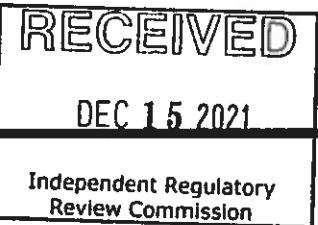


Kathy Cooper



From: Peter Eibeck <pweibeck@geminimachining.com>
Sent: Wednesday, December 15, 2021 12:25 PM
To: IRRC
Subject: Comment on Proposed Regulation #3322-12-114: Minimum Wage

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Dear The Review Commission,

I have little direct experience with tipped wages as an employee or employer, but I have much to share regarding salaried workers.

As an employee making Salary, I understood my obligations at work were more dynamic than a standard work day. There would be weeks where my commitment would exceed 40 hours and weeks where it could be less. I believe there existed a gray zone where the typical slightly higher salary pay may work a couple of extra hours. I also believe there is a zone where straight time is warranted, since salary is typically higher than hourly. Then there is the abuse area where employers should be paying OT rates. Perhaps straight overtime looks like an average work week over 4 weeks of 45 or more. Perhaps OT rates apply beyond 50 hours in any one given week.

As an employer who has had salaried employees, I offered comp time for hours over 45. This was a difficult situation, my salaried person believed they needed to be at work all the time which led to higher hours even when we were slow. We needed to setup boundaries so that one week of 50 hours and one week of 40 hours didn't turn into 5 hours comp time.

In the end, I don't know that there is any perfectly fair system. I believe the best system will acknowledge the expectation pay when that expectation is exceeded. I have watched other companies take advantage of salaried workers, placing a person on salary then asking for 55+ hours a week. This seemed wrong. ... Final thoughts. Perhaps a system should consider calculated hourly rate? Maybe a salary should be accompanied with a minimum hourly rate. If you work 80 hours in a week and a \$20 / hr job looks like \$100k / yr salary. But no one taking a 100k salary would think they 'only' make \$20 / hour. Maybe 100k looks like 2000 per week. If we take 45 as a reasonable burst, then min hourly rate is $2000/45 = \$44$ per hour. So if this salary person works 80 hours their min pay needs to be at least \$1500 extra.

As a small business owner, I support some proposed changes to the calculation of overtime payments for eligible salaried employees and some of the additional regulations on tipped workers.

The ability to provide a fluctuating work week to a salaried employee is a benefit that many employees enjoy and utilize, as long as it is not abused by the employer or employee. This regulation needs to allow some flexibility in work schedule for the employee or employer.

I'm open to talk about all of this and would provide direct feedback. You may speak with me or my employees to hear both sides of the story.

Sincerely,

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