

May 8, 2024

The Honorable Roger Williams Chair House Committee on Small Business U.S. House of Representatives Washington, DC 20515 The Honorable Nydia Valázquez Ranking Member House Committee on Small Business U.S. House of Representatives Washington, DC 20515

Dear Chairman Williams, Ranking Member Valázquez and Members of the House Committee on Small Business:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 68 chapters representing more than 23,000 members, I appreciate the opportunity to comment on today's hearing, "Stifling Innovation: Examining the Impacts of Regulatory Burdens on Small Businesses in Healthcare." The majority of ABC's general contractor and subcontractor members qualify as small businesses as defined by the Small Business Administration and the construction industry consistently has one of the highest concentrations of small business participation.

Providing quality health care benefits is a top priority for ABC and its member companies, and ABC advocates for policies that would ensure employer-sponsored coverage is strengthened and remains a viable, affordable option for millions of hardworking Americans and their families. As a member of the Partnership for Employer-Sponsored Coverage, ABC encourages Congress to consider <u>principles and priorities</u> that are important for ensuring employment-based health coverage thrives.

Relevant to this hearing, ABC supports compliance relief for employers, specifically by streamlining the reporting requirements brought on by the Affordable Care Act. Internal Revenue Service employer information reporting requirements generate undue compliance burdens and costs for employers while creating a more difficult process for employees. The ACA fails to consider that most small businesses do not have the time or resources to understand these reporting obligations and therefore risk being noncompliant.

Similarly, altering the definitions of an applicable large employer and flexibility in the definition of a full-time employee under the employer mandate would enable employees to pick up extra hours, provide consistent federal definitions across different laws and enable businesses to hire more employees and grow their operations.

ABC appreciates the committee's efforts to cut back on regulation to ensure that employers of all sizes can offer sponsored coverage to their employees, and we look forward to our continued work toward improving the playing field for America's small businesses.

Sincerely,

Kristen Swearingen

Vice President, Legislative & Political Affairs