

# Legislate<sup>®</sup>

## Key Legislative Developments Affecting Your Human Resources

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## Congress Takes Up ACA Legislation Its First Week Back

On Tuesday, members of the 114<sup>th</sup> Congress were sworn in. During its first week back, the House of Representatives passed legislation that would modify the definition of full-time employee and the treatment of workers with military retiree coverage under the employer shared responsibility requirement of the Affordable Care Act.

### Save American Workers Act of 2015

On Thursday, the House of Representatives (House) passed [H.R. 30](#) — the Save American Workers Act of 2015. The legislation would modify the definition of full-time employee under the Affordable Care Act's (ACA) shared responsibility requirement for employers. Currently, the ACA defines a full-time employee as one who, for any month, works on average at least 30 hours per week. The legislation would increase the 30-hour threshold to 40 hours. It would also make a corresponding change to the rule for determining the number of full-time equivalent employees (FTEs) of an employer — by increasing the denominator for the calculation from 120 hours to 174. The legislation would be retroactively effective to January 1, 2014.

H.R. 30 passed [252 to 172](#). The legislation heads next to the Senate. A key test in that chamber is whether the bill can garner enough support to end a filibuster and allow an up or down vote on the bill itself.

Even if the bill passes the Senate, H.R. 30 — as stand-alone legislation — is unlikely to become law. The White House issued a [veto threat](#) against the legislation on Wednesday — expressing concern that the legislation increases the federal deficit, would result in a loss of health coverage for some, and would encourage employers to shift full-time

#### Impact of H.R. 30 on deficits and coverage?

The Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) issued an official [estimate](#) of the budgetary and coverage effects of H.R. 30. The two agencies estimate that the legislation would add \$53 billion to the deficit over the next ten years. The agencies also estimate that the legislation would reduce the number of people receiving employer coverage by 1 million, increase those with other forms of coverage (such as Medicaid and the public marketplaces) by 500,000 to 1 million people, and increase the number of uninsured by less than 500,000.

employees to part-time status. Thursday's vote in the House indicates that at present there are not enough votes in that chamber to override a presidential veto — 290 votes in the House and 67 votes in the Senate are necessary to overcome a veto.

H.R. 30 may resurface later in the year as part of must-pass legislation — for example, appropriations to fund the federal government for FY 2016 — and stands a better chance of becoming law if included in such a package.

## Hire More Heroes Act of 2015

On Tuesday, the House [unanimously passed](#) H.R. 22 — the [Hire More Heroes Act of 2015](#). The legislation would amend the ACA's employer shared responsibility requirement so that employees with Tricare or Veteran's Administration coverage are disregarded in determining whether their employer is an "applicable large employer." An applicable large employer is subject to the shared responsibility requirement and is generally an employer with at least 50 full-time employees and FTEs.

The legislation heads next to the Senate. Given the degree of bipartisan support for H.R. 22 in the House, the bill is likely to pass the Senate if brought up for a vote.

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