



September 28, 2016

U.S. House of Representatives
Washington, D.C. 20515

Dear Representative,

On behalf of Associated Builders and Contractors (ABC), a national construction industry trade association with 70 chapters representing nearly 21,000 chapter members, I am writing in support of H.R. 6094, the *Regulatory Relief for Small Businesses, Schools, and Nonprofits Act*. H.R. 6094, introduced by Rep. Tim Walberg (R-Mich.), would implement a six month delay of the May 2016 Department of Labor (DOL) final rule raising the eligible salary threshold for overtime pay under the Fair Labor Standards Act. ABC urges your support of this legislation and may consider this a Key Vote for our 114th Congressional Scorecard.

Under DOL's final rule, the new salary threshold for exempt employees will be raised to \$47,468 per year, a staggering increase of 100% from the current level. Without passage of H.R. 6094 or related legislation, this change will happen overnight on December 1, 2016. Furthermore, the salary threshold will automatically update every three years to the 40th percentile of full-time salaried workers in the lowest-wage Census region. This automatic escalation will cause administrative and labor burdens for employers and employees into the next decade.

The new overtime rule will have a long list of unintended consequences for ABC members, including increased labor costs and an undue burden on certain regions of the country, including southern states and rural areas. By requiring a large number of exempt executives, administrators and professionals to be reclassified, the proposal will greatly restrict the flexibility to provide high-quality construction services.

We applaud Rep. Walberg for his leadership and introduction of H.R. 6094 to address the problems with DOL's new overtime rule. We look forward to working with members of both parties to find a solution that protects employees and encourages growth.

Sincerely,

Kristen Swearingen
Vice President of Legislative & Political Affairs