END DISTRICT
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REPLY TO:

July 26, 2018

Bryan M. Smolock, Director Bureau of Labor Compliance 651 Boas St., Room 1301 Harrisburg, PA 17121

Dear Mr. Smolock,

3202



Senate of Pennsylvania

JUL 3 0 2018

Independent Regulatory
Review Commission



COMMITTEES

LABOR & INDUSTRY, MINORITY CHAIR

APPROPRIATIONS

BANKING & INSURANCE

LAW & JUSTICE POLICY

VETERANS AFFAIRS & EMERGENCY PREPAREDNESS

I write to you today to express my ardent support for the Pennsylvania Department of Labor and Industry's proposed modifications to the Commonwealth's Minimum Wage code (Chapter 231 of 34 Pa. Code) pertaining to the definitions of Executive, Administrative and Professional salaried workers who are exempt from receiving minimum wage and overtime pay. The newly proposed regulations would restore the overtime pay requirement for an estimated 465,000 Pennsylvanians.

Under the state's current regulations that were enacted more than 40 years ago, employers are not required to pay overtime wages to EAPs who earn more than \$8,060 per year or \$13,000 per year, depending on the individual employee's job duties. The national mandatory overtime threshold of \$23,660 supersedes the state level, but that threshold is also too low.

As you know, this exemption is intended for managerial-level employees, but due to the outdated code definitions, someone who makes as little as \$11.38 an hour for the first 40 hours of the work week may not qualify for mandatory overtime pay. That means she or he may have to work overtime hours for free.

Such a scenario could apply to thousands of retail store managers, fast food shift supervisors, paralegals, office managers, manufacturing team leaders and other salaried workers across Pennsylvania.

When the Commonwealth last updated its mandatory overtime regulations in the mid-1970s, more than 60 percent of salaried workers nationwide were protected by overtime laws. Today, the ratio is less than one in 10. Under the Department's proposal, the salary threshold would be raised to \$47,892 incrementally over the next four years and subsequently would be updated automatically every three years. Further, the new regulations would clarify specific job duties of EAPs so that employers could not skirt the mandatory overtime pay requirement by assigning dubious job titles to salaried workers who earn more than the threshold.

Approval of the Department's proposed regulations would not only benefit hundreds of thousands of workers, it would also benefit the economy. Workers are also consumers. Ensuring that employers pay them fairly increases their spending power, which is good for the businesses they patronize.

For these reasons, I strongly support the adoption of the newly proposed overtime pay regulations. They make sense for Pennsylvania.

Sincerely,

Christine M. Tartaglione

State Senator - 2nd District

Christine M Textaglione