



**"We Move America"**

JAMES C. LITTLE  
International President

HARRY LOMBARDO  
International Executive Vice  
President

JOSEPH C. GORDON  
International Secretary-Treasurer

HUBERT SNEAD  
Administrative Vice President

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Administrative Vice President

JEFFREY L. BROOKS, SR.  
Administrative Assistant to the  
International President

TRANSPORT WORKERS  
UNION OF AMERICA  
AFL-CIO

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www.TWU.org



January 14, 2010

Dear Senator:

On behalf of the Transport Workers Union of America, AFL-CIO, and our over 250,000 active and retired members I am writing to you to express our **strong opposition** to the **excise tax provision** in the Patient Protection and Affordability Act of 2009. This tax amounts to a betrayal of the campaign promise made by President Barack Obama that alluded to our hard earned, collectively bargained, healthcare benefits would not be taxed under his healthcare reform plan. We now express our intention to oppose this bill if the excise tax is not eliminated from it.

Supporters of this tax claim that it is a tax on "Cadillac" healthcare plans held by wealthy bankers and business executives, but it's not. The reality is that the vast majority of plans considered "Cadillac" are comprehensive health plans held by middle class working Americans which includes union members who have foregone increases in their pay to have access to fuller healthcare benefits. A tax on these plans amounts directly to a tax on our members and sends the signal that this Congress and this President think it is acceptable to pay for healthcare reform on the backs of working Americans.

As it is currently written, an excise tax of 40% would be levied on insurance companies for health plans with annual premiums above \$8,500 for individuals and \$23,000 for families. This description is misleading because we all know that the costs of these taxes will be passed down to workers one way or another. Employers will probably cut the benefits that they offer to get their plans under the threshold. In any scenario, such a tax hurts workers, especially those with collectively bargained benefits or in high risk professions where more comprehensive benefits can mean the difference between a lifetime of health or a lifetime of suffering due to ailments caused by high risk jobs. Furthermore, we strongly believe that the threshold cannot be raised high enough to protect all workers from having their benefits taxed.

**There is only one option: eliminate the excise tax from the bill. If the tax is not eliminated, we will be forced to oppose this bill.**

In Solidarity,

James C. Little  
International President

JCL:mo  
opeiu-153



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