



March 28, 2012

The Honorable Wally Herger  
Chairman  
Health Subcommittee  
Ways and Means Health Committee  
1102 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Pete Stark  
Ranking Member  
Health Subcommittee  
Ways and Means Health Committee  
1102 Longworth House Office Building  
Washington, D.C. 20515

Dear Chairman Herger and Ranking Member Stark:

On behalf of Associated Builders and Contractors (ABC), a national association with 74 chapters representing 22,000 merit shop construction and construction-related firms, I am writing in regard to the hearing on the Individual and Employer Mandates in the Democrats' Health Care Law.

Providing quality health care benefits is a top priority for ABC and its member companies. Throughout the health care reform debate, ABC advocated for policies that reduce the cost of health care for employers and their employees. ABC called on Congress to advance common-sense proposals that would address the skyrocketing cost of health insurance, especially for employer-sponsored plans and the rapidly rising number of uninsured Americans. ABC believes true reform should provide greater choice and affordability and allow private insurers to compete for business.

Unfortunately, the massive and complex health care law, known as the Patient Protection and Affordable Care Act (PPACA), fails to lower costs and imposes new taxes, as well as costly and burdensome federal government mandates on businesses. Beginning in 2014, PPACA mandates that employers with 50 or more full-time equivalent employees offer a certain level of health coverage or pay penalties. The increased costs related to this onerous mandate are of significant concern to ABC members.

By forcing employers to offer government-prescribed health insurance, ABC members will no longer have the choice or flexibility to structure health care coverage options that meet the needs of their fluctuating workforce. The resulting increased costs will jeopardize the ability of ABC member companies to maintain affordable coverage options for their employees and to hire and retain workers. The Director of the Congressional Budget Office has projected PPACA will reduce employment by 0.5 percent by 2021, which means a reduction of 800,000 workers.

ABC also has expressed concerns about the regulatory burdens imposed by the sweeping health care law. The regulations implementing the employer mandate are complex, confusing and unclear, creating an environment of uncertainty in our industry that makes it difficult for firms to adequately plan for the future—ultimately stifling job creation.

Repealing the employer mandate provision will not only protect existing jobs, but will help remove some of the uncertainty facing employers today. ABC supports the American Job Protection Act (H.R. 1744), which would repeal this costly mandate and help America's job creators get back to work.

We appreciate your attention to this important matter and look forward to working with you to pass the American Job Protection Act and repeal this onerous mandate.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Burr", with a long horizontal flourish extending to the right.

Geoffrey Burr  
Vice President, Federal Affairs