



February 2, 2011

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

Dear Leaders Reid and McConnell:

I write to share the strong support of the National Retail Federation (NRF) for Sen. McConnell's amendment 13 to S. 223, the FAA Air Transportation Modernization and Safety Improvement Act. The McConnell amendment will repeal the Patient Protection and Affordable Care Act of 2010 (PPACA), an action already taken by the full House on January 19, 2011. We also strongly support Sen. Stabenow's amendment 9 to S. 223 to repeal the PPACA Form 1099 reporting mandate. Please note that NRF will **consider votes on these two amendments and related procedural motions as Key Retail Votes for our annual voting scorecard.**

The previous Congress' health care reform debate was highly and, in our view, unnecessarily divisive. The retail industry proposed and strongly supported comprehensive health care reform that would reduce health care costs and extend coverage to the uninsured. Instead, Congress enacted – over the business community's strong objections – a reform law that will fail to reduce health care costs and will impose penalty mandates on employers in 2014 that are already deterring job growth today at the expense of tomorrow's economy. NRF strongly opposed and key voted against both the House and Senate-passed reform bills and the modified Senate bill that became law.

NRF has worked closely with the Obama Administration where possible to help smooth implementation of the law. We appreciate the Administration's cooperative efforts to date. Nevertheless, we are convinced that the health reform law is in the whole misplaced and will hazard future job and economic growth. We strongly support this effort to repeal and replace the health reform law with more job-friendly health care reform that will concentrate first on reducing the cost of medical care.

Retailers also oppose PPACA's expansion of Form 1099 reporting. Requiring reporting for all non-credit card transactions over \$600 in a year will create a blizzard of reports that will needlessly bog down commerce while also swamping the IRS. This provision has no relevance to our health care system and should be promptly repealed.

The National Retail Federation will continue to seek comprehensive health care reform that will help the retail industry 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 true bipartisan comprehensive health care reform once the health reform law is repealed and the hard but necessary work to replace it begins.

Sincerely,

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