



Legislative Update

September 1, 2010

Legislation Introduced to Repeal Employer Mandate

US Senator Orrin Hatch (R-UT) has introduced [the American Job Protection Act \(S. 3501\)](#); legislation that would repeal the new "pay or play" mandate requiring employers to provide health insurance for their employees or pay a penalty. The repeal measure has been endorsed by four employer organizations including the U.S. Chamber of Commerce, the National Federation of Independent Business, the National Association of Wholesalers and the National Retail Federation. Other large employer groups are expected to sign on supporting the bill.

The legislation is not likely to receive serious consideration in the current Congress. However, this legislation is likely the first of many bills that will be issued as members of Congress opposed to pieces of the new law begin to mount their offensive against it. In the event the majority changes in the Congress next year it is believed that there will be a significant move to pass such measures. Additionally, if the courts rule adversely on the constitutionality of the employer mandate it is expected that this will further motivate a push for undoing other pieces of the new law.

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