

3202

Form Letter C 17-18

Kathy Cooper

From: Robert Odgers <robert.odgers@acco.com>
Sent: Thursday, November 14, 2019 8:16 AM
To: IRRC
Subject: Proposed Massive Overtime Rule Expansion

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NOV 14 2019

Independent Regulatory
Review Commission

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Dear PA Independent Commission,

I agree that this would cause harm to employee morale and workplace culture if employees are required to clock in and out and lose the flexibility and stability that comes with earning a salary. This would also cause undue stress with project time lines, travel and customer service.

Thank you for the opportunity to comment on the Final Form Regulation submitted by the Pennsylvania Department of Labor and Industry (L&I). These regulations are intended to update the rules that determine if an employee is required to be paid overtime.

Though this proposed regulation may be well-intended I am deeply concerned with the negative impacts on employers and many of the very employees whom the proposal is supposed to help.

L&I's first version of this regulation submitted in June 2018 proposed more than doubling the wage threshold to potentially qualify for exempt status. Despite hundreds of comments reflecting widespread concern among employers from a range of industry sectors, L&I made only minimal changes. The new proposal would still increase the salary threshold by over 92 percent and require regular increases using a formula that would impose larger and larger increases.

The same concerns described in 2018 remain. Employers may not have the ability to simply absorb higher labor costs and many nonprofits rely on static government funding. A significant salary threshold increase of this nature will force many of these employers to convert salaried employees to hourly status in order to track and cap hours. This transition typically entails a more rigid work schedule with less flexibility, burdensome record-keeping, fewer training opportunities and benefits. Hourly workers required to clock in and clock also risk less take-home pay if hours worked in a week dip below 40.

I am also concerned that, despite some improvements, the proposal still falls short of L&I's stated goal of aligning federal and state overtime laws. Overtime laws are among the most difficult for employers to administer and even if L&I's proposal is approved this area of employment law will still be unnecessary complicated and inconsistent.

We urge the Independent Regulatory Review Commission to disapprove of this regulation. A similar proposal was struck down by a federal court, IRRC itself expressed concerns back in 2018 that L&I does not appear to have addressed and the U.S. Department of Labor is already planning to increase the salary threshold, albeit at a more reasonable level, in 2020.

Thank you for considering my views on this important matter.

Sincerely,

Robert Odgers
949 Main St
Alexandria, PA 16611
robert.odgers@acco.com

3202

Kathy Cooper

From: Irrchelp
Sent: Thursday, November 14, 2019 7:45 AM
To: IRRC
Subject: FW: Overtime Rule Expansion



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

From: Mike Perry [mailto:mperry@armyheritage.org]
Sent: Wednesday, November 13, 2019 5:16 PM
To: Irrchelp <irrchelp@irrc.state.pa.us>
Subject: Overtime Rule Expansion

CAUTION: **EXTERNAL SENDER** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Chairman Bedwick,

Currently, our small nonprofits covers 100% of employee health insurance benefits. When the health insurance benefit is calculated with salary, these employees exceed the newly established standard. However, the organization will have to reconsider health insurance benefits should salary be the only factor considered by Labor and Industry when determining eligibility for overtime pay.

Thank you for the opportunity to comment on proposed regulations submitted by the Pennsylvania Department of Labor and Industry (L&I). These regulations are intended to update the rules that determine if an employee is required to be paid overtime.

Though this proposed regulation may be well-intended I am concerned with the negative impacts on employers and many of the very employees whom the proposal is supposed to help. L&I proposes to increase the salary threshold by over 92 percent and require regular increases.

This dramatic increase will force many employers to convert salaried employees to hourly status, which usually entails a far more rigid work schedule with less flexibility, burdensome record-keeping, fewer training opportunities and benefits. Hourly workers required to clock in and clock also risk less take-home pay if hours worked in a week dip below 40.

The proposed regulation, if enacted, would impose a significant burden on Pennsylvania employers and employees with additional costs to closely monitor employees' time and update their human resource systems. The regulations would also provide fewer opportunities for flexibility in the workplace, a potential for employers to cut hours and burdensome record keeping.

As a Commonwealth, both salaried workers and businesses need workplace flexibility and opportunity that reflects the creative workplace of the 21st Century inspires creativity and supports a pro-growth business agenda that enhances Pennsylvania's competitiveness.

We urge the Independent Regulatory Review Commission to disapprove of this regulation and take into consideration the negative implications on the business community.

Thank you for the opportunity to provide comment and feedback on the Final Form Regulation submitted by the Pennsylvania Department of Labor and Industry (L&I).

Sincerely,

Mike Perry
35 Longstreet Dr
Carlisle, PA 17013
mperry@armyheritage.org