



March 4, 2010

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable John Boehner
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi and Republican Leader Boehner:

The 111th Congress has largely been focused on the health care reform debate. We agree that this is a once in a generation opportunity to reform health care to lower costs and improve access to care. Regrettably, we cannot support the legislation that emerged from the House and Senate or the recent outline proposed by President Barack Obama.

NRF has consistently supported reasonable health care reforms that will make meaningful progress in reducing the cost of health care – in our view, the number one defect in our health care system – and expanding access to coverage. We worked diligently the past several years with the committees of jurisdiction and numerous lawmakers from both parties to try to help develop a consensus approach to reform.

Unfortunately, any chance to achieve bipartisan consensus on health care reform was lost in the increasing size and complexity of the legislation. It is clear that the legislation currently under consideration will threaten jobs through punitive mandates, penalties and increased taxes. This legislation fails to act aggressively enough to reduce premiums for private coverage, while vastly expanding government's role as regulator and provider of health care.

The National Retail Federation strongly opposed and key voted against both the House and Senate-passed bills. The President's latest outline fails to solve our concerns. We remain adamantly opposed to legislation that will drive up unemployment through higher labor costs.

We also strongly oppose efforts to ram health care reform into law by the thinnest of margins through arcane procedures such as Budget Reconciliation. Health care represents one-sixth of the U.S. economy. Good health care policy deserves and should easily command an overwhelming majority in the Congress and widespread support among the public.

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We remain eager to support legislation that: reduces the immediate and long term cost of health care and coverage for employers, individuals and governmental payers; reforms the health insurance market, both in order to ease access to coverage as well as to mitigate rate increases for all participants; and, provides necessary help to small businesses and individuals to access coverage.

Good legislation would build on the strengths of the existing employer-based health care system without employer mandates and mandate-like penalties, costly taxes on coverage, or too extensive benefit requirements that fail to provide needed flexibility to manage high turnover industries. Mandated coverage requirements are hazardous to a job-starved economy, and are especially dangerous for smaller employers or potentially as applied to part-time or seasonal workers. This legislation also must preserve ERISA – the backbone of multi-state employer-sponsored coverage.

The National Retail Federation will continue to seek health reform that will help the retail industry to continue to voluntarily provide high quality health coverage to our employees in a more affordable and cost effective manner. We remain ready to work with you and other lawmakers toward building comprehensive and bipartisan health care reform that our industry and the majority of Americans can embrace.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Pfister". The signature is fluid and cursive, with the first name "Steve" written in a larger, more prominent script than the last name "Pfister".

Steve Pfister
Senior Vice President
Government Relations

cc: Members of the U.S. House of Representatives