

September 27, 2016

The Honorable Paul D. Ryan Speaker of the House H-232 The Capitol Washington, D.C. 20515

The Honorable Nancy Pelosi Minority Leader H-204 The Capitol Washington, D.C. 20515

Dear Speaker Ryan and Leader Pelosi:

On behalf of the American Hotel & Lodging Association (AH&LA) and the undersigned state associations, we urge your support for H.R. 6094, the Regulatory Relief for Small Businesses, Schools, and Nonprofits Act. This critical legislation will provide employers with much needed additional time to comply with the Department of Labor's (DOL) overtime regulation, which is set to go into effect on December 1, 2016.

Founded more than a century ago, AH&LA is the sole national association representing all segments of the U.S. lodging industry, including hotel owners, REITs, chains, franchisees, management companies, independent properties, bed and breakfasts, state hotel associations, and industry suppliers. The lodging industry is one of the nation's largest employers, supporting more than 8 million jobs in cities and towns across the country and generating more than \$780 billion in annual sales from nearly 5 million guestrooms nationally. It's particularly important to note that this industry is comprised largely of small businesses, with more than 55 percent of lodging properties having 75 rooms or less.

AH&LA and its member organizations have serious concerns with DOL's overtime regulation, which will increase the salary threshold for overtime eligible employees from \$23,660 to \$47,476 per year, a 100 percent increase. In its official comments submitted to the DOL, AH&LA did not oppose an update to the salary threshold. That is why we were greatly disappointed when the final regulation contained such a massive increase to the salary threshold and an incredibly short timeframe to implement and comply with such a substantial change. Not only will this regulation result in decreased flexibility and career advancement opportunities for employees, but it will also undoubtedly lead to an increase in confusion and litigation for employers trying to comply with the new requirements.

Beyond delaying implementation of the rule with passage of H.R. 6094, the hotel industry urges Congress to pass bipartisan, compromise legislation that will lessen the blunt impact of this regulation. Legislation such as the bipartisan "Overtime Reform and Enhancement Act" (H.R. 5813) could be the basis for such a common-sense compromise that will help both employers and employees avoid the unintended consequences of such an immense change in such a short period of time.

Sincerely,

The American Hotel & Lodging Association Alabama Restaurant & Hospitality Alliance Arizona Lodging & Tourism Association



Arkansas Hospitality Association California Hotel & Lodging Association Colorado Hotel & Lodging Association Connecticut Lodging Association Florida Restaurant & Lodging Association Georgia Hotel & Lodging Association Hawaii Lodging & Tourism Association Hotel Association of New York City, Inc. Hotel Association of Washington DC Illinois Hotel & Lodging Association Indiana Restaurant & Lodging Association Louisiana Hotel & Lodging Association Maine Innkeepers Association Maryland Hotel & Lodging Association Massachusetts Lodging Association Michigan Lodging and Tourism Association Minnesota Lodging Association Montana Lodging & Hospitality Association Nebraska Hotel & Motel Association Nevada Hotel & Lodging Association New Hampshire Lodging & Restaurant Association New Jersey Hotel & Lodging Association New York State Hospitality & Tourism Association North Carolina Restaurant & Lodging Association Ohio Hotel & Lodging Association Oklahoma Hotel & Lodging Association Oregon Restaurant & Lodging Association Pennsylvania Restaurant & Lodging Association Rhode Island Hospitality Association South Carolina Restaurant & Lodging Association Tennessee Hospitality & Tourism Association Texas Hotel & Lodging Association Utah Hotel & Lodging Association Vermont Chamber of Commerce Virginia Restaurant, Lodging & Travel Association Washington Lodging Association West Virginia Hospitality & Travel Association Wisconsin Hotel & Lodging Association Wyoming Lodging & Restaurant Association

Cc: House of Representatives