



**LA SALLE UNIVERSITY**  
Office of the President

3202



**MEMORANDUM**

**TO** Pennsylvania Department of Labor and Industry

**FROM** Dr. Colleen M. Hanycz

**Cc** Independent Regulatory Review Commission

**DATE** July 30, 2018

**RE** Proposed Overtime Rules for the Commonwealth of Pennsylvania – Regulation #12-106, amendments to 34 Pa. Code Chapter 231 with respect to Overtime Pay

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On behalf of La Salle University, I strongly urge you to oppose Pennsylvania's proposed rule by the Department of Labor and Industry to change the Commonwealth's overtime eligibility rule. As written, the proposal requires a wage threshold for "exempt status" that is more than double the current rate set by the federal government and includes significant revisions to the duties tests, which are used to determine eligibility. The rule also establishes an automatic update to the salary threshold in subsequent years. When a similar proposal was introduced at the federal level in 2015, higher education institutions expressed concern about the significant costs to comply with the rule, but also the detrimental impact the rule would have on workplace culture and morale and the students we serve. Governor Wolf's proposal has prompted the same concerns and since it would only apply to Pennsylvania, it would immediately place the Pennsylvania higher education community at a disadvantage to peer institutions throughout the country.

We have excellent employees and we pay them at a level commensurate with our budgetary constraints. Yet, the rule as written could have a tremendous negative effect on our organization and force us to make difficult changes, including but not limited to the possibility of eliminating positions. In addition, this will place a tremendous burden on our current and prospective students. We serve a large population of first generation college students who are highly dependent on financial aid. Being a tuition dependent school, we would be faced with having to pass the cost along to the students.

Despite all of the challenges the proposed rule would create for the Pennsylvania higher education community, we understand the state's well-intended motives. However, we find the proposed rule very burdensome. We firmly believe that we as an institution would face significant operational, systematic and financial challenges from this mandate in its present form. We therefore urge your opposition to the proposed rule. Thank you for your consideration.

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