



SMALL BUSINESS
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COMP TIME

Representative Martha Roby (R-AL) has introduced the Working Families Flexibility Act of 2013, H.R. 1406. The legislation would amend the Fair Labor Standards Act of 1938 to allow employers to offer private-sector employees the choice of paid time off in lieu of cash wages for overtime hours worked.

Specifically, the bill:

**Allows employers to offer employees a choice between cash wages and comp time for overtime hours worked. Employees who want to receive cash wages would continue to do so. No employee can be forced to take comp time instead of receiving overtime pay.*

**Protects employees by requiring the employer and the employee to complete a written agreement to use comp time, entered into knowingly and voluntarily by the employee. Where the employee is represented by a union, the agreement to take comp time must be part of the collective bargaining agreement negotiated between the union and the employer.*

**Retains all existing employee protections in current law, including the 40-hour workweek and how overtime compensation is accrued. The bill adds additional safeguards*

for workers to ensure the choice and use of comp time are truly voluntary.

**Allows employees to accrue up to 160 hours of comp time each year. An employer would be required to pay cash wages for any unused time at the end of the year. Workers are free to 'cash out' their accrued comp time whenever they choose to do so.*

I always thought this was a great idea. I remember the first time we worked on it. I believe it was in the mid 1990's with then Representative Cass Ballenger (R-NC). The bill passed the House but we failed to overcome a filibuster in the Senate. We gave it another good run in 2003 but came up short.

It really seems to make sense to me. I thought then and still do now that in the modern workplace this should be an option. Granted, the recent economic times made it difficult for employees to forego any extra compensation, but families today have other demands and needs too.

The House will pass it again with no problem. Getting the Senate majority to consider it will be a difficult task. We need to find some bipartisan support.

SENATE DISCUSSION DOCUMENT

Senate Finance Committee Chairman Max Baucus (D-MT) and Ranking Member Orrin Hatch (R-UT) are releasing a series of "option papers" for tax reform. This past week they released one on business investment and innovation. The option paper is a generic laundry list without recommendations. As previously reported, the Ways and Means Committee has offered a specific proposal including the actual tax code language.

Whatever way they get there is fine with us, as long as they get there.