October 5, 2017

The Honorable Jim Renacci U.S. House of Representatives Washington, DC 20515

The Honorable Lynn Jenkins U.S. House of Representatives Washington, DC 20515

The Honorable David Joyce U.S. House of Representatives Washington, DC 20515 The Honorable Kurt Schrader U.S. House of Representatives Washington, DC 20515

The Honorable Jim Costa U.S. House of Representatives Washington, DC 20515

Dear Representatives Renacci, Schrader, Jenkins, Costa and Joyce:

Thank you for your leadership in introducing, H.R. 3956, the "STARS Act of 2017." This bipartisan legislation provides much needed clarity around the Patient Protection Affordable Care Act's (ACA's) definition and treatment of seasonal workers.

Seasonal small businesses continue to struggle with determining their employer size and employer shared responsibility requirements due to the law's varying definitions of "seasonal." When complying with the ACA, it is possible for the same worker to be a "seasonal worker" for the purpose of determining employer size, but not be considered a "seasonal employee" under an employer's shared responsibility obligations. These various definitions create confusion for seasonal small businesses that struggle to comply with the law.

The STARS Act adopts the Treasury Department's definition of seasonal employment while simplifying and aligning the seasonal provisions of the ACA to better enable employer compliance. This targeted approach provides seasonal employers with the clarity needed to assess their obligations under the ACA.

Specifically, the STARS Act:

- *Aligns* the separate definitions of "seasonal" found in statute and in the final regulation to the Treasury Department's preferred definition from the final regulation on IRC §4980H (six months or less, customary, annual, recurring);
- *Simplifies* the determination of Applicable Large Employer size and the determination of a seasonal employee's full-time status for the purposes of the ACA's Employer Shared Responsibility provisions.

Thank you again for introducing the "STARS Act of 2017." This well-crafted, bipartisan legislation appropriately addresses the unique challenges that seasonal

employment poses for small employer compliance with the ACA. By passing STARS, Congress can ensure that small seasonal employers with limited human resource capabilities have the tools and understanding necessary to comply with the ACA and to continue to grow their businesses. We look forward to working with you and members of Congress to address the challenges of seasonal employer compliance under the ACA and greatly appreciate your leadership on this issue.

Sincerely,

National Organizations

Agricultural Retailers Association AmericanHort (American Horticulture Industry Association) American Farm Bureau Federation American Horse Council Associated Builders and Contractors **Associated General Contractors** Federation of Employers and Workers of America Golf Course Superintendent Association of America National Association of Theatre Owners National Christmas Tree Association National Club Association National Hispanic Landscape Alliance National Retail Federation National Restaurant Association Society for Human Resource Management Society of American Florists **Tree Care Industry Association U.S. Apple Association**

Regional, State, and Local Organizations

Arkansas Hospitality Association Colorado Arborists and Lawn Care Professionals Farm Bureau Monterey Florida Fruit & Vegetable Association Florida Nursery, Growers & Landscape Association Florida Restaurant and Lodging Association Georgia Green Industry Association Illinois Landscape Contractors Association Indiana Restaurant and Lodging Association Iowa Restaurant Association Landscape Contractors Association MD-DC-VA Maine Arborist Association

Maine Landscape and Nursery Association Maine Restaurant Association Massachusetts Nursery and Landscape Association, Inc. **Massachusetts Restaurant Association** Michigan Nursery & Landscape Association Michigan Restaurant Association Minnesota Restaurant Association **Mississippi Restaurant Association** Missouri Green Industry Alliance Missouri Restaurant Association Nevada Restaurant Association New Jersey Landscape Contractors Association New Mexico Restaurant Association New York State Restaurant Association North Carolina Green Industry Council North Carolina Nursery and Landscape Association North Carolina Restaurant and Lodging Association Ohio Landscape Association **Oklahoma Restaurant Association Oregon Association of Nurseries Oregon Potato Commission Oregon Restaurant and Lodging Association** Pennsylvania Landscape and Nursery Association Pennsylvania Restaurant and Lodging Association Puerto Rico Restaurant Association **Restaurant Association of Maryland** South Carolina Restaurant and Lodging Association Texas Nursery & Landscape Association **Texas Restaurant Association Texas Shrimp Association Utah Restaurant Association** Virginia Christmas Tree Growers Association Virginia Nursery & Landscape Association Washington Association of Landscape Professionals Washington State Potato Commission Wisconsin Green Industry Federation Wisconsin Nursery and Landscape Association Wisconsin Restaurant Association Yuma Fresh Vegetable Association