

Coalition letter regarding H.R. 2667, the “Authority for Mandate Delay Act”

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TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The employer community has long had significant concerns with the employer mandate provision enacted three years ago by the Patient Protection and Affordable Care Act (PPACA) because it reduces job opportunities, hours worked, and therefore overall wages. With the statutory effective date of the employer mandate on the horizon and the recent acknowledgement by the Administration that the necessary systems and reporting requirements are not ready, we strongly support H.R. 2667, the “ Authority for Mandate Delay Act,” which would provide a legislative one-year delay of the employer mandate provision.

The undersigned groups represent job creators from every industry, sector, size and location. While our member manufacturers, restaurants, small companies, the self-employed, retailers, contractors, wholesaler-distributors, staffing agencies, equipment rental companies and large businesses have provided employer-sponsored health care coverage to many employees for years, most importantly they have provided individuals with jobs and wages to support themselves and their families.

In light of the Administration’ s recent decision to delay the enforcement of the employer mandate penalties and reporting requirements, it is vital that Congress take legislative action to clearly and directly delay this “ shared responsibility” provision in the health care law. Beginning in January 2014, the PPACA requires businesses with 50 or more full-time equivalent employees to provide prescribed health benefits to their employees (and their dependents) or potentially pay steep penalties. Already this requirement is forcing many businesses with fewer than 50 full-time equivalent employees to scrap growth and expansion plans and forego hiring more full-time employees. Additionally, for the first time in history, the law defines “ full-time” employment status as 30 hours per week, instead of the traditional 40 hours per week. On top of the mandate to

provide coverage, this new definition is forcing businesses to restructure their workforce and reduce their employees' hours to avoid costs that could potentially bankrupt their companies. All of these outcomes negatively impact those at the lowest rungs of the income scale.

Legislatively delaying the employer mandate will ease these concerns in the short term and is necessary to provide businesses clarity about their legal obligations for the future.

With the delay, a careful and pragmatic assessment of the mandate must follow to assess how to create better policies that do not turn our country into a nation of part-time workers. Particularly now, Congress must enact this legislation to remove the obstacles to hiring employees and enable more individuals to secure full-time employment and full-time wages to strengthen the country's economy.

Sincerely,

American Council of Engineering Companies

American Rental Association

American Supply Association

Associated General Contractors of America

NAHAD – The Association for Hose & Accessories Distribution

Automotive Aftermarket Industry Association

Business Solutions Association

Coalition of Franchisee Associations

Council for Affordable Health Coverage

Heating, Airconditioning & Refrigeration Distributors International

Industrial Supply Association

International Franchise Association

International Foodservice Distributors Association

International Sanitary Supply Association

The Irrigation Association

Metals Service Center Institute
National Association of Electrical Distributors
National Association of Health Underwriters
National Association of Manufacturers
National Association of Sporting Goods Wholesalers
National Association of Wholesaler-Distributors
National Club Association
National Federation of Independent Business
National Grocers Association
National Insulation Association
National School Supply & Equipment Association
National Retail Federation
National Roofing Contractors Association
North American Wholesale Lumber Association
NPES - The Association for Suppliers of Printing, Publishing & Converting Technologies
Petroleum Equipment Institute
Small Business & Entrepreneurship Council
Textile Care Allied Trades Association
Textile Rental Services Association
U.S. Chamber of Commerce
Wholesale Beer Distributors of Texas