

July 19, 2016

The Honorable Kurt Schrader United States House of Representatives 2431 Rayburn House Office Building Washington, DC 20515

Dear Congressman Schrader:

On behalf of the Northwest Food Processors Association (NWFPA), representing more than 500 businesses in the food industry in Oregon, Washington and Idaho, I write this letter in support of the *Overtime Reform and Enhancement Act*.

Earlier this year, the U.S. Department of Labor (DOL) issued a final regulation updating overtime rules for salaried employees for the first time since 2004. This would double the salary threshold for employees who are exempt from overtime pay from \$23,660 to \$47,476 effective December 1, 2016. Any salaried employee meeting the DOL's criteria making less than \$47,476 a year and working more than 40 hours a week will be entitled to overtime pay. This aggressive, one-time increase, does not allow our member companies time to adjust to this new rule.

According to 2014 numbers, Oregon's food manufacturing sector employs roughly 36,124 Oregonians and total sales for the same year are estimated at \$16.4 billion. The industry's wages play a crucial part in our ability to stay competitive. A significant portion of our workforce would be affected by DOL's new rule. However, the *Overtime Reform and Enhancement Act* allows for a phased in approach to allow businesses to adjust to the rule changes and provide a public input process.

We are thankful for your leadership and work on finding a reasonable solution that gives Northwest food makers the flexibility to comply with this law without sacrificing their competitive edge in a global market.

Sincerely,

Ian Tolleson

Director, Government Affairs

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Northwest Food Processors Association