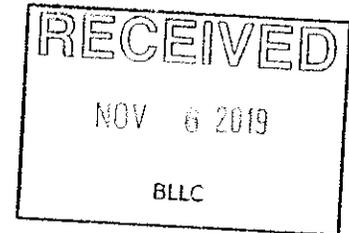
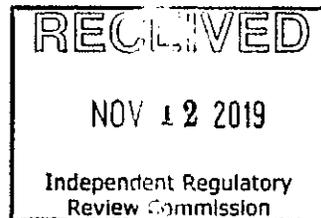


3202

October 31, 2019

Director Bryan Smolock
Department of Labor and Industry
651 Boas Street
Harrisburg, PA 17121



Re: Overtime Regulation #12-106

Dear Director Smolock,

As a business owner in Pennsylvania with over 800 employees, I am writing in opposition to the Department of Labor and Industry's proposal to dramatically increase the salary threshold for employee overtime eligibility.

The proposed increase in the state threshold from an annual salary of \$23,660 to \$45,500 over three years will be especially hard on businesses like mine. This proposal underestimates the high costs of compliance and how this will force businesses to cut back the hours and even possibly the pay of the very employees this change is intended to help.

The costs of reviewing each position, reclassifying employees and documenting the process is only the beginning. We are then forced to review our benefits policies as many of our employees transition to hourly positions. Many employees will see this as a demotion or a step back in their career as they will be forced to punch a time clock, and thereby eliminating any flexibility that they currently enjoy. This will affect the morale of my employees and due to time constraints on communications my customer service and business reputation may also be affected.

Businesses like mine can't afford the loss of flexibility and increased cost of such a substantial increase in the overtime threshold. It will ultimately reduce benefits and career opportunities for my employees. The Department should reconsider this plan, given the dire impact it will have on businesses like mine and their employees. If not, the Independent Regulatory Review Commission should disapprove the rule and ask the Department to revise it.

Regards,

A handwritten signature in black ink, appearing to read "D. Stern".

David Stern
President & CEO

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