The Columbus Dispatch

Columbus, Ohio • January 18, 2015

# Redefining 'Full Time' as 40 Hours Per Week Would Help Workers

*By Jamie T. Richardson*

Before staffers have finished moving into their Capitol Hill offices, the new House of Representatives has already passed a resolution to redefine "full time" under the Affordable Care Act as working 40 hours a week. This is the first step in liberating American employees from an arbitrary and detrimental government impediment to more hours and better pay.

While American employees wait for the Senate and president to follow suit, beginning this year, employers with 100 or more "full time equivalent" employees are required to offer health insurance to those who work only 30 hours a week. Next year, that threshold drops to 50 employees.

The Wall Street Journal editorialized that this regulation has given rise to the "29ers" — the influx of those employees working only 29 hours a week because their employers cannot afford to offer them more because of the corresponding and significant health-care costs that would kick in.

At White Castle, we've experienced this firsthand. Because so many of our employees work just over 30 hours per week, we estimated that the Affordable Care Act's definition of full time would increase our health-care costs by 35 percent, or more than $7 million, if we didn't make changes. (White Castle has offered health insurance to full-time employees for more than 90 years.) Such regulations and a difficult economic climate have caused us to reduce our number of restaurants from 418 to 392 since 2010.

In order to absorb these costs, new White Castle employees now begin their career with us working under 30 hours a week. Like other employers, we're seeing that many part-time employees have been forced to pick up a second job to make up for these lost hours — a less than ideal solution for either party. Meanwhile, our team members are clear with us: They prefer the flexible scheduling we have traditionally been able to provide, and additional hours over benefits.

White Castle is joined by a long list of well-known national companies such as Jimmy John's and Regal movie theaters that have reported cutting hours for part-time employees below 30 hours a week to avoid the Affordable Care Act penalty. Part-time and adjunct faculty members at perennially cash-strapped colleges have been hit particularly hard, with dozens of post-secondary institutions making this move.

In a 2012 survey conducted by the consulting firm Mercer, 67 percent of retail and wholesale firms that don't currently offer insurance coverage responded that they "are more inclined to change their workforce strategy so that fewer employees meet that (30 hour a week) threshold."

Indeed, an analysis of Census Bureau data by a former Wall Street Journal reporter finds that the number of Americans working 29 hours a week at their primary job has increased notably in recent years, while the share working just over 30 hours has been falling.

While it's impossible to know how much of this development is a result of the Affordable Care Act mandate, the reporter concludes that "the evidence suggests that the health law has likely led a few hundred thousand workers to see their hours cut or capped." Economists at the Royal Bank of Scotland and the University of Chicago have come to a similar conclusion.

Ironically, a robust push for additional hours has been a key component of the recent nationwide protests for higher wages by many of the same labor unions that supported the Affordable Care Act.

Unfortunately, they're unable to understand how government barriers such as the 30-hour threshold restrict additional hours. Rather, labor-backed activist groups have called for new regulations to force employers to increase the hours of existing employees before any new part-time staff can be hired. (San Francisco's City Council recently passed a " Retail Worker Bill of Rights," which includes such a provision for certain retail establishments.)

But job creators understand that the best way to increase hours and pay is not through additional regulations on business but by stripping away existing counterproductive ones. Restoring the 40-hour workweek, as the new House has voted to do, is a great place to start and would be a big win for American employees.

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