



NATIONAL COUNCIL OF CHAIN RESTAURANTS

September 27, 2016

The Honorable
U.S. House of Representatives
Washington, DC 20515

Dear Rep. :

On behalf of the members of the National Council of Chain Restaurants (NCCR), I am writing in support of H.R. 6094, the Regulatory Relief for Small Businesses, Schools, and Non-Profits Act. This important bill, introduced by Rep. Tim Walberg (R-MI), gives small business, colleges and non-profit employers, and their workers, much needed time to prepare for the Labor Department's onerous overtime pay regulation.

As you know, the new overtime rules double the salary threshold which determines eligibility for overtime pay for chain restaurant managers from \$23,660 to \$47,476. The new rule also requires unprecedented, automatic increases to the salary threshold every three years thereafter. By December 1, 2016, all chain restaurants must be in full compliance with the new regulation.

The Labor Department, by setting the new salary threshold at the 40th percentile of weekly earnings for full-time salaried workers, or \$47,476 (\$913/week), failed to take into account the cost of living differences in communities around the country. Such a radical change is creating extraordinary challenges for employers around the country, including chain restaurants. Many employers are just learning about the regulation and are struggling to make difficult changes to their operations in a very short period of time, which will have major implications for their team members. H.R. 6094, by extending the regulation's effective date by six months, would provide all employers with valuable time to both understand the regulation and ensure that they can be in compliance.

There is still an opportunity for the House of Representatives to push "pause" on the overtime rules by passing H.R. 6094 and by taking additional bipartisan action to address the many shortcomings in the new rules. The National Council of Chain Restaurants asks that you vote in favor of this straightforward legislation when it comes before the House for a vote.

Thank you for considering these views.

Sincerely,

A handwritten signature in black ink that reads "Robert J. Green". The signature is written in a cursive, flowing style.

Robert J. Green
Executive Director