

August 13, 2014

The Honorable Mark Meadows
The U.S. House of Representatives
Washington, DC 2015

Re: Endorsement of Student Worker Exemption Act of 2014 (H.R. 5262)

Dear Representative Meadows:

On behalf of the American Council on Education and the undersigned higher education associations, I write to endorse the “Student Worker Exemption Act of 2014” (H.R. 5262), which addresses a significant issue concerning the treatment of student employees under the employer mandate of the Affordable Care Act (ACA).

Colleges and universities work diligently to ensure that financially needy students can find employment opportunities, frequently on campus. Student employment has long been an important component of federal financial aid policy because undergraduate and graduate students with financial need use it as a form of “self-help” in paying their educational expenses. Unfortunately, the ACA’s employer mandate inadvertently interferes with this well-established system because it requires schools to offer employer-provided health insurance coverage to some students working 30 or more hours per week, even though students can already access affordable coverage through their parents or other means.

Schools are already under budgetary restraints. As a result, the mandate could force institutions to choose between ensuring that some needy students have sufficient work opportunities to pay for school versus limiting student work hours to avoid additional health insurance costs. It would also impose an additional administrative burden on institutions by requiring them to track the work hours of some students, which can be difficult, to ensure that they are not exceeding the 30-hour threshold. The “Student Worker Exemption Act” provides a reasonable solution to this challenge by exempting full-time students from the ACA’s employer mandate.

Student employees are not typically covered under an institution’s employee health insurance plan, so applying the employer mandate in this circumstance is unnecessary. Instead, students can receive coverage through their families’ plans (until they are 26) or under ACA-regulated student health plans, which institutions may subsidize through their financial aid programs or provide at no cost as part of a graduate school award package. Students are also able to purchase coverage through individual market exchanges, possibly

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with premium tax subsidies, or in some states through Medicaid, if they are income-eligible.

We appreciate your strong leadership on this issue and are pleased to offer support for this bill. We look forward to assisting in your efforts to advance this needed and important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry W. Hartle". The signature is written in a cursive, slightly slanted style.

Terry W. Hartle
Senior Vice President

TWH/ldw

On behalf of:

American Association of Community Colleges
American Association of State Colleges and Universities
American Council on Education
Association of American Universities
Association of Governing Boards of Universities and Colleges
Association of Public and Land-grant Universities
College and University Professional Association for Human Resources
National Association of Independent Colleges and Universities