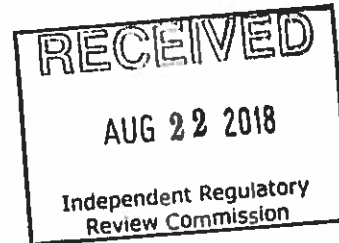


Stephen Hoffman

From: Melissa Platt <platt@somersettrust.com>
Sent: Tuesday, August 21, 2018 9:40 AM
To: Smolock, Bryan
Subject: Impact to Local Organizations of Proposed Changes to PA Overtime Regulation

Melissa Platt
151 W Main Street
Somerset, PA 15501

August 21, 2018



Dear Bryan Smolock,

I am a local human resource professional and am concerned about the impact that changes to the overtime regulations will have on my organization and our employees.

Adopting regulations for Pennsylvania that dramatically increase the salary threshold and set it at the 30th percentile of weekly earnings of full-time salaried workers in the Northeast, in addition to updating the salary threshold every three years, will have a significant negative impact on the labor costs for my organization.

This proposal will also have a negative impact on employees as we adjust our workplace rules in order to control our overtime costs. This may include limiting the ability to work overtime and reducing workplace flexibility.

Wage levels and cost of living are very different in rural Pennsylvania compared to our urban and suburban counter parts. The almost doubling of this wage requirement would be punitive to rural employers and force us to pull back on our encouragement of engagement of our officers in community activities as under this new guidance we would have to pay those people time and a half for their participation.

The impact would effect 10% of our 420 employees. Along with effecting engagement, changing exemption status is viewed as a demotion to staff. Somerset Trust Company takes pride in being able to provide a flexible work schedule, this type of change would remove that flexibility as we would spend more time having to monitor overtime hours for many key employees. To increase all salaries to meet the exempt threshold in order to not impact engagement and schedules, would cost over \$300,000 annually.

While some change may be desirable, such a dramatic increase would be extremely costly to us and several other businesses in our community.

Please take my concerns into consideration as you evaluate these rules.

Sincerely,
Melissa Platt