



July 13, 2016

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

Dear Congressman Schrader:

I write to share the support of the National Retail Federation (NRF) for the Overtime Reform and Enhancement Act. Your timely legislation builds on the efforts of the House Education and the Workforce Committee and House Small Business Committee to address the significant practical concerns that small businesses, non-profits, and educational institutions have with the timeline and scope of the Labor Department's overtime rule.

NRF is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. Retail is the nation's largest private sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing \$2.6 trillion to annual GDP, retail is a daily barometer for the nation's economy.

The Department of Labor's (DOL) one-size-fits-all overtime rule will curtail career advancement opportunities, diminish workplace flexibility, and damage employee morale. The final rule increases the minimum salary level required for exemption by more than 100 percent in 2016 and includes unprecedented automatic increases to the threshold every three years thereafter. These changes are too much, too fast for both employers and employees to adjust to without serious negative consequences for all.

The Overtime Reform and Enhancement Act would give employers more time to implement and come into compliance with DOL's final rule by gradually phasing in the new salary threshold over four years. In addition, the 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 millions of workplaces across the country.

Thank you for your leadership on this issue. NRF stands ready to work with lawmakers to advance policies that provide meaningful relief for both employers and employees.

Sincerely,

David French
Senior Vice President
Government Relations