



Franchising[™]
Building local businesses,
one opportunity at a time.

June 17, 2009

The Honorable Artur Davis
U.S. House of Representatives
208 Cannon House Office Building
Washington, DC 20515

The Honorable Rodney Alexander
U.S. House of Representatives
316 Cannon House Office Building
Washington, DC 20515

Dear Representatives:

On behalf of the International Franchise Association, I write to express our support for HR 1677, the Empowerment Zones, Renewal Community and Enterprise Community Enhancement Act of 2009. As you know, this bill would extend the scope and benefit of these Federal wage-based tax credit programs through December 31, 2015, providing continued incentive for franchised businesses to hire individuals within these targeted populations. These programs are critical to the continued reinvigoration of already suffering segments of our nation.

By way of background, IFA is the largest and oldest franchising trade group and its mission is to safeguard the business environment for franchising worldwide. IFA represents more than 85 industries, including more than 11,000 franchisee, 1,200 franchisor and 600 supplier members nationwide. According to a 2008 study conducted by PricewaterhouseCoopers, there are more than 900,000 franchised establishments in the U.S. that are responsible for creating 21 million American jobs and generating \$2.3 trillion in economic output.

The Work Opportunity Tax Credit (WOTC) is a federal income tax credit that reduces the federal tax liability of private-for-profit employers. Created through the Small Business Job Protection Act of 1996, the program provides employers an incentive to hire certain target group members with barriers to employment. HR 1677 will expand and extend the scope of the program so that the Americans targeted by this program will further benefit from job opportunities. Franchised businesses operate in various industry sectors across the country and within all of these targeted areas. Franchised businesses, notably restaurants, have been active participants in these programs in the past and seek to continue providing jobs for those in need through the continuation and expansion of these programs.

The IFA again applauds your introduction of this good legislation and stands ready to assist in its advocacy.

Sincerely,

A handwritten signature in black ink, appearing to read "David French".

David French
Vice President, Government Relations