



July 15, 2016

The Honorable Kurt Schrader
United States House of Representatives
Washington, D.C. 20515

Dear Congressman Schrader:

We are writing on behalf of the National Multifamily Housing Council (NMHC) and the National Apartment Association (NAA) to thank you for introducing the *Overtime Reform and Enhancement Act* (H.R. 5813). By phasing-in the overtime pay threshold over a three-year period and eliminating automatic adjustments, your legislation will significantly benefit owners, developers and managers of multifamily housing by easing compliance burdens associated with the Department of Labor's final overtime rule.

For more than 20 years, NMHC and NAA have partnered in a joint legislative program to provide a single voice for America's apartment industry. Our combined memberships are engaged in all aspects of the apartment industry, including ownership, development, management and finance. NMHC represents the principal officers of the apartment industry's largest and most prominent firms. As a federation of nearly 170 state and local affiliates, NAA encompasses over 69,000 members representing more than 8.1 million apartment homes throughout the United States and Canada.

NMHC/NAA are particularly concerned that doubling the overtime threshold to \$47,476, effective on December 1, 2016, with no phase-in period, would harm the ability of multifamily employers to implement, and their employees to take advantage of, flexible scheduling options. The final rule would also limit career-advancement opportunities for employees. Furthermore, we believe the final rule could lead to increased administrative costs as we operationalize the rule, as well as to the possibility of significant litigation expenditures based on pay claims pursuant to the Fair Labor Standards Act. In sum, the final rule could have a tremendous negative impact on the morale of employees who are effectively demoted to non-exempt status and their ability to manage their own work/life balance.

While NMHC/NAA do not necessarily oppose an increase to the overtime salary threshold, the Labor Department's final rule moves too quickly. We believe that H.R. 5813 would be a sensible alternative that would benefit the multifamily industry. Thank you again for your leadership on this critical issue.

Sincerely,

Douglas M. Bibby
President
National Multifamily Housing Council

Douglas S. Culkin, CAE
President & CEO
National Apartment Association