



The Resource for Warehouse Logistics

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July 26, 2016

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

Dear Rep. Schrader:

On behalf of the International Warehouse Logistics Association (IWLA), I write to commend you for taking timely action on the issue of the Department of Labor's (DOL) overtime rule and to express our strong support for your legislation, H.R. 5813, the *Overtime Reform and Enhancement Act*.

As you are no doubt aware, the DOL's drastic increase of more than 100 percent to the salary threshold in the first year presents significant challenges for employers whose salaries tend to be lower, such as small employers, nonprofits, employers in certain industries and employers in lower cost-of-living areas.

And while H.R. 5813 would still provide for a salary threshold increase to the \$47,476 level, it offers great relief in that it would provide the time necessary for employers to ensure compliance, communicate changes, and accurately reclassify employees by gradually phasing in the new salary threshold over four years. In addition, your legislation would prohibit automatic increases to the salary threshold without engaging stakeholder input and examining economic conditions through notice and comment rulemaking. These commonsense changes will help mitigate the substantial harm inflicted by the final rule on our members and millions of workplaces across the country.

IWLA member companies are warehouse-based third party logistics (3PL) providers that act as distribution centers for their customers. They offer warehousing; inventory and supply chain management capabilities; and a broad range of value-added services.

Again, thank you for sponsoring this critical legislation and for your ongoing leadership on this issue.

Sincerely

A handwritten signature in black ink, appearing to read "Steve DeHaan", is written over a horizontal line.

Steve DeHaan
President and CEO