



**Legislative Bulletin.....April 3, 2014**

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**H.R. 2575 — Save American Workers Act of 2014**

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**H.R. 2575 — Save American Workers Act of 2014 — (Young, R-IN)**

**Order of Business:** [H.R. 2575](#) will be considered on April 3, 2014, under a closed [rule](#).

**Summary:** This bill amends the Internal Revenue Code to change the definition of full-time employee, with respect to any month, as one who works on average at least 40 hours a week for the purposes of the employer mandate. In addition, it changes the number of hours worked for the definition of a full-time-equivalent employee to 174 hours per month.

**Additional Background:** The Affordable Care Act (ACA) requires employers who employ 50 or more employees or full time equivalents to provide health care coverage. For the purposes of the ACA, full time is defined as an employee who is employed at least 30 hours per week. To calculate full time employees, employers must also take into account “full time equivalents” which are determined by dividing the aggregate number of hours worked by part times employees by 120.

According to the Committee Report, keeping the definition of full-time employee at 30 hours per week would put 2.6 million workers with a median income under \$30,000 at risk for losing hours or their job. In addition, 89 percent of workers affected by this rule do not have a college degree and 63 percent affected are women.

It is important to note the Administration has delayed assessing fees for noncompliance with the employer mandate for all employers until 2015 and for employers with 100 employees or less until 2016.

Read the committee report [here](#).

**Committee Action:** This bill was introduced on June 8, 2013, and referred to the House Committee on Ways and Means. The committee held a mark up on February 4, 2014, and where it was ordered to reported in the nature of the substitute by a vote of [23-14](#).

**Outside Groups Support:**

[National Taxpayers Union](#)

[National Grocers Association](#)

[National Association of Convenience Stores](#)

[Small Business Coalition for Affordable Healthcare](#)

[Society for Human Resource Management](#)

[National Restaurant Association](#)

See a complete list of support compiled by the bill's sponsor [here](#).

**Administration Position:** The [Administration](#) strongly opposes House passage of H.R. 2575, the Save American Workers Act. If the President were presented with H.R. 2575, he would veto it.

**Cost to Taxpayers:** [CBO](#) and JCT estimate that enacting H.R. 2575 would increase budget deficits by \$25.4 billion over the 2015-2019 period and by \$73.7 billion over the 2015-2024 period. The 2015-2024 total is the net of an increase of \$83.0 billion in on-budget costs and \$9.3 billion in off-budget savings (the latter attributable to increased revenues).

**Does the Bill Expand the Size and Scope of the Federal Government?:** No.

**Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?:** The Committee has determined that the bill does not contain Federal mandates on the private sector. The Committee has determined that the bill does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

**Does the Bill Delegate Any Legislative Authority to the Executive Branch?:** No.

**Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?:** With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the bill, and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**Constitutional Authority:** According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: U.S. Const. art. I, Sec. 8, cl. 1. Within the Enumerated Powers of the U.S. Constitution, Congress is granted the power to lay and collect taxes. This provision grants Congress the authority over this particular piece of legislation." Read the statement [here](#).

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