



August 1, 2016

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

Dear Congressman Schrader,

On behalf of the National Association of Development Organizations (NADO), I am writing in support of the Overtime Reform and Enhancement Act (H.R. 5813), which would gradually phase-in the U.S. Department of Labor's (DOL) final overtime rule.

Founded in 1967, NADO serves the nation's 520 regional planning and development organizations – known locally as councils of governments, economic development districts, local development districts, and regional councils – who provide valuable professional and technical assistance to over 2,500 counties and 15,000 small towns and cities.

DOL's final rule amends Fair Labor Standards Act (FLSA) regulations implementing the exemption from minimum wage and overtime pay for executive, administrative, and professional employees (known as the "white collar" or "EAP" exemptions). The rule sets a compliance deadline of December 1, 2016 for employers to meet the new salary threshold of \$47,476.

While NADO appreciates the administration's principle that FLSA regulations need to be modernized and streamlined, we have heard from our association membership serious concerns about the significant impact of the changes included in the rule. The Overtime Reform and Enhancement Act's phasing in of the increase over several years would allow employers to better plan for and absorb impacts as well as communicate to employees changes that will be required. In addition, the legislation would prohibit automatic increases to the salary threshold established under the rule which is vital to ensuring that stakeholders have the ability to comment on future adjustments.

Thank you for your leadership on this issue. NADO is committed to working with you and your colleagues to address concerns about the overtime rule in a way that benefits employers and employees.

Sincerely,

A handwritten signature in blue ink, appearing to read "JCM", with a horizontal line extending to the right.

Joe C. McKinney
Executive Director, National Association of Development Organizations