



July 22, 2016

The Honorable Kurt Schrader
2431 Rayburn House Office Building

Dear Congressman Schrader:

On behalf of the Worldwide Cleaning Industry Association (ISSA) and its more than 7,000 member companies in the cleaning industry, I am writing to share ISSA's support for the *Overtime Reform and Enhancement Act*. ISSA appreciates your leadership on this issue of critical importance to the cleaning industry.

In May 2016, the U.S. Department of Labor (DOL) issued a final rule regarding overtime eligibility, and specifically, the exemption for employees serving in executive, administrative, and professional capacities, also known as the "white collar" exemption.

We are dismayed that DOL has increased the minimum salary to qualify as an exempt employee from the current \$455 per week (or \$23,660 per year) to \$913 per week (\$47,476 per year) next year, an unprecedented increase of over 100%. Such a massive increase will negatively impact businesses and their employees at a time when industry is confronted with numerous other rising cost factors such as increasing wage pressures and increased compliance costs with a host of new regulations that range from environmental and labor policies to insurance mandates.

The rule will have significant ramifications for many employers, including the cleaning industry, manufacturers and distributors of janitorial supplies and products, as well as providers of cleaning services. Although DOL contends that this rule will ensure that the FLSA's overtime protections are appropriately applied, the agency has taken an overly broad approach that will result in real hardship for small businesses as they grapple with the fast-approaching compliance deadline of December 1, 2016.

The *Overtime Reform and Enhancement Act* will provide the employer community with a reasonable timetable to comply with the rule's unprecedented increase. Importantly, the legislation also eliminates the automatic three-year increase to the salary threshold established under DOL's new rule. While the bill recognizes that future administrations can and should update the overtime rules as required under the Fair Labor Standards Act, it limits the ability of the DOL to update the rules on autopilot. This will allow all stakeholders, including the home building industry, the ability to comment on future changes.

ISSA stands ready to work with you as the *Overtime Reform and Enhancement Act* moves forward in the legislative process. Thank you again for your support and leadership on this important issue.

Sincerely,

A handwritten signature in black ink that reads "William C. Bolek". The signature is written in a cursive style.

Director of Legislative and Environmental Services