



AMERICAN
SUSTAINABLE
BUSINESS
COUNCIL

February 13, 2017

The Honorable Bradley Byrne
Chairman
Subcommittee on Workforce Protections
Education and the Workforce Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Mark Takano
Ranking Member
Subcommittee on Workforce Protections
Education and the Workforce Committee
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Byrne and Ranking Member Takano:

On behalf of the businesses represented by the [American Sustainable Business Council](#)'s (ASBC) network, I write in support of the Department of Labor's overtime rule. ASBC believes that implementation and strategic enforcement of the rule will be good for business, good for workers, and a vital step toward building a sustainable twenty-first century economy.

ASBC advocates for policy change and market solutions for building a vibrant, sustainable economy. Through its national member network, ASBC represents more than 200,000 business owners, executives and investors from a wide range of industries.

The rule creates certainty and predictability for business owners. Since the announcement of the draft rule in July 2015 and the release of the final rule this spring, businesses have been planning for its implementation. In fact, payroll operations companies have been marketing solutions to help employers handle the transition.

Currently the rule is under legal review. Halting the scheduled implementation has caused unnecessary and disruptive uncertainty for business owners. Business owners, by nature, are creative at problem solving. When rules are established, they make the necessary decisions to comply. However, when the rules are in flux, business owners react to the uncertainty by holding back on investments in growth and expansion.

When employers set fairer, clearer wages, they earn dividends with happier, more productive employees. That's good news for a businesses' bottom line, and for growing the nation's middle class. High road businesses understand that compensating their employees for extra time spent on the job builds a better work culture.

The American economy is fundamentally a domestic, consumer-driven economy, unlike some countries where growth is fueled by exports and business-to-business spending. The biggest long term threat to our economy is the hollowing out of the middle class, which is losing its capacity for discretionary spending - responsible for about 70 percent of our gross domestic product.

The new overtime rule closes a loophole which has allowed for hourly workers to be deprived of pay by inappropriately classifying them as exempt. Employees are consumers; if they are not earning sufficient wages, demand will remain stagnant. Closing this loophole will help restore consumer spending and give the economy a needed boost.

Sincerely,

Bryan McGannon
Policy Director

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