

JOE DONNELLY
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COMMITTEES:
FINANCIAL SERVICES
VETERANS' AFFAIRS

Congress of the United States
House of Representatives
Washington, DC 20515

September 29, 2010

Honorable Sander Levin
Chairman
Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC

Honorable Dave Camp
Ranking Member
Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC

Dear Chairman Levin and Ranking Member Camp:

I am writing to request that the Health Care Tax Credit (HCTC) be extended at its current rate of 80 percent before the end of 2010. Tens of thousands of American families rely on this credit to help cover their health insurance premiums, including many of the retirees of Delphi who have seen their pension benefits significantly reduced.

As you know, the HCTC was created as part of The Trade Act of 2002 (P.L. 107-210) for retirees between the ages 55 and 64 whose pension plans were taken over by the Pension Benefit Guaranty Corporation (PBGC) and for workers displaced by international trade. Until 2009, the HCTC covered only 65 percent of health insurance premiums, and requiring these retirees to come up with the remaining 35 percent proved unaffordable for many and led to low use of the tax credit. However, in February 2009, Congress passed The American Recovery and Reinvestment Act (P.L. 111-5), which included a provision increasing the HCTC to 80 percent of health insurance premiums and making the credit accessible to many more retirees. Unfortunately, this increase expires at the end of this year.

Already facing cuts to their benefits after the PBGC takeover of their pension plan, many Delphi retirees in Indiana and across the country depend on the HCTC to help cover their healthcare costs. Again, I urge you to support an extension the HCTC's current 80-percent rate before it expires. Keeping the HCTC affordable and more accessible will help prevent more Americans from becoming uninsured in these trying economic times.

Sincerely,



Joe Donnelly
Member of Congress

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