



Greater Houston
Chapter

On December 24, the United States Senate voted 60-39 to pass the Patient Protection and Affordable Care Act (H.R. 3590). ABC Dec. 22 opposed the Patient Protection and Affordable Care Act (H.R. 3590) which contains an amendment proposed by Sen. Jeff Merkley (D-Ore.) that excludes construction firms from small business exemptions. The U.S. Senate Dec. 24 voted 60-39 to pass the bill.

Language in the Merkley amendment singles out the construction industry by requiring firms with an average of five or more employees during the previous year and whose annual payroll expenses exceed \$250,000 to pay for health insurance for their workers or be subject to a federally imposed fine of \$750 per employee. Comparatively, H.R. 3590 generally exempts other small businesses with fewer than 50 employees from the fines.

“Excluding small construction firms from the small business exemptions in the health care bill is irresponsible and economically disastrous,” said ABC President and CEO Kirk Pickerel. “At a time when our industry is facing the worst construction economy in decades, the last thing contractors need are vast new mandates from the federal government dictating to them how they will run their businesses.”

In a letter sent to all Senators before the vote, ABC expressed opposition to the amendment and regret that most Senators were unaware of the provision before the final vote on the health care package. ABC also noted that the construction industry’s unemployment rate is more than 18 percent and that this will be another bill small contractors cannot afford to pay.

“We are unaware of any data or evidence that suggests that the needs and struggles of a construction contractor with fewer than 50 employees are so different from those of small business owners in other industries, and absent such convincing evidence, we are left to assume that this specific provision is merely a political payoff to satisfy the desires of a small constituency,” ABC stated in the letter.

The Senate bill now must be merged with a plan passed by the U.S. House of Representatives in November. For additional information please contact Geoff Burr at burr@abc.org or April Brown at brown@abc.org.