

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JAMES P. HOFFA
General President

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KEN HALL
General Secretary-Treasurer

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January 29, 2015

United States Senate
Washington, D.C. 20510

Dear Senator:

The International Brotherhood of Teamsters opposes S. 30, the “40 Hours is Full-Time Act.” We urge you to oppose this bill and to vote against S. 30 should it come to the Senate floor. This legislation will cause millions of workers to lose work hours and it will cause many employees to lose their employment-based health insurance coverage.

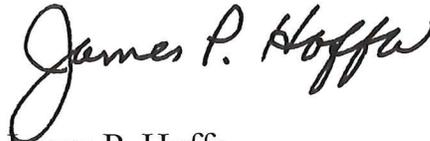
The Affordable Care Act requires employers (with 50 or more full-time equivalents) to either offer healthcare coverage to employees who work more than 30 hours a week or to pay a penalty if those workers get healthcare coverage via exchange subsidies. S. 30 would raise that threshold (or “cliff”) from 30 hours to 40 hours. The current 30 hour threshold created by the law has already motivated some employers to reduce workers’ hours to avoid providing coverage.

Proponents of the bill claim they want to help part-time workers by moving the threshold for employer penalties. However, raising the threshold will *increase* employers’ incentive to reduce workers hours. It will result in nearly tripling (from 2.3 million to 6.5 million) the number of workers vulnerable to having their hours cut, according to experts at UC Berkeley. Researchers have also found that the cost to employers in moving workers from 40 hours (the proposed threshold under S. 30) to 39 hours per week are negligible compared to the costs of offering coverage or paying the employer responsibility penalty. Thus, this policy would essentially eliminate the employer responsibility requirement.

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Proponents of this legislation claim that they want to help part-time workers. However, the bill would exacerbate the problem it purports to solve. The "40 Hours if Full-Time Act" will actually hurt millions of workers and the U.S. economy. The International Brotherhood of Teamsters urges you to oppose S. 30.

Sincerely,

A handwritten signature in black ink that reads "James P. Hoffa". The signature is written in a cursive style with a large, looping initial "J".

James P. Hoffa
General President

JPH/jdo