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From: Mervin Weaver <mervspainting@dejazzd.com>
Sent: Tuesday, January 14, 2020 6:56 PM
To: IRRC
Subject: Comments on Dept. of Labor and Industry Overtime Regulation #12-106

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Dear The Review Commission,

As a small business owner in Pennsylvania, I am writing in opposition to the Department of Labor and Industry's proposal to dramatically increase the salary threshold for employee overtime eligibility. As you may be aware, the Independent Regulatory Review Commission asked the Wolf Administration to address concerns that were brought up by businesses, nonprofits, and colleges. The revised rule is only moderately different from the original rule.

The proposed increase in the state threshold from an annual salary of \$35,568 to \$45,500 over two years will be especially hard on small businesses like mine and their employees. It will limit the flexibility we can offer them now with hours, benefits, and pay.

Further, the proposal seriously underestimates the costs to comply because it doesn't consider the higher costs to small businesses of state mandates like this. Higher costs will force businesses like mine to cut back the hours and pay of the very employees the change is intended to help.

We will be forced to deny overtime, and raise our prices to stay in business, and won't even be able to consider adding benefits. It will raise both payroll and all business insurance policies that are based on payroll and gross income. Paid training will become difficult to do. Everyone else will have to raise their prices too, causing difficulty for all.

The proposal to automatically increase the threshold every three years after it takes effect will make employee salary costs uncertain for businesses like mine and make it virtually impossible to plan, especially in an economic downturn.

Small businesses can't afford the loss of flexibility and the increased cost of such a substantial increase in the overtime threshold. It will ultimately reduce benefits and career opportunities for my employees. Because of the dire impact it will have on businesses like mine and their employees, the Independent Regulatory Review Commission should disapprove of the rule.

Sincerely,

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