



February 24, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20510

Dear Leader Reid and Speaker Pelosi:

On behalf of the country's largest, oldest and most respected associations in the small business and self-employed communities, the Small Business Coalition for Affordable Healthcare is writing to reaffirm our dedication to developing responsible solutions that will constrain healthcare costs and improve access to quality, affordable healthcare. As Congress reassesses its role in the healthcare reform discussion, we urge you to listen closely to the input of those on Main Street in towns and cities across the United States of America – our small businesses.

Regardless of political party or philosophical persuasion, there is overwhelming agreement that small business owners and their employees are trapped in a broken insurance marketplace with no choices and high costs. For more than a decade these men and women have been some of the most active and vocal advocates for reform – but not just any reform. They have specifically sought reforms that lower costs, increase competition, and expand choice. While they have expressed opposition to both the House-passed “Affordable Health Care for America Act” (H.R. 3962) and the Senate-passed “Patient Protection and Affordable Care Act” (H.R. 3590), they remain steadfast in their commitment to continue advocating for policy solutions that lower healthcare costs, but do not increase the overall cost of doing business.

America’s small business community has supported various incremental reform efforts and has worked to include similar provisions in comprehensive reform proposals. Healthcare reform that improves access to quality, affordable healthcare includes:

- New opportunities for small businesses to pool together and purchase insurance across state lines
- Balanced and responsible insurance market reforms
- Streamlined benefit packages
- Much-needed choices like SIMPLE cafeteria plans
- Tax equity for our nation’s self-employed
- Meaningful liability reform

These types of provisions open the door to many potential benefits for small business. However, if the price for these benefits increases the cost of doing business, small businesses will not support the overall legislation. Our small business owners remain deeply concerned that if new taxes, new mandates and new government programs are used to finance healthcare reform, those costs would quickly erase any savings that could have been realized from the reforms outlined above. Simply put, healthcare reform that improves access to quality, affordable healthcare should not include:

- New taxes on small business health insurance

- An employer mandate that encourages job cuts, not job creation, including mandates targeted at specific industries
- Union and big business carve-outs
- Increases in Medicare payroll taxes
- New paperwork burdens and costs for small businesses
- New taxes specifically targeted at the small business community
- Prohibitions on HSAs, FSAs and HRAs that limit employer and employee flexibility and choice

For more than a decade, our nation's entrepreneurs in the small business and self-employed communities have called on Congress to address the most critical problem they face – high healthcare costs. Our small business owners remain focused on finding solutions and the Small Business Coalition for Affordable Healthcare remains a resource to those in Congress committed to advancing policies that make access to quality, affordable healthcare a reality for the men and women who drive the engine of our economy – small business.

Sincerely,

Aeronautical Repair Station Association
 American Bakers Association
 American Farm Bureau Federation
 American Hotel & Lodging Association
 American Veterinary Medical Association
 Associated Builders and Contractors
 Associated Equipment Distributors
 Associated Food and Petroleum Dealers
 Associated General Contractors
 Association of Ship Brokers & Agents
 Automotive Recyclers Association
 Bowling Proprietors Association of America
 California Tire Dealers Association
 Chesapeake Automotive Business Association (CABA)
 Commercial Photographers International
 Electronic Security Association
 Gasoline and Automotive Service Dealers Association
 Gasoline & Repair-Shop Association of New York, Inc.
 Independent Electrical Contractors, Inc
 Independent Office Products & Furniture Dealers Association
 International Franchise Association
 International Housewares Association
 International Sleep Products Association
 Mid-America Tire Dealers Association
 National Association of Home Builders
 National Association of Manufacturers
 National Association of Theatre Owners
 National Association of Wholesaler-Distributors
 National Club Association
 National Community Pharmacists Association
 National Federation of Independent Business

National Newspaper Association
National Retail Federation
National Roofing Contractors Association
National Tooling and Machining Association
National Utility Contractors Association
New England Service Station & Auto Repair Association
New York State Association of Service Stations and Repair Shops
New York Tire Dealers Association
North Carolina Tire Dealers and Retreaders Association (NCTDRA)
Ohio Tire and Automotive Association
Petroleum Retailers and Auto Repair Association (PRARA)
Precision Machined Products Association
Precision Metalforming Association
Printing Industries of America
Professional Golfer's Association of America
Professional Photographers of America
Repair-Shop & Gasoline Dealers Association
Service Station & Repair-Shop Association of Central New York, Inc.
Service Station Dealers of America and Allied Trades
Small Business & Entrepreneurship Council
Society of American Florists
Society of Sport and Event Photographers
Stock Artist Alliance
Tennessee Tire Dealers Association (TTDA)
Textile Rental Services Association
Tire Industry Association
U.S. Chamber of Commerce
Virginia Automotive Association
Washington Maryland Delaware Service Station and Automotive Repair Association (WMDA)

CC: Senate Minority Leader Mitch McConnell, House Minority Leader John Boehner