

November 28, 2023

The Honorable Kevin Kiley Chairman House Education and the Workforce Subcommittee on Workforce Protections U.S. House of Representatives Washington, DC 20515 The Honorable Alma Adams Ranking Member House Education and the Workforce Subcommittee on Workforce Protections U.S. House of Representatives Washington, DC 20515

Chairman Kiley, Ranking Member Adams and Members of the Subcommittee on Workforce Protections:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 68 chapters representing more than 22,000 members, I write to express our concerns regarding the recently proposed rule from the U.S. Department of Labor that would alter overtime regulations under the Fair Labor Standards Act. ABC called on the DOL to withdraw the proposed rule, which is unlawful, inconsistent with historic norms and will specifically harm small businesses throughout the United States.

ABC has consistently told the DOL that there is no compelling reason for an adjustment to the minimum salary threshold for exemption since it was increased roughly four years ago. Most importantly, the DOL should recognize that the construction industry, as well as multiple other industries, is currently up against increased geopolitical uncertainty, high materials prices, inflationary pressures and workforce shortages. Specifically, ABC estimates that the construction industry needs to hire more than half a million workers in 2023 alone. Regrettably, the DOL's proposed salary level increase will further complicate the current economic outlook.

On Nov. 7, ABC <u>submitted comments</u> to the DOL in response to the proposed rulemaking. ABC and our members remain concerned that the proposed rule would have a disruptive effect on the construction industry as a whole by greatly restricting employee workplace flexibility in setting schedules and hours and hurting career advancement opportunities for employees. As a steering committee member of the Partnership to Protect Workplace Opportunity, ABC also signed onto <u>coalition comments</u> criticizing the overtime proposed rule, joining 244 national, state and local organizations representing employers from a wide range of private industry and public and nonprofit sectors.

The construction industry continues to face a barrage of unnecessary and damaging regulations that place undue burdens and severe costs on many small businesses throughout the country. It is critical that this committee stand up against this overreach from the administration and support policies that allow the construction industry and its workers to grow and thrive. I thank you for the consideration of our concerns and review of our comments on this critical issue.

Sincerely,

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Kristen Swearingen Vice President, Legislative & Political Affairs