



August 11, 2016

The Honorable Kurt Schrader
U.S. House of Representatives
2431 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Schrader:

On behalf of the AMC Institute, a Section 501(c)(6) organization whose 180 AMC member companies serve over 2.8 million individual association members representing over 1,800 trade associations and professional societies, we wish to extend our support for the Overtime Reform and Enhancement Act introduced on July 17.

As you are well aware, the Department of Labor's final overtime rule more than doubles the minimum salary level for "white collar" employees to qualify as exempt from overtime pay requirements. Associations, other nonprofit employers, and Association Management Companies working directly for the nonprofit community are among the entities that will be hit especially hard by this drastic expansion of overtime eligibility.

While not opposed to an update to the overtime rule, AMCI firmly believes a salary threshold more than 100 percent greater than the current basis is exceedingly burdensome for many employers; that the minimum salary level for exempt employees should be keyed to government data on regional cost-of-living differences; and that the Administration should have taken into account the limitations of nonprofit budgets in setting the minimum salary threshold.

We believe the Overtime Reform and Enhancement Act provides a much more reasonable timeline for organizations to comply with this significant payroll burden, starting with a salary threshold increase to approximately \$35,984 on December 1, 2016, with additional, incremental increases phased in over the next three years. We also favor the provision in the bill that would eliminate the automatic increase to the salary threshold every three years to maintain the threshold at the 40th percentile of full-time salaried workers in the lowest-wage region of the country. Any proposed increase to the salary threshold should be subject to public notice and comment periods consistent with the rulemaking process.

Thank you for your leadership on this critical workplace issue. I strongly support your efforts to make sure employees are fairly compensated and businesses have time to plan for payroll increases without jeopardizing their prospects for future growth and success.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gregory Schultz', written in a cursive style.

Gregory Schultz
Chair, AMC Institute

A handwritten signature in black ink, appearing to read 'Tina Wehmeir', written in a cursive style.

Tina Wehmeir
Chief Executive Officer, AMC Institute