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House of Representatives Commonwealth of Pennsylvania Harrisburg

August 21, 2018

Bryan Smolock, Director Bureau of Labor Law Compliance Department of Labor and Industry 651 Boas St, Room 1301 Harrisburg, PA 17121

RE: Minimum Wage #12-106 (IRRC# 3202)

Dear Director Smolock:

As members of the House Democratic Labor and Industry Committee, please accept this letter as our support for the Department of Labor & Industry's proposed rulemaking on overtime pay pursuant to the Pennsylvania Minimum Wage Act.

As evident by our legislative record, we greatly support efforts that will improve wages and working conditions for individuals throughout Pennsylvania. The proposed rulemaking will serve to strengthen our middle class at a time that it is needed the most. The Department estimates that up to 460,000 middle-class workers will benefit from this rulemaking by ensuring that Pennsylvanians receive fair compensation for overtime hours worked and by reducing the practice of required, unpaid overtime.

The proposed rulemaking would make two significant and necessary changes to modernize the exemptions for salaried workers from overtime pay requirements. First, the proposal would simplify the duties test to facilitate compliance. State agencies are continuously asked to do more with less, and updates to outdated or confusing rules support good and efficient government. By improving the readability of the regulations, we can reduce inquiries and unintentional noncompliance by employers. Second, the proposal would modernize the salary threshold to ensure that overtime exemptions are consistent with the original intent of the act and, thus, only apply to bona fide managerial and professional employees. Forty years ago, more than 60% of workers nationwide were eligible for overtime based on their salaries, while only 7% of full-time salaried workers are eligible today. Modernization of the salary threshold would provide meaningful and tangible wage protections for low-wage and middle-class workers.

In closing, we are hopeful that the Commission will look favorably on this rulemaking package. We appreciate your time and attention to this matter and we look forward to your review.

Sincerely,



LABOR & INDUSTRY, CHAIRMAN SOUTHEAST DELEGATION

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Independent Regulatory Review Commission John T. Galloway, Democratic Chairman Labor and Industry Committee Pennsylvania House of Representatives

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Maria P. Donatucci, State Representative 185th Legislative District

Dan L. Miller, State Representative 42nd Legislative District

Ed Neilson, State Representative 174th Legislative District

Pam Snyder, State Representative 50th Legislative District

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cc: Independent Regulatory Review Commission (via email)

Leanne Krueger-Braneky, Democratic Secretary

Labor and Industry Committee
Pennsylvania House of Representatives

Learne) Kuya. Brandy

Daniel J. Deasy, State Representative 27th Legislative District

Jeanne McNeill State Representative 133rd Legislative District

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Gerald J. Mullery, State Representative 119th Legislative District

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Adam Ravenstahl, State Representative 20th Legislative District

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