000
Idaho	\$5,500,000	\$8,300,000	\$2,800,000
Illinois	\$58,200,000	\$81,000,000	\$22,800,000
Indiana	\$30,200,000	\$40,300,000	\$10,100,000
Iowa	\$18,000,000	\$23,700,000	\$5,700,000
Kansas	\$13,400,000	\$17,900,000	\$4,500,000
Kentucky	\$18,900,000	\$28,800,000	\$9,800,000
Louisiana	\$18,500,000	\$25,100,000	\$6,600,000
Maine	\$7,800,000	\$9,900,000	\$2,100,000
Maryland	\$27,200,000	\$42,100,000	\$14,900,000
Massachusetts	\$30,000,000	\$51,500,000	\$21,500,000
Michigan	\$43,200,000	\$64,100,000	\$20,900,000
Minnesota	\$22,300,000	\$34,100,000	\$11,800,000
Mississippi	\$9,000,000	\$12,400,000	\$3,400,000
Missouri	\$30,700,000	\$39,700,000	\$9,000,000
Montana	\$4,100,000	\$5,300,000	\$1,300,000
Nebraska	\$8,700,000	\$12,500,000	\$3,800,000
Nevada	\$8,800,000	\$12,200,000	\$3,300,000

States	Wages lost under the 2019 proposal relative to the 2016 rule	Total wage increase under the 2016 rule	Total wage increase under the 2019 proposal
New Hampshire	\$5,300,000	\$8,800,000	\$3,600,000
New Jersey	\$28,200,000	\$44,300,000	\$16,100,000
New Mexico	\$4,800,000	\$6,800,000	\$2,000,000
New York	\$64,600,000	\$99,300,000	\$34,700,000
North Carolina	\$38,300,000	\$55,100,000	\$16,800,000
North Dakota	\$2,800,000	\$3,900,000	\$1,100,000
Ohio	\$36,800,000	\$60,900,000	\$24,100,000
Oklahoma	\$13,400,000	\$19,900,000	\$6,500,000
Oregon	\$16,800,000	\$26,500,000	\$9,700,000
Pennsylvania	\$41,900,000	\$67,600,000	\$25,800,000
Rhode Island	\$4,000,000	\$6,700,000	\$2,700,000
South Carolina	\$17,600,000	\$23,700,000	\$6,100,000
South Dakota	\$2,900,000	\$3,600,000	\$700,000
Tennessee	\$29,100,000	\$42,000,000	\$13,000,000
Texas	\$123,100,000	\$173,100,000	\$50,000,000
Utah	\$14,600,000	\$19,900,000	\$5,300,000
Vermont	\$3,700,000	\$4,700,000	\$1,100,000
Virginia	\$22,800,000	\$35,300,000	\$12,500,000
Washington	\$35,100,000	\$44,800,000	\$9,700,000
West Virginia	\$4,600,000	\$6,400,000	\$1,700,000
Wisconsin	\$19,400,000	\$31,200,000	\$11,800,000
Wyoming	\$2,300,000	\$3,200,000	\$900,000

Notes: Subtotals may not add up to totals due to rounding. Following the methodology used by the U.S. Department of Labor, the estimates include all workers affected by the *federal* salary threshold increase, and do not account for higher state salary thresholds. Calculations account only for wage increases of workers with new protections (i.e., they do not account for workers with strengthened protections).

Source: EPI analysis of pooled Current Population Survey Outgoing Rotation Group microdata, 2016–2018, following the methodology used in the U.S. Department of Labor’s 2019 *proposed rule*, “Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees,” 29 CFR Part 541 (published March 22, 2019).

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Endnotes

1. Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees [proposed rule], 84 Fed. Reg. 10900–10969 (March 22, 2019).
2. Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees [final rule], 81 Fed. Reg. 32391–32552 (May 23, 2016).
3. See Celine McNicholas, *Overtime Ruling Rests on Flawed Logic and Undermines the Rights of Working People to Get Paid for Their Time on the Job*, Economic Policy Institute statement, August 31, 2017.
4. See Celine McNicholas, Samantha Sanders, and Heidi Shierholz, *What's at Stake in the States if the 2016 Federal Raise to the Overtime Pay Threshold Is Not Preserved—and What States Can Do about It: State Action to Modernize Overtime Rules (Research Report)*, Economic Policy Institute, November 2017.
5. EPI analysis of pooled Current Population Survey Outgoing Rotation Group microdata, 2016–2018, following the methodology used in the U.S. Department of Labor's 2019 proposed rule, *Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees [proposed rule]*, 84 Fed. Reg. 10900–10969 (March 22, 2019).