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## *House of Representatives*

### **Preserve the 40-Hour Work Week**

Mr. SMITH of New Jersey: Mr. Speaker, I rise today in support of H.R. 2575, the Save American Workers Act. This bipartisan legislation is urgently needed to address yet another poorly-conceived provision of Obamacare that will harm American workers and further slow economic growth.

Under Obamacare, “full-time” work is defined as a 30-hour work week—a quarter less than the traditional 40 hour work week. Because the law imposes certain penalties on businesses based upon their number of fulltime employees, many businesses are forced to move a number of their employees from full-time to part-time work. This is a dangerous and fundamental change that will result in less hours and lower paychecks, affecting millions of Americans who plan their budget around the traditional 40-hour work week.

We cannot continue down a path that disincentivizes full-time employment, yet this is exactly where we are headed. While part-time work is a great option for many, it should not be the norm for those who have the desire and ability to work full-time. There is a serious problem when the government creates a complicated regulatory maze that increases inefficiency and incentivizes businesses to reduce their full-time workforce. As a Chicago Tribune editorial stated, “[p]art-time work does become a problem when Washington tilts the balance of incentives against full-time work. Not only will Obamacare raise costs for the government, it stands to make one of the most competitive features of the U.S. economy—a flexible labor market—less efficient. One more reason to rewrite, or halt, Obamacare.”

Obamacare was sold to the American people with affordability as its centerpiece. We were promised time and time again that “if you like your plan, you can keep it,” and “if you like your doctor, you can keep your doctor.” Instead, reports of sticker-shock and mass cancellations of plans have been the norm. Many are finding that their preferred doctor is now out-of-network and thus out of their

coverage. A recent survey conducted by the Associated Press found that many of our nation’s world-class cancer hospitals are off-limits to those with certain insurance carriers. Now, in addition, workers are seeing their hours cut and their paychecks lowered. A recent study by the Hoover Institution found that 2.6 million workers are vulnerable to work hour reductions under 30-hour work week definition—with women and low-income Americans especially vulnerable. Last August, a township in my district cut the hours of 25 employees due to the new definition. My colleagues and I continue to hear from our constituents from both sides—those who cannot afford to keep full-time workers, and those who have had their hours reduced.

Last July, the leaders of the International Brotherhood of Teamsters (IBT), the United Food and Commercial Workers International Union (UFCW), and UNITE HERE sent a letter to Senate Majority Leader Harry Reid and House Minority Leader Nancy Pelosi warning that Obamacare could “destroy the foundation of the 40 hour work week that is the backbone of the American middle class.” The letter states that “[t]he unintended consequences of the ACA are severe. Perverse incentives are already creating nightmare scenarios.” Further, “[n]umerous employers have begun to cut workers’ hours to avoid this obligation, and many of them are doing so openly.” They stressed the same point we have stressed here today: “[t]he impact is two-fold: fewer hours means less pay while also losing our current health benefits.”

This commonsense legislation we are voting on today will simply restore the definition of full-time employment to its traditional 40 hour work week. I have long believed that the federal government must play an appropriate role in providing a health care safety net for those in need of support. That goal can be achieved without the burdensome rules, regulations, and definitions imposed by Obamacare such as the one addressed today.