

From: Jessica Zasadni <jzasadni@sechan.com>
Sent: Monday, August 06, 2018 5:36 PM
To: Smolock, Bryan
Subject: Impact to Local Organizations of Proposed Changes to PA Overtime Regulation

Jessica Zasadni
525 Furnace Hills Pike
Lititz, PA 17543

August 6, 2018

Dear Bryan Smolock,

I am a local human resource professional and am concerned about the impact that changes to the overtime regulations will have on my organization and our employees. Adopting regulations for Pennsylvania that dramatically increase the salary threshold and set it at the 30th percentile of weekly earnings of full-time salaried workers in the Northeast, in addition to updating the salary threshold every three years, will have a significant negative impact on the labor costs for my organization.

This proposal will also have a negative impact on employees as we adjust our workplace rules in order to control our overtime costs. This may include limiting the ability to work overtime and reducing workplace flexibility.

We should not have our salary thresholds set based on Northeast data that includes more expensive, metropolitan areas. The labor market is tight and we are already seeing wage pressures that are becoming unsustainable. Particular to my industry - government contracting - we are squeezed to provide low cost, high quality products. We compensate our folks fairly and offer benefits that are low or no cost and a pension plan that is unusual these days as we are an employee-owned company. If we continue to have wage pressures and artificially high minimums, the money needs to come from somewhere - and that will be by cutting benefits. We have very little to no option to continue to raise our price to our customers or we may face the very real possibility of being out of business, which carries a very large impact in our community.

Please take my concerns into consideration as you evaluate these rules.

Sincerely,
Jessica Zasadni

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