

Kathy Cooper

From:

Mr. & Mrs. James Burns, Sr. <user@votervoice.net>

Sent:

Wednesday, October 30, 2019 1:32 PM

To:

Smolock, Bryan

Subject:

[External] Comments on Dept. of Labor and Industry Overtime Regulation #12-106

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Dear Director Smolock,

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 \$23,660 to \$45,500 over three 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. It will affect the morale of employees at my business by forcing them back to punching a time clock, which will also impact my business' quality, customer service, and reputation.

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.

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 increased cost of such a substantial increase in the overtime threshold. It will ultimately reduce benefits and career opportunities for my employees. The Department should seriously reconsider this plan, given the dire impact it will have on small businesses like mine and their employees. If not, the Independent Regulatory Review Commission should disapprove the rule and ask the Department to revise it which should always include oversight and review by the legislature before enacting any further measures with regards to this issue. Essentially, The state WILL effectively close many doors of small businesses which is the backbone of the economy. Are you prepared to compensate under employed or unemployed individuals when you drive us out of business? Small businesses are not like the Federal Government who apparently feel they can just continually borrow against the future to pay for the present. Does the State of Pennsylvania feel the same way?

Sincerely,

James Burns PO Box 1946 Media, PA 19063 RJBOMEGA@AOL.com OCT 31 2019
Independent Regulatory
Review Commission