



**International  
Health, Racquet &  
Sportsclub Association**

October 12, 2016

The Honorable Lamar Alexander  
Chairman, Senate Committee on Health, Education, Labor and Pensions  
United States Senate  
835 Senate Hart Office Building  
Washington, D.C. 20510

**Re: S. 3464, Overtime Reform and Review Act**

Dear Chairman Alexander:

On behalf of the International Health, Racquet & Sportsclub Association (IHRSA), we write in strong support of S. 3464, the Overtime Reform and Review Act. IHRSA is the trade association serving the health club and fitness industry.

IHRSA's mission is to grow, protect and promote the health and fitness industry, and to be the leader in education, research and advocacy for the industry. IHRSA and its health club members, which include over 3,800 clubs in the U.S., are dedicated to making the world healthier through regular exercise and physical activity promotion.

We thank you for your leadership in introducing this important legislation that will provide employers significant relief from the negative impacts of the Department of Labor's (DOL) final overtime rule, and for your consistent advocacy in opposing this regulation. IHRSA agrees that phasing in the salary increase threshold over 5 years and in 4 stages, eliminating automatic raises in the threshold, and studying the effects of the overtime rule – e.g. an increase in part-time work or impact on workplace benefits – provides necessary relief.

Our health club owners and operators believe that employees and employers alike are best served with a system that promotes maximum flexibility in structuring employee hours, career advancement opportunities for employees, and clarity for employers when classifying employees.

The DOL's drastic increase of more than 100 percent to the salary threshold is too much and too fast. Equally problematic is that the final rule allows for the salary threshold to be



**International  
Health, Racquet &  
Sportsclub Association**

automatically updated every three years, irrespective of economic conditions and without the input of impacted stakeholders.

IHRSA welcomes the introduction of S. 3464 to address the DOL's flawed final overtime rule. This reasonable legislation would phase-in the new salary threshold in four stages over five years, starting with a substantial salary threshold increase to approximately \$36,000 on December 1, 2016, followed by a "pause year" in 2017 to allow employers to review and adjust for the consequences of this new rule. Further increases to the salary level would occur annually thereafter, until reaching the final rule's new threshold of \$47,476 on December 1, 2020. Equally important is that the bill prohibits the final rule's automatic increases to the salary threshold, yet allows the DOL to propose changes to overtime regulations in the future through the official notice and comment process.

IHRSA strongly supports the comprehensive approach this bill takes in preventing the expected negative impacts of the DOL's new rules. Thank you again for your leadership. If you have comments or questions, please do not hesitate to contact Helen Durkin, IHRSA's Executive Vice President of Public Policy, in our office at (617) 951-0055 or [had@ihrsa.org](mailto:had@ihrsa.org).

Sincerely,

A handwritten signature in black ink that reads 'Joe'.

Joe Moore  
CEO  
IHRSA