

3202

Kathy Cooper

From: Smolock, Bryan <bsmolock@pa.gov>
Sent: Tuesday, August 21, 2018 2:25 PM
To: IRRC; Kathy Cooper
Cc: Rapach, Jennifer Buchanan; Schramm, Robert (LI-OCC); Lengel, Michelle
Subject: FW: Pennsylvania Department of Labor and Industry regulation #12-106



From: Jon Eich [mailto:joneich@aol.com]
Sent: Tuesday, August 21, 2018 2:20 PM
To: Smolock, Bryan <bsmolock@pa.gov>
Subject: Pennsylvania Department of Labor and Industry regulation #12-106

Dear Director Bryan Smolock:

I am writing in support of the regulation proposed by the Pennsylvania Department of Labor and Industry regulation #12-106, which would help tens of thousands of professionals, managers, and administrative personnel get the overtime pay they deserve.

Every year, Pennsylvania's budget is strained by the need to fund programs for low income individuals and their families.

Yet many people with jobs are unable to work their way out of poverty, and into the middle class, in spite of working long hours at jobs that require a variety of skills, including supervising the work of others.

Employers who pay low wages and/or offer only part time employment suffer the burden of a "Turnover Tax". The "Turnover Tax" is the cost of training new employees, which typically amounts 20% of wages of each employee replaced, with the cost increasing as the skills of the employee increases. This is not to say the new employee gets 20% more than the former employee. Rather, the cost to the organization in managerial oversight and lost productivity amounts to 20%+/- of wages paid to the new employee. (Source: How much does it cost companies to lose employees? By Suzanne Lucas, CBS Moneywatch, November 21, 2012.)

Taxes generated by the higher wages will flow to the state, school district, and municipal coffers, paying for existing services and mitigating the need for tax increases.

Pennsylvania is at a crossroads. It can either continue to increase spending on programs for a growing population of low income workers and residents, or it can take steps to bend that curve by assuring that employers pay wages sufficient to sustain a worker and his/her family without the need to rely on government programs.

Which is going to be? The choice is yours.

Respectfully submitted,

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