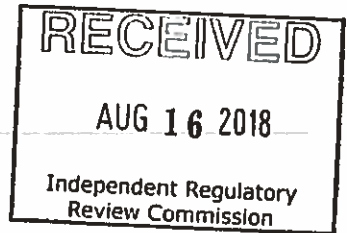


From: Smolock, Bryan <bsmolock@pa.gov>
Sent: Thursday, August 16, 2018 1:21 PM
To: IRRC; Kathy Cooper
Cc: Rapach, Jennifer Buchanan; Schramm, Robert (LI-OCC); Lengel, Michelle
Subject: FW: Comments on the Department of Labor & INdustry's Proposed Rulemaking for 34 PA Code, Chapter 231 RE: Overtime Pay; Minimum Wage #12-106



From: Cheryl Martin [<mailto:cmartin@lanasterairport.com>]
Sent: Thursday, August 16, 2018 12:40 PM
To: Smolock, Bryan <bsmolock@pa.gov>
Subject: Comments on the Department of Labor & INdustry's Proposed Rulemaking for 34 PA Code, Chapter 231 RE: Overtime Pay; Minimum Wage #12-106

Dear Mr. Smolock:

I am the Finance Administrator for the Lancaster Airport Authority. The Lancaster Airport Authority is a municipal authority in Lancaster County, Pennsylvania. We are within the municipalities of Manheim Township and Warwick Township. The Airport Authority runs and oversees the Lancaster Airport facility at which companies provide airline service, flight instruction, aircraft sales, aircraft maintenance, aircraft fuel sales, and other airline/aircraft related services.

The Airport Authority deals with several governmental agencies. The Airport Authority receives capital funding from the Federal Aviation Administration and Pennsylvania Department of Transportation. As a public use airport offering airline service, the Airport Authority also deals with various branches of Transportation Security Administration. Because the Airport Authority is required to maintain and keep the facility current with safety and security regulations, the Airport Authority deals with the Pennsylvania Department of Environmental Protection, Lancaster County Conservation District, Manheim Township, and Warwick Township. The County of Lancaster and the City of Lancaster provide oversight through a five member Board consisting of local residents. Customers utilizing the airport encompass a wide variety from general aviation pilots to airline customers to other service customers such as restaurant patrons and car rental customers. The Airport Authority also handles leasing property to companies desiring to offer aviation related services.

The Airport Authority currently has 24 employees, however, the companies at the Airport employ over 125 total employees. Lancaster Airport Authority salaried employees are offered pay at a rate equivalent to similar positions within the surrounding area as well as meet the current level and most are within \$10,000 of the proposed level. The big concern is the automatic reset in future years. In five years, the minimum threshold is estimated to be \$72,000 and we do not envision offering that salary level to lower management positions. If forced to provide that salary, the Airport Authority would be required to increase service prices. Companies on the field would also need to increase their service prices in order to cover the increased rental rate as well as their own employee wages. The cost could potentially close aviation service companies in which there is a very slim margin putting people and possibly companies out of work and forcing employees to resort to unemployment and/or lower wage jobs. Overall the employee income revenue to the PA Revenue would decrease rather than increase.

The Lancaster Airport Authority is committed to remain open, however, the quality of services available to the flying public at the Lancaster Airport would be detrimentally impacted.

Thank you for your time.

Cheryl Martin, Finance Administrator
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