



November 3, 2009

The Honorable Nancy Pelosi  
Speaker  
US House of Representatives  
H-232 US Capitol  
Washington, DC 20515

Dear Madam Speaker Pelosi:

I am writing on behalf of the National Small Business Association (NSBA) in opposition to the *Affordable Health Care for America Act* (H.R. 3962). The key to addressing the health insurance crisis faced by small businesses is to pursue reforms that will immediately and lastingly bring down premiums while allowing small businesses to create jobs and drive our nation's economy. H.R. 3962, in its current form, does not do so.

Our primary concerns with H.R. 3962 include: the combination of using employer mandates and surcharge taxes on high-end incomes as a new revenue stream to finance reform; creating a public health insurance option without full knowledge of its impact on the private insurance market; instituting oppressive new corporate information reporting requirements; failing to include the *Equity for our Nation's Self-Employed Act*; and implementing insufficient health care cost-reduction and containment provisions. These key problems have led us to conclude that H.R. 3962 is not the right answer for small business.

NSBA has sought to conduct itself as a pragmatic participant in health care reform deliberations – working to highlight the policy needs and concerns from a small business perspective. Policy substance, not political rhetoric, has been NSBA's number one investment and concern. While the House of Representatives has addressed some of the policy concerns impacting small business over the last few months, H.R. 3962 is too far off the mark to gain the support of NSBA.

NSBA is the nation's oldest small-business advocacy group representing employers in every state. As a strictly non-partisan organization, we reach over 150,000 employers in all sectors and industries of the U.S. economy from retail to trade to technology—our members are as diverse as the economy that they fuel. We pride ourselves on being a constructive voice in the public policy arena, and we look forward to continuing that tradition to achieve comprehensive health care reform this year for our nation's 29.6 million small businesses.

Health care reform has dominated the member-driven legislative priority agenda at NSBA for years. For this reason, NSBA has been engaged in health care policy development for decades, and in 2004 published *Small Business Health Care Reform—A Long-Term Solution for All*. This proposal for broad reform of the health care system seeks to achieve universal

coverage, focus on individual responsibility and empowerment, the creation of the right market-based incentives, and a relentless focus on improving quality while driving out unnecessary, wasteful, and harmful care. NSBA has been persistent in outlining these goals over the years, and particularly over the last several months.

While H.R. 3962 represents the final health care reform proposal offered after months of deliberations in the House of Representatives, there are still opportunities for health care reform legislation to receive the endorsement of NSBA. For small businesses and their employees, the status quo is simply unacceptable. However, the reason it is unacceptable is cost – exactly what H.R. 3962 in its current form will not correct. Notwithstanding a pending floor vote on the legislation, H.R. 3962 could still be amended in a manager’s amendment, or through negotiations in a conference committee. We remain hopeful and are prepared to assist House leaders in the amendment of H.R. 3962 to reflect the goals and needs of our nation’s small businesses, their employees, and families.

Thank you for the opportunity to comment on the *Affordable Health Care for America Act* (H.R. 3962). We look forward to amendments to the legislation that can gain the endorsement of small business. Please do not hesitate to contact me with any questions or comments.

Sincerely,



Todd O. McCracken  
President



Keith A. Ashmus  
Chairman