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Deficit Reduction Talks and Appropriations Process Move on Parallel Tracks

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The legislative agenda in Congress currently includes a strong focus on budget-related issues, with activity taking place on two separate fronts – addressing the enactment of major deficit reduction legislation, and the enactment of appropriations for fiscal year 2012.

Deficit Reduction Talks

Members of the Joint Select Committee on Deficit Reduction are meeting on a regular basis to work toward a bipartisan agreement on deficit reduction recommendations. Participants in these talks have revealed little about the budget options they are considering in their negotiations, although both Democrats and Republicans have signaled that the discussions have been positive and constructive.

Under the process established by the Budget Control Act of 2011, October 14 is the deadline for House and Senate committees to submit their recommendations to the Joint Select Committee. Looking further ahead, November 23 is the deadline by which the Joint Select Committee is charged with voting on deficit reduction recommendations and legislation. However, leaders of the committee are aiming to reach an agreement by early November to ensure that the Congressional Budget Office (CBO) has sufficient time to score any recommendations they endorse.

Appropriations Process

On October 5, President Obama signed into law a “continuing resolution” (H.R. 2608) that provides temporary appropriations for federal agencies and programs through November 18. Enactment of this measure prevents a government shutdown at this time. However, further legislative action will be needed by November 18 to either finalize appropriations for fiscal year 2012 or provide another extension of temporary funding. Appropriations for agencies and programs within the Department of Health and Human Services (HHS) will be addressed in the forthcoming omnibus spending bill.

House Hearing Focuses on ACA's Impact on Temporary Workers



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An October 6 congressional hearing focused on the impact of the Affordable Care Act (ACA) on temporary workers. The hearing was held by the House Oversight and Government Reform Subcommittee on Health Care, District of Columbia, Census, and the National Archives.

Subcommittee Chairman Trey Gowdy (R-SC) voiced concern that the ACA “is bad for temporary workers and will harm America’s ability to have a more flexible labor force to better compete in a global economy.” Chairman Gowdy expressed particular concern about the tax penalty associated with the employer mandate, the essential health benefits package, and the non-discrimination provisions of the ACA. He said that these provisions will make the cost of labor more expensive and will result in fewer jobs and lower wages for many Americans.

Edward Lenz, testifying on behalf of the American Staffing Association, expressed support for repealing the ACA’s employer tax penalties. He also suggested in his testimony that:

- the regulations for implementing the ACA’s non-discrimination requirements should establish safe harbors “that give staffing firms and other employers flexibility to design plans with varying benefit and premium contribution levels to accommodate diverse groups of workers with different coverage needs”;
- employers should be allowed to exclude temporary workers when determining whether an “offer of coverage” is made for purposes of calculating the ACA’s tax penalties; and
- temporary workers should be excluded from the ACA’s auto-enrollment requirement.

Other witnesses testified on behalf of a temporary staffing and executive search firm, a human resources consulting firm, and the Center for American Progress Action Fund.

The American Senior Benefits Association (ASBA) is a 501(c)(3) not-for-profit association where membership is completely free. ASBA is committed to lifestyle enhancement through benefits, advocacy and education for the over-50 population. ASBA concentrates its efforts on the issues that are of greatest concern to its members. Through its partners and programs, ASBA members receive product and service discounts, as well as other benefits. Current ASBA membership stands at over 700,000 nationally.