

HOUSE JOINT RESOLUTION NO. 14

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES STOLTZE, Gattis, Tammie Wilson, Johnson, Peggy Wilson

Introduced: 3/22/13

Referred: Health and Social Services

A RESOLUTION

1 **Requesting the United States Congress and the Governor to take actions necessary to**
2 **delay implementation of the Patient Protection and Affordable Care Act.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS**, on March 23, 2010, the President of the United States and the
5 Democratic majority in the United States Congress, voting mainly along party lines, passed
6 H.R. 3590, the Patient Protection and Affordable Care Act (P.L. 111-148), a monumental
7 expansion of government in the United States; and

8 **WHEREAS** the Patient Protection and Affordable Care Act provides for
9 implementation over a period of years; and

10 **WHEREAS** implementing the Patient Protection and Affordable Care Act will lead to
11 a massive takeover of the health care industry, increase health care costs, result in higher
12 taxes, destroy jobs, reduce the quality of health care, decrease the number of individuals
13 buying private insurance, and impair the ability of businesses to grow, compete, and create
14 jobs in the state; and

15 **WHEREAS** the Patient Protection and Affordable Care Act could cause 10,000,000
16 Americans who currently receive health insurance through their employers to lose this

1 coverage; and

2 **WHEREAS**, if the Patient Protection and Affordable Care Act is implemented, health
3 insurance premiums for those currently receiving health insurance through their employers
4 will increase by 10 to 13 percent; and

5 **WHEREAS** Alaska's two largest health insurance providers, Premiera Blue Cross
6 Blue Shield of Alaska and Aetna Life Insurance Company, both plan to increase premiums
7 between 30 and 80 percent for individual policies if the Patient Protection and Affordable
8 Care Act is implemented; and

9 **WHEREAS** the total estimated cost of the Patient Protection and Affordable Care Act
10 is estimated to be at least \$2,600,000,000,000, nearly three times greater than the estimated
11 cost originally stated by President Obama in 2009; and

12 **WHEREAS** it is projected that the Act will lead to the loss of 800,000 jobs in the
13 United States by the end of the decade; and

14 **WHEREAS**, under the Patient Protection and Affordable Care Act, health insurance
15 will cost individuals an average of \$2,500 a year more than the cost of insurance under the
16 current system of traditional health insurance; and

17 **WHEREAS** the Patient Protection and Affordable Care Act will increase the overall
18 cost of health care for families and employers; and

19 **WHEREAS**, since its enactment, the Patient Protection and Affordable Care Act has
20 cost American employers and employees, including employers and employees in Alaska,
21 billions of dollars in higher health insurance premiums; and

22 **WHEREAS** the new investment tax for employee-provided health insurance under
23 the Patient Protection and Affordable Care Act, at the proposed rate of 2.9 percent, would
24 lower household disposable income by \$17,300,000,000 a year; and

25 **WHEREAS** new taxes imposed by the Patient Protection and Affordable Care Act
26 have eliminated jobs since the bill was passed and will continue to eliminate jobs in industries
27 providing health insurance; and

28 **WHEREAS** taxes imposed by the Patient Protection and Affordable Care Act are
29 burdensome to employers; and

30 **WHEREAS** Darden Restaurants, Inc., which operates Red Lobster, Olive Garden, and
31 five other restaurant chains, has transferred nearly 75 percent of the chain's employees from

1 full-time to part-time status in an attempt to limit the number of employees for whom health
2 insurance is mandated under the Patient Protection and Affordable Care Act; and

3 **WHEREAS** McDonald's USA Corporation is considering many options, including
4 reducing the number of its full-time employees, to reduce the effects of health care costs
5 under the Patient Protection and Affordable Care Act; and

6 **WHEREAS** an executive with White Castle, Inc., and the National Restaurant
7 Association told the Oversight and Government Reform Committee of the United States
8 House of Representatives that uncertainty and the projected 28 percent increase in health care
9 cost to the restaurant industry under the Patient Protection and Affordable Care Act has
10 limited the industry's ability to create jobs; and

11 **WHEREAS** the Patient Protection and Affordable Care Act imposes 21 new or higher
12 taxes on families and businesses in Alaska and nationwide, including 12 taxes on families
13 making less than \$250,000 a year; and

14 **WHEREAS** the Patient Protection and Affordable Care Act includes a health
15 insurance tax which is a tax on the net premiums for health insurance companies that will
16 raise the cost to already struggling small businesses of providing health insurance because the
17 tax burden will be passed on to the consumer; and

18 **WHEREAS**, to implement and enforce mandated health insurance coverage under the
19 Patient Protection and Affordable Care Act, the role of government will be expanded through
20 the creation of 159 new federal bureaucracies and the hiring of 16,000 new government
21 agents; and

22 **WHEREAS** 12 percent of small business employers have either had their health
23 insurance plans terminated or have been told that their plans would not be available in the
24 future because of the Patient Protection and Affordable Care Act; and

25 **WHEREAS** one survey has found that 20 percent of small employers that currently
26 offer health insurance coverage to their employees expect to change their benefits packages
27 significantly, including raising the employee share of health insurance costs, the next time
28 they renew their health insurance plans; and

29 **WHEREAS** changes in employee benefits resulting from the Patient Protection and
30 Affordable Care Act will decrease health insurance benefits and coverage while increasing
31 employees' share of the cost of health insurance; and

1 **WHEREAS** small businesses, by employing tens of millions of workers, make up the
2 backbone of the economies of the state and the nation; and

3 **WHEREAS**, because small employers create the vast majority of jobs, placing
4 additional burdens on small businesses hampers expansion of the economy and the job
5 creation needed to allow our economy to recover and grow; and

6 **WHEREAS** the Obama Administration admits that tens of millions of Americans are
7 at risk of losing their health care coverage; and

8 **WHEREAS**, of the tens of millions of Americans at risk of losing their health care
9 coverage as a result of the Patient Protection and Affordable Care Act, 80 percent work for
10 small businesses under insurance plans at risk of being lost; and

11 **WHEREAS**, before the Patient Protection and Affordable Care Act was enacted, a
12 survey of American businesses found that approximately 30 percent of small businesses in the
13 United States anticipated dropping people from coverage if the Patient Protection and
14 Affordable Care Act became law; and

15 **WHEREAS**, since the enactment of the Patient Protection and Affordable Care Act in
16 2010, more than 13,000 pages of federal government regulations have been adopted to
17 implement the Act; and

18 **WHEREAS** regulations implementing the Patient Protection and Affordable Care Act
19 have already caused great uncertainty, slowing economic growth and limiting hiring
20 opportunities for approximately 13,000,000 unemployed Americans; and

21 **WHEREAS** the Patient Protection and Affordable Care Act places an additional
22 burden on small business owners by requiring them to file additional tax information for each
23 vendor from whom they purchase goods and services each year; and

24 **WHEREAS**, beginning in 2016, the penalty for an individual with health insurance
25 that does not meet the currently undefined "minimum essential coverage" required by the
26 Patient Protection and Affordable Care Act will be \$695 or 2.5 percent of the individual's
27 annual income, whichever is greater; and

28 **WHEREAS** the projected cost for the state to establish and operate the health
29 insurance exchange program mandated under the Patient Protection and Affordable Care Act
30 will exceed the amount of revenue generated by the program and will require either additional
31 funding from the state general fund or increased fees to be paid by consumers; and

1 **WHEREAS** the Patient Protection and Affordable Care Act expands the role of
2 government and controls one-sixth of the nation's economy; and

3 **WHEREAS** the Patient Protection and Affordable Care Act expands Medicaid
4 without any significant reform, leaving the state to assume an unsustainable financial burden;
5 and

6 **WHEREAS** the required expansion of Medicaid under the Patient Protection and
7 Affordable Care Act will cause the number of Alaskans covered by the program to increase
8 by at least 30 percent;

9 **BE IT RESOLVED** that the Alaska State Legislature calls on the United States
10 Congress to pass legislation to delay the implementation of the Patient Protection and
11 Affordable Care Act until a full analysis of the Act's economic effects, including job losses in
12 the state, can be clearly quantified; and be it

13 **FURTHER RESOLVED** that the Alaska State Legislature will not support
14 implementation of the Patient Protection and Affordable Care Act until it can be shown that
15 the Act does not significantly raise business costs and does not create considerable economic
16 uncertainty; and be it

17 **FURTHER RESOLVED** that the Alaska State Legislature respectfully requests the
18 Governor to take actions necessary to delay the implementation of the Patient Protection and
19 Affordable Care Act in the state to protect Alaskans and the state's economy from the onerous
20 taxes and regulations contained in the law.

21 **COPIES** of this resolution shall be sent to the Honorable Barack Obama, President of
22 the United States; the Honorable Joseph R. Biden, Jr., Vice-President of the United States and
23 President of the U.S. Senate; the Honorable John Boehner, Speaker of the U.S. House of
24 Representatives; the Honorable Nancy Pelosi, Minority Leader of the U.S. House of
25 Representatives; the Honorable Harry Reid, Majority Leader of the U.S. Senate; the
26 Honorable Mitch McConnell, Minority Leader of the U.S. Senate; and the Honorable Lisa
27 Murkowski and the Honorable Mark Begich, U.S. Senators, and the Honorable Don Young,
28 U.S. Representative, members of the Alaska delegation in Congress.