

From: Smolock, Bryan <bsmolock@pa.gov>
Sent: Wednesday, August 22, 2018 11:15 AM
To: IRRRC; Kathy Cooper
Cc: Rapach, Jennifer Buchanan; Schramm, Robert (LI-OCC); Lengel, Michelle
Subject: FW: Proposed Rulemaking: Title 34 Labor & Industry Regulations for Min Wage 34 Pa. Code, Pt XII, Ch 231

-----Original Message-----

From: Albert Duncan [mailto:duncan@millerssmorgasbord.com]
Sent: Wednesday, August 22, 2018 10:39 AM
To: Smolock, Bryan <bsmolock@pa.gov>
Subject: Proposed Rulemaking: Title 34 Labor & Industry Regulations for Min Wage 34 Pa. Code, Pt XII, Ch 231

Dear Director Smolock,

My name is Al Duncan and I am the owner/operator of Thomas E. Strauss, Inc. I employ 247 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. One of our biggest concerns with setting a higher salary threshold is it does not consider the effect of the cost of living per market or part of country. We do agree the salary threshold for exempt employees should be increased, but not to the extent as proposed even if it is phased in over a period of years.

We are already facing a competitive recruiting market to maintain an adequate level of staff to operate. This will only add more pressure to our staffing needs since we will have to look at employing more part-time employees without benefits to control our employment expenses to absorb mandated increases in payroll labor. We are not only facing higher salary thresholds but also increasing medical insurance costs and proposed changes to the minimum wage rate. As an independent restaurant and hotel owner, there is only certain amount we can absorb as an expense without passing benefit increases on to our employees or increasing our services to our customers to remain profitable.

Unreasonable mandated changes in the salary threshold will result in a reduction of salaried management staff and our ability to employ more full-time employees.

Sincerely,

Albert Duncan
2811 Lincoln Hwy E
Ronks, PA 17572
duncan@millerssmorgasbord.com

