AFFORDABLE CARE ACT DEFINITION OF “FULL-TIME” MUST BE CHANGED

SAF’s “Ask”

House members should support H.R. 30, the Save American Workers Act, and senators should cosponsor and pass S. 30, the Forty Hours is Full Time Act, in order to correct the ACA’s definition of full-time by making it 40 hours per week.

Full-time employment must be raised from 30 hours per week. The Affordable Care Act’s (ACA) definition of full-time employment and treatment of traditional business practices do not reflect existing workforce management principles used throughout the U.S. floral industry. Congress must take bipartisan action now to avoid significant labor disruptions.

The ACA requires that employers subject to the statute’s Shared Responsibility for Employers provisions offer coverage to their full-time employees (and dependents) or face potential penalties. Internal Revenue Code § 4980H defines a full-time employee as: “with respect to any month, an employee who is employed on average at least 30 hours of service per week.”

• The 30-hour full-time definition is not in line with industry employment practices

The Fair Labor Standards Act does not define full-time employment but requires employers to pay overtime when nonexempt employees work more than a 40-hour workweek. This is why the floral industry generally uses a standard closer to 40 hours per week to define full-time employment within their operations. Defining full-time employment at 30 hours of service per week does not reflect employers’ workforce needs or their employees’ desire for flexible hours and higher take home pay. Congress must increase the standard from 30 hours to avoid workforce disruptions and to maintain employee flexibility and wages.

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