



SMWIA
SHEET METAL WORKERS
INTERNATIONAL ASSOCIATION



May 29, 2009

U. S. House of Representative
Washington, DC 20515

Dear Representative:

SMWIA and SMACNA jointly express our strong opposition to the proposed taxation of health care benefits and other employer provided fringe benefit programs negotiated through collective bargaining. The Sheet Metal Workers' International Association (SMWIA) represents more than 150,000 skilled men and women employed in the construction, manufacturing, service, railroad and shipyard industries. **The Sheet Metal and Air Conditioning Contractors' National Association (SMACNA)** is supported by more than 5,000 construction firms engaged in industrial, commercial, residential, architectural and specialty sheet metal and air conditioning construction in public and private markets throughout the United States. Working on a wide variety of projects across the nation in urban and suburban areas, we specialize in heating, ventilating and air conditioning; architectural sheet metal; industrial sheet metal; kitchen equipment; specialty stainless steel work; manufacturing; siding and decking; testing and balancing; service; and energy management and maintenance.

SMACNA and SMWIA have negotiated healthcare benefits in lieu in wages at the bargaining table to the mutual satisfaction of both parties. In fact, joint labor-management, multiemployer health and welfare plans have successfully provided health care coverage for millions of workers in the construction industry. The industry has provided better, affordable care than many other industries and for years our employers and workers have been negatively affected by the trend in health care costs and the lack of universal coverage. Each year a larger portion of the negotiated wage package goes to cover health care costs. The cost of providing uncompensated health care to uninsured workers results in higher premiums for those providing care. Compounding the problem, employers not providing coverage have a competitive advantage over the union contractor. SMWIA and SMACNA jointly support expanding coverage and we support the effort to ensure all Americans have comprehensive, affordable coverage.

However, now the Congress in debating how to finance guaranteed health care coverage is considering taxing the health care benefits of those who have coverage to pay for health care benefits for those who do not. Employers providing and employees receiving good health care benefits must not bear a disproportionate share of the cost for financing universal coverage. ***Those providing health care have subsidized healthcare provided to the uninsured and those businesses not providing care for far too long.***

The legislative goal of providing our citizens with comprehensive health insurance coverage is one the majority of all Americans can support. However, the SMWIA and SMACNA believe one can strongly support this outcome without endorsing the taxing the healthcare benefits of millions of workers covered by multiemployer provided healthcare plans.

Sincerely,



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