American Federation of Labor and Congress of Industrial Organizations



815 Sixteenth Street, N.W. Washington, D.C. 20006 (202) 637-5000 www.aflcio.org

RICHARD L. TRUMKA

Gerald W. McEntee Michael Goodwin Elizabeth Bunn Joseph J. Hunt Leo W. Gerard William Hite Warren George Nancy Wohlforth Rose Ann DeMoro Fred Redmond Fredric V. Rolando Newton B. Jones John P. Ryan

EXECUTIVE COUNCIL

ELIZABETH H. SHULER SECRETARY-TREASURER

Michael Sacco William Lucy Michael J. Sullivan Clyde Rivers Ron Gettelfinger John J. Flynn Gregory J. Junemann James C. Little Mark H. Ayers Matthew Loeb Diann Woodard D. Michael Langford DeMaurice F. Smith

Frank Hurt Robert A. Scardelletti Harold Schaitberger Cecil Roberts James Williams John Gage Laura Rico Alan Rosenberg Ann Converso, R.N. Randi Weingarten Patrick D. Finley Robert McEllrath Baldemar Velasquez

ARLENE HOLT BAKER EXECUTIVE VICE PRESIDENT

> Patricia Friend R. Thomas Buffenbarger Edwin D. Hill William Burrus Vincent Giblin Larry Cohen Robbie Sparks Capt. John Prater Richard P. Hughes Jr. Rogelio "Roy" A. Flores Malcolm B. Futhey Jr. Roberta Reardon John W. Wilhelm

For Immediate Release

Contact: Eddie Vale/Amaya Tune (202) 637-5018

Statement by AFL-CIO Executive Vice President Arlene Holt Baker on Sen. Sanders Amendment to Eliminate the Tax on Health Benefits December 10, 2009

Today, the AFL-CIO joined Senator Sanders and workers to say that taxing workers' health benefits is just plain wrong. We commend Senator Sanders for standing with America's working families and introducing an amendment to strike this provision from the Senate health reform legislation.

A tax on benefits would mean higher premiums for workers and small businesses already struggling to make ends meet. And it would ask workers who already have it so hard to pay more for the health care they have now. That goes back on the promises Democrats made in 2008 -- the promise of real health care reform that helps, not hurts, working families. That's one reason 70 percent of Americans believe there's a better way to pay for reform than taxing middle class benefits.

Union members know first hand that a tax on working class families is the wrong way to pay for health care reform. They have fought hard for their modest health care benefits and they know there's nothing "Cadillac" about them.

But this is not just a union issue. Taxing benefits would hurt all workers. In fact, one in five workers would be hurt by this tax. It would be another blow to middle class families who are already struggling under the weight of this economic crisis.

There's a right way and a wrong way to pay for health care reform. Our message to the Senate is clear: A tax on working families is the wrong way.