



September 4, 2015

Attention: Docket ID No. WHD-2015-0001; RIN: 1235-AA11

Wage and Hour Division
U.S. Department of Labor
Room S-3502
200 Constitution Ave, NW
Washington, DC 20210

RE: Comments on Defining and Delimiting the Exemptions for Executive, Administrative, Professional, Outside Sales and Computer Employees

The Agricultural Retailers Association (ARA) is a not-for-profit trade association that represents the nation's agricultural retailers and distributors. ARA members provide goods and services to farmers and ranchers which include: fertilizer, crop protection chemicals, seed, crop scouting, soil testing, custom application of pesticides and fertilizers, and development of comprehensive nutrient management plans. Retail and distribution facilities are scattered throughout all 50 states and range in size from small family-held businesses or farmer cooperatives to large companies with multiple outlets.

The Fertilizer Institute (TFI) represents the nation's fertilizer industry including producers, importers, retailers, wholesalers, and companies that provide services to the fertilizer industry. TFI members provide nutrients that nourish the nation's crops, helping to ensure a stable and reliable food supply. TFI's full-time staff, based in Washington, D.C., serves its members through legislative, educational, technical, economic, information, and public communications programs. ARA and TFI oppose the proposed rule to delimit the executive, administrative, professional, outside, and computer employees (EAP) exemption.

Increasing the salary threshold to the 40th percentile of earnings is a significant increase. To increase the threshold from \$23,660 per year to \$50,440 will have a significant impact on the small businesses that are ARA and TFI members. This increase will tighten already small margins and lead to increased consolidations in an industry that is currently seeing a number of mergers. The cost associated with this proposed rule will likely be passed along to the consumer. In our case, our members will pass the costs along to the farmers, which in turn will increase the cost of food. The increased production cost also could negatively impact American agriculture's competitiveness in the global market place.

ARA and TFI also oppose the proposed automatic annual increase in salary threshold. ARA and TFI are of the belief that the market should determine the salaries. Any automatic increase in

salary thresholds is arbitrary and does not reflect market forces. Market forces are too complex to allow for an annual increase based on a simple average to accurately reflect a salary threshold.

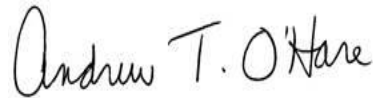
Regardless, nondiscretionary bonuses should count towards any salary threshold established. Incentive pay is a significant part of the total compensation package in the agricultural retail industry. It provides for enhanced employee and business performance and allows businesses to retain top talent.

It is for these reasons ARA and TFI oppose the proposed rule to increase the EAP exemption threshold and establish an automatic threshold increase based either on a fixed percentile of wages or the Consumer Price Index for all urban consumers. Also, ARA and TFI recommend that bonuses count towards any salary threshold established.

Sincerely,



Kyle Liske
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Agricultural Retailers Association



Andrew T. O'Hare
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The Fertilizer Institute