



FRANCHISING®
Building local businesses,
one opportunity at a time.

September 3, 2017

The Honorable Lamar Smith
U.S. House of Representatives
2409 Rayburn House Office Building
Washington, DC 20515

Dear Representative Smith:

On behalf of the International Franchise Association (IFA), the world's oldest and largest organization representing franchising worldwide, I write in strong support of a crucial measure that will strengthen our immigration system while simultaneously protecting our nation's job creators.

The Legal Workforce Act would create a nationwide electronic employment verification system (E-Verify) to determine the work eligibility of job applicants. With a reliable E-Verify system, franchise owners will be able to hire only those legally eligible to work in the United States.

Locally owned franchises are America's hidden small businesses, with 733,000 establishments across the country. The entrepreneurs who make up the franchising system directly contribute \$674.3 billion in economic output, accounting for roughly 2.5% of the private sector U.S. GDP. Having a clear and efficient means of hiring legal employees for an expanding workforce is crucial, especially for the franchise business model.

A national E-Verify program would create a reliable verification system and needed safe harbors for employers as part of an immigration reform more workable for small businesses. America's job creators, such as franchise owners have a vested interest in ensuring they do not hire unauthorized workers. Further, corporate franchisors wish to provide the necessary guidance to their franchise owners while also protecting themselves from liability for independent franchisee hiring decisions. The preemption of state and local laws and ordinances in this field is important to avoid burdensome and potentially duplicative or conflicting enforcement obligations, or both, on employers.

For these reasons, IFA strongly supports the Legal Workforce Act of 2017, which will allow small businesses, including franchises, the opportunity to run their businesses more effectively through a nationwide E-Verify system. IFA commends your efforts to provide small businesses with the appropriate tools to hire legally and efficiently. We look forward to working with you on this critical legislation.

Sincerely,

Matt Haller
Senior Vice President, Government Relations and Public Affairs
International Franchise Association

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