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July 2, 2013

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## **HATCH STATEMENT ON OBAMA ADMINISTRATION'S DECISION TO DELAY HEALTH LAW'S JOB-KILLING EMPLOYER MANDATE**

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Senate Finance Committee, today issued the following statement after the Obama Administration said it will delay the penalties for employers who do not provide health-insurance coverage to workers under the President's health law for one year:

"That the Obama Administration is putting off this job-killing requirement on employers, but not individuals and families, shows how deeply flawed the President's signature domestic policy achievement is. While a delay of this mandate is welcome news since it shows the challenges the employers are facing complying with it, a delay - conveniently past the 2014 election - only adds to the uncertainty these job creators face because of ObamaCare. And I certainly hope this action isn't a back door attempt at getting more Americans into the exchanges, which have been plagued by problems. The only reasonable recourse is to fully repeal this law. This delay on top of the skyrocketing cost of insurance premiums, significant challenges with the exchanges and taxes administered by a scandal-plagued IRS demonstrate why this law is more unpopular with the American people than the day the President signed it into law."

### **BACKGROUND:**

Under the Patient Protection and Affordable Care Act (PPACA) employers with 50 or more full-time equivalent (FTE) employees are required to provide health insurance for their employees in 2014 or face a massive tax increase that the nonpartisan Congressional Budget Office (CBO) found would hit employers with \$150 billion in new taxes over eleven years. The mandate is expected to lead to an estimated 3.2 million lost jobs, [according to the nonpartisan Hudson Institute](#) ([http://www.franchise.org/uploadedFiles/HeathCare/The Effects of PPACA on Franchising-Final.pdf](http://www.franchise.org/uploadedFiles/HeathCare/The_Effects_of_PPACA_on_Franchising-Final.pdf)).

While the employer mandate is not scheduled to go into effect until 2014, the requirement pushed many employers to keep their staffs below 50 or hire part-time workers to avoid the mandate. According to a [study by the U.S. Chamber of Commerce](#)

([http://www.uschambersmallbusinessnation.com/uploads/New\\_Q2Chamber\\_Survey\\_July 2012 Harris Report 07\\_16\\_12.pdf](http://www.uschambersmallbusinessnation.com/uploads/New_Q2Chamber_Survey_July_2012_Harris_Report_07_16_12.pdf)), 72 percent of small business owners said that the health care law would make it harder for them to hire.

Today's announcement would delay the penalty for one full year until 2015. However, families and individuals will still be required to purchase health insurance in 2014 or face a penalty. Hatch has introduced legislation that would repeal the two central pillars of the Affordable Care Act, the [employer](http://www.finance.senate.gov/newsroom/ranking/release/?id=f660ad87-032b-4eb1-9faa-b005a5b6c106) (<http://www.finance.senate.gov/newsroom/ranking/release/?id=f660ad87-032b-4eb1-9faa-b005a5b6c106>) and [individual](http://www.finance.senate.gov/newsroom/ranking/release/?id=5dd713a6-7d56-4726-82bc-277d873e678d) (<http://www.finance.senate.gov/newsroom/ranking/release/?id=5dd713a6-7d56-4726-82bc-277d873e678d>) mandates.

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