NATIONAL CATHOLIC REPORTER
Published on *National Catholic Reporter* (http://ncronline.org)

New proposal would remove mandate's penalties for religious employers

Nancy Frazier O'Brien Catholic News Service | Jul. 12, 2012

WASHINGTON -- Saying that the U.S. Supreme Court's June 28 decision on the Patient Protection and Affordable Care Act "leaves intact a grave assault to religious freedoms," Rep. Jim Sensenbrenner, R-Wis., announced July 10 that he would introduce the Religious Freedom Tax Repeal Act.

The bill, which has 57 co-sponsors, would allow employers who have religious or moral objections to covering certain preventive services mandated by the health reform law to decline to provide them through their health insurance plans without facing taxes, penalties or enforcement actions for their noncompliance.

The Supreme Court ruled June 28 that it was constitutional for Congress to require individuals to purchase health insurance under its authority to tax.

Sensenbrenner said the health reform law "gives the federal government the tools to tax religiously affiliated schools, hospitals, universities and soup kitchens right out of existence" by imposing penalties of up to $100 per employee per day on employers who fail to provide services mandated by the Department of Health and Human Services, which include sterilizations and contraceptives, including some abortion-causing drugs.

A religious institution with 50 employees, for example, could face penalties of up to $36,500 per employee per year, or more than $1.8 million per year, he said.

"Obviously, if these taxes are levied and they are enforced, there will be no religious-affiliated institutions left in this country," said Sensenbrenner, former chairman of the House Judiciary Committee.

"Religious-affiliated institutions, I think, have been one of the ways that there has been diversity provided in education, in health care and in various types of social services and relief services," he added. "I don't think they should be taxed out of business, and neither do my co-sponsors."

To be exempt from the mandate, a religious organization must have "the inculcation of religious values as its purpose"; primarily employ "persons who share its religious tenets"; primarily serve "persons who share its religious tenets"; and be a nonprofit organization under specific sections of the Internal Revenue Code.

The U.S. Conference of Catholic Bishops has not taken a stand on the Religious Freedom Tax Repeal Act, according to Mercy Sister Mary Ann Walsh, USCCB director of media relations.

But the leaders of a lay-led organization called the Catholic Association said in a news release that they would "fully engage the Catholic grass-roots to support this legislation to preserve religious freedom and restore the long-standing bipartisan consensus on conscience protections."

"The president is attempting to reshape religion in this country by forcing religious organizations like Catholic Charities USA, which alone serves more than 9 million people each year, to pay millions to the government for

simply practicing their faith," said Maureen Ferguson and Ashley McGuire, senior policy adviser and senior fellow, respectively, of the new organization.

The Catholic Association describes itself as a group "dedicated to being a faithful Catholic voice in the public square and the public arena."

A new interfaith organization called Conscience Cause also pledged to support the legislation.

"People of all faiths are looking to Congress to repeal this mandate, which forces religious institutions to pay for services that violate their faith and which redefines the very definition of a religious organization," the group said in a statement.

Source URL (retrieved on *06/18/2013 - 17:47*): http://ncronline.org/news/politics/new-proposal-would-remove-mandates-penalties-religious-employers