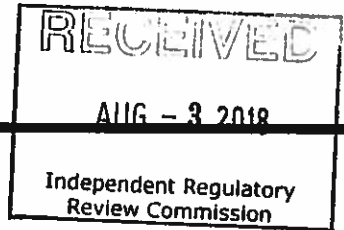


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Kathy Cooper



From: Srinath Dharmapadam <mpaqinn@gmail.com>
Sent: Friday, August 03, 2018 12:10 PM
To: IRRC
Subject: Proposed Rulemaking: Title 34 Labor & Industry Regulations for Min Wage 34 Pa. Code, Pt XII, Ch 231

Dear IRRC Review Commission,

My name is Srinath Dharmapadam I am the owner/operator of Quality Inn, Milesburg. I employ about 18 people and by virtually any definition am considered a small business owner in the state of Pennsylvania.

I am writing to express my deep concerns with the proposed rulemaking by the Department of Labor as it pertains to the salary threshold for exempt employees in Pennsylvania.

I am registered Democrat, and this policy was a ridiculous policy as proposed by Obama Administration, just to look good in the waning period of their existence. Department of Labor should understand accept that Pennsylvania is not a friendly state for business. That is why major manufacturing operations like Woolrich, International Paper Mill, Corning Asahi have all left this area in Central Pennsylvania. Finding labor force is as such very difficult as they don't want to leave the Government Subsidies. There are lot of lazy people who don't want to work because the Government is giving subsidies to them. There is no incentive for them to work.

By the Department's own admission, there was no effort to meet with the thousands of business owners in this Commonwealth to obtain feedback and no consideration given to the geographical make-up and different costs of living that vary throughout the Commonwealth.

AS A SMALL BUSINESS OWNER I CANNOT AFFORD THIS KIND OF ASININE RATE INCREASES. WE WILL GO BANKRUPT. THE REVENUE WE ARE MAKING IN OUR HOTEL IS 50% LESS THAN WHAT THIS SAME HOTEL MADE ABOUT 15 YEARS AGO. PENNSYLVANIA DOES NOT WANT TO SPEND MONEY ON TOURISM, AND ON THE CONTRARY YOU WANT TO STAB US IN THE BACK THE VERY MAJOR BUSINESS THAT IS BRINGING MONEY TO THE EXCHEQUER. THE AVERAGE RATE WE ARE GETTING FOR OUR ROOMS IS THE SAME AS WHAT WE GOT 15 YEARS AGO. THAT IS BECAUSE THIS GOVERNMENT DOES NOT THINK IT IS IMPORTANT TO PROMOTE THE TOURISM INDUSTRY. IF YOU KEEP ON STABBIN THE PEOPLE WHO SUPPORT THIS GOVERNMENT, ONE DAY, YOU WILL FIND YOURSELF STARING AT A CASH FLOW STATEMENT THAT IS FOR EVER CASH NEGATIVE LEADING YOU INTO A SPIRAL THAT YOU CANNOT COME OUT OF.

IT IS MY FOND HOPE THAT THE LEARNED GOVERNOR GETS SOME COMMON SENSICAL ADVICE THAT WOULD PUT THIS ASININE THOUGHT AWAY.

An increase in the threshold in Pennsylvania to \$921/week over two years would hurt my employees and my business. While the current threshold may need to be increased to take into consideration changes over the years, an increase of over 200 percent, even if over the course of a few years, is well beyond what an increase based on inflation should be.

This change would force me to take employees that are currently in a leadership position and make them hourly, which could mean a loss in pay but more importantly take away the flexibility to make their own hours and the leadership they have earned in their salaried position in the first place.

Employees often perceive reclassifications to non-exempt hourly positions as demotions. In my experience, employees look forward to making the jump from hourly to salaried and reclassifying them will undoubtedly be viewed by many as a step backwards in their careers.

Fact is, if you bring this change, there will be more unemployment, and those who are employed at higher wages will be forced to work that much more to catch up on what others are not able to do, because as a business we just cannot have payroll as a percentage more than what it currently is. Revenue is not going to go up 200% in the next two years. Make lazy people work, and you would find that there are lot of them who needs to and who are very able bodied to work, and they don't because this Government is making them lazy.

Pennsylvania needs to continue to be competitive to ensure that I can grow my business and we can attract more businesses to our state. Pennsylvania is going backwards in a conveyor belt when the whole world is going forward. Wake up Pennsylvania before you become bankrupt as a state. You just cannot tax your way and increase wages to make yourself look good in the elections, and win the next time. Pennsylvania needs to have common sense.

The U.S. Department of Labor is likely to change the threshold on a national level, and I would urge the state Department to wait and consider the newly proposed regulations that the federal Department will release.

To that end, I do support changing Pennsylvania's duties test to be identical to the federal duties test. Unfortunately, the proposed regulation purports to do that but actually doesn't.

Pennsylvania has a significant number of gray areas as it pertains to our current regulation and aligning with the federal guideline would once again provide the consistency and clear guidance the business community needs.

The regulation as proposed will hurt my business as it currently operates and my ability to grow my business. Changes may need to be made as it pertains to the salary threshold, but the Department should take into consideration the multiple variables at play in Pennsylvania instead of relying on one-sided studies and political rhetoric.

Before you all make these policies sitting in the high chair pontificating, run a business, pay the mortgage, fight for the revenue, understand the day to day problems of the business people in the Commonwealth, and become friendly for businesses. Stop pontificating and understand the ground realities before making the change. Put your money where your mouth is, and understand what it takes to run a business in PA. I left PA in frustration, and came back thinking that over the years things would have changed. On the contrary it has become worse. You have to do a lot of things with the tax dollars before you start increasing the wages, like helping the business like mine by putting more tourism dollars to get people into Pennsylvania. You have got the most amazing state, and nobody can be so dumb as to not put the efforts to find out how to make use of it profitably.

This state is more backward than any Asian Countries in this world in terms of technology, education & caliber of the people who graduate high school. A High school student who has graduated does not have the mental capability to do 3rd grade level mental math. Come to the rural school district and do a testing at random without announcement, and you would be shocked. And you all want to give wage increases to a populace who don't have the 3rd grade level of cognitive ability.

We have the gall to tell the Asian Countries that they are backward. This is the height of arrogance. We all need to grow up.

Sincerely,

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