



March 27, 2014

Dear Representative:

On behalf of its membership, the Society of Independent Gasoline Marketers of America ("SIGMA") urges you to support H.R. 2575, which would change the definition of "full-time employee" under the Affordable Care Act ("ACA") to cover employees who work an average of at least forty hours per week.

SIGMA represents a diverse membership of approximately 270 independent chain retailers and marketers of motor fuel. Member retail outlets come in many forms, including travel plazas, traditional "gas stations," and convenience stores with gas pumps. Members of SIGMA are strong supporters of employer-sponsored health coverage. Due to the nature of their business operations, their workforces are of a variable nature, and not traditional 9-5 schedule workforces. Maintaining the ability to offer affordable coverage options to their unique workforces under the ACA's new requirements is of special concern to them.

The ACA's definition of full-time employee is of particular importance to SIGMA members because of their reliance on large numbers of part-time, temporary, and seasonal workers with fluctuating and unpredictable work hours, as well as unpredictable lengths of service. The Obama Administration's recent announcements that it will be delaying the employer mandate for large employers (≥ 100 full-time employees) for one year until 2015, and for mid-size employers (50-99 full-time employees) until 2016 represent a sound understanding of the practical difficulties businesses will confront under the new healthcare regime. The Administration's willingness to act upon these concerns is the kind of flexibility that is necessary in the implementation of a complex law to ensure that employers can continue to offer affordable coverage to their workers.

While this transition relief is greatly appreciated, SIGMA members remain concerned that several ACA employer requirements are fundamentally unworkable and require legislative changes, especially the 30 hours per week definition of full-time employee status. It is critically important to change the law's definition of full-time to align it more with real-world employment practices. A definition of full-time as 30 hours of service per week does not reflect employers' workforce needs or employees' desire for flexible hours. In reality, a full-time employee is one who works at least 40 hours per week. This is why SIGMA supports H.R. 2575, which would change the ACA to better reflect the world in which SIGMA's members operate. This change is needed to avoid disruptions in the workforce and maintain flexible work options for employees.

Importantly, redefining full-time employee as one who works at least forty hours per week would not cause employees to lose coverage. In fact, setting the definition of full-time employee status at a higher level would help eliminate a coverage gap for lower income employees in some states and make it easier for employees to increase their income by requesting work schedules according to their particular needs.

Although sharp differences in opinion about the ACA remain, well-intentioned people on both sides of the

debate can agree that maintaining the full-time threshold many employers use today would be better for American workers and businesses than the ACA's lower full-time definition.

Now is the time for Congress to take bipartisan action to preserve jobs and help keep employer coverage.

Sincerely,

A handwritten signature in cursive script that reads "Tom Schmidt". The signature is written in black ink and is positioned above the printed name.

Tom Schmidt

President
SIGMA