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June 25, 2009

Dear Representative:

On behalf of the International Franchise Association (IFA), I urge you to oppose H.R. 2454, the American Clean Energy and Security Act of 2009. The IFA supports efforts to reduce global greenhouse gas emissions, but we believe that the solution must not unilaterally impose sharply higher costs on U.S. business consumers of energy. As a result, **the IFA may consider votes on H.R. 2454 among our list of "Key Votes."**

As the largest and oldest franchising trade group, the IFA's 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 IFA is a member of the Coalition for Affordable American Energy (CAAE), which in April 2009 released a study of the impact cap-and-trade proposals would have on the U.S. economy. According to that study, 3.2 million jobs would be lost as result of such policies and the average American household will lose \$2,127 annually in purchasing power. Furthermore, not only business, but consumers would face electricity costs that are estimated to increase 27 percent by 2020 and natural gas costs that are estimated to increase by 39 percent in the same time. The likely effect of these higher costs will be to significantly slow the pace of U.S. economic growth.

We encourage Congress to focus on solutions to our current national economic crisis and oppose policies that are certain to result in sharply higher costs for energy and slower job growth and economic recovery. The impact of these energy price increases will be felt disproportionately by franchised businesses and consumers in some states that rely on an intensive mix of fossil fuels for electricity generation. Finally, this measure is a national solution to a problem of global magnitude. Without assurances that the world's fastest growing economies will follow the same plan, it seems certain that American businesses and ultimately American consumers will bear the brunt of the burden to achieve only slight reductions in global greenhouse gas concentrations.

The IFA stands ready to work with the House on a plan to sensibly address global greenhouse gas emissions without harming our economy. H.R. 2454 would effectively tax energy production, unnecessarily driving up the cost of goods and services for all Americans. Again, **the IFA urges you to oppose H.R. 2454 and we may consider such votes on similar measures among our annual list of "Key Votes."**

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink that reads "David French". The signature is stylized and cursive.

David French
Vice President, Government Relations