



Barber National Institute
Making dreams come true.

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August 16, 2018



Bryan Smolock, Director
Bureau of Labor Law Compliance
651 Boas Street, Room 1301
Harrisburg, PA 17121

Re: Comments on the Minimum Exempt Salary Increase proposed by Governor Wolf

Dear Mr. Smolock,

I am the Chief Financial Officer for the Dr. Gertrude A. Barber Center and other affiliated members of the Barber National Institute serving clients in Erie, Pittsburgh and Philadelphia.

The Proposed Regulation regarding PMWA Exemption Regulations will have a heavy impact on our organization's operating budget. Once fully phased in, the new minimum exempt salary will cost our organization approximately \$3 million a year, based on employees who currently have an exempt status. This is roughly a six percent increase to our current wage budget.

The state budget did not provide for an increase in our rates for the current year, nor are they scheduled to provide an increase in the following fiscal year. Should this proposed regulation become law, the impact will cause a deficit in our operating budget based on current rates. We would need to request an increase in our rates from the state in order to fully implement the proposed minimum exempt salary.

While this increase to the minimum exempt salary will help many individuals across the state, unfortunately this will not benefit Direct Care Professionals, as those employees are paid by the hour.

Thank you in advance of your consideration of this matter. We appreciate the ability to review and comment on the proposed regulation.

Sincerely,

Jean M. Nielsen, CFO

c: Jack Phillips, RCPA Director of Government Affairs
Rebekah Glick, PAR Policy and Advocacy Coordinator