

April 2, 2014

The Honorable John Boehner Speaker, U.S. House of Representatives The Capitol Room H-232 Washington, DC 20515-6501 The Honorable Nancy Pelosi Minority Leader, U.S. House of Representatives The Capitol Room H-204 Washington, DC 20515-6537

Dear Speaker Boehner and Minority Leader Pelosi,

Representing the country's largest, oldest and most respected small business associations, which have spent more than a decade working to improve access to and affordability of private health insurance, the Small Business Coalition for Affordable Healthcare (the Coalition) is writing in support of H.R. 2575, *Save American Workers Act of 2013*. This legislation would repeal the Patient Protection and Affordable Care Act's (PPACA) 30-hour per week full-time employee definition and replace it with a 40-hour per week full-time employee definition.

Beginning in 2015, PPACA requires businesses with 100 or more full-time equivalent (FTE) employees to offer affordable health insurance to full-time employees or potentially pay significant penalties. Businesses with 50 or more FTEs must offer affordable health insurance to full-time employees and their dependents or potentially pay penalties beginning in 2016. PPACA defines a full-time employee as an employee who averages 30-hours of service per week, or 130-hours of service per month. PPACA's definition of full-time is counter to the traditional 40-hours of service threshold that most American businesses use to define full-time for benefits and other purposes. Implementing this new definition will require most businesses to change both their policies and their practices.

Despite the one year delay of the employer mandate requirement for 2014 and more recent transition relief for midsize businesses in 2015, employers have been preparing to closely track employee hours and make these complicated administrative calculations this year, as business size calculations are based on an employer's workforce during the preceding calendar year. Without H.R. 2575, employers will face higher employer mandate penalty taxes, and employees will see reduced hours and take home pay.

The Coalition urges all Members of the U.S. House of Representatives to support H.R. 2575.

Sincerely,

Aeronautical Repair Station Association American Apparel & Footwear Association American Bakers Association American Farm Bureau Federation American Foundry Society American Hotel & Lodging Association American Staffing Association American Supply Association

Asian American Hotel Owners Association

Associated Builders and Contractors, Inc.

Associated Equipment Distributors

Associated General Contractors

Association for Manufacturing Technology

Automotive Aftermarket Industry Association

International Housewares Association

Metals Service Center Institute

National Association of Convenience Stores

National Association of Home Builders

National Association of RV Parks and Campgrounds

National Association of Theatre Owners

National Association of Wholesaler-Distributors

National Club Association

National Federation of Independent Business

National Restaurant Association

National Retail Federation

National Roofing Contractors Association

National Small Business Association

National Systems Contractors Association

National Tooling and Machining Association

North American Die Casting Association

North American Equipment Dealers Association

Precision Machined Products Association

Precision Metalforming Association

Professional Golfers Association of America

Service Station Dealers of America and Allied Trades

Small Business and Entrepreneurship Council

Small Business Council of America

Society of American Florists

Specialty Equipment Market Association

Textile Rental Services Association

Tire Industry Association

U.S. Chamber of Commerce

WMDA Service Station and Automotive Repair Association