

Second-Highest Court Boosts Another Lawsuit Against The Employer Mandate Delay

Sarah Hurtubise July 17, 2014

A U.S. appeals court will hear oral arguments from a large employer's lawsuit against President Obama's unilateral Obamacare employer mandate delay, leaving the case just one step away from the Supreme Court.

Last October, Judicial Watch, a Washington, D.C.-based government accountability nonprofit, filed suit on behalf of Kawa Orthodontics against the Obama administration for waiving the employer mandate through 2014. It's moved up the ranks to the 11th Circuit Court of Appeals — just one step below the Supreme Court.

The Treasury Department announced the first year-long employer mandate delay in July 2013 - in a blog post just before the Fourth of July holiday weekend. The administration then extended the delay for mid-sized businesses through 2016.

Kawa Orthodontics, owned by Dr. Larry Kawa, spent 100 hours deciphering how to comply with Obamacare's onerous employer mandate — time it could have dedicated its resources to its actual work. Kawa estimates the company could have earned another \$1.2 million in revenue had he known the company wouldn't have to comply with the employer mandate.

The lawsuit's passing muster for the District Court is a serious hit for the delay's supporters, who have routinely argued that almost no one has the legal standing to challenge the law.

"For President Obama and his administration to override a congressionally passed law with a blog post is not only ridiculous, it's illegal," charged Richard Rahn, a fellow at the libertarian Cato Institute. "The uncertainty about the law and whether or not it will be implemented has critically damaged many local businesses such as Dr. Larry Kawa and Kawa Orthodontics." House Speaker John Boehner, of course, is also targeting what it calls the Obama administration's illegal employer mandate delay. The House's lawsuit against the delay will argue that President Obama unconstitutionally went beyond his executive authority. But Kawa's lawsuit is attempting to demonstrate how typical Americans have been directly damaged by the overreach, adding a new dimension to the fight against the delay.

The lawsuit has already earned the support of many national figures. Pennsylvania Rep. Mike Fitzpatrick argued the hit Kawa's business took "should be considered in the larger discussion about the constitutionality of this administration's actions."

"Obamacare is a disastrous law that's increasing patient costs, limiting patient choices, killing jobs and outright violating the Constitution," Republican Florida Sen. Marco Rubio said in a statement supporting the case. "Obamacare needs to be repealed and replaced, and I believe legal challenges to it will continue to show its flaws."

"We are pleased that the court decided to grant oral arguments on the case," said Judicial Watch president Tom Fitton. "President Obama has repeatedly taunted the American people begging them to sue him if they thought his actions were illegal. Guess what, Mr. President, we did."