



AKFCF GAC 2007 LEGISLATIVE ACCOMPLISHMENTS

Depreciation

- AKFCF GAC & Polaris were successful in extending accelerated depreciation for improvements to owned and leased restaurants in H.R. 2206 which became public law on May 25th.
 - This extension will provide franchisees with an average ANNUAL savings of \$9,897 per store.
 - Over a FIVE YEAR period, this should provide franchisees with the average savings of \$53,819 per store.

Minimum Wage

- When the Democrats assumed control, passage of a minimum wage increase was inevitable.
- Delaying this increase for six months saved the average KFC restaurant with 600 labor hours per week over \$9,000.
- By having a presence in DC, AKFCF was able to delay the effects of the wage hike and give franchisees an extra 6 months to prepare for the increase.

“Card-Check”

- What is “card-check”?
 - Under proposed “card-check” system promoted by the unions, the employee simply signs a card in front of the union organizer. There is no supervision to ensure that there is no deception, peer pressure or intimidation by the union organizer. When a majority of these cards are signed by the employees of a business, the union is certified and the only option remaining for the businessman is to go to binding arbitration.
 - Under the present system, if a union wishes to organize a business, they must first get a majority of the employees to request an election. Then the National Labor Relations Board (NLRB) conducts the election with strict detailed procedures to ensure a fair, secret ballot election free of fraud, deception, and intimidation.
- The House of Representatives passed “card-check” legislation with a 241-185 vote. Only two Democrats voted against the bill.
- The strong lobbying effort by Polaris/AKFCF GAC helped Senate Republican Leader, Mitch McConnell (R-KY), to garner enough votes to defeat this ill conceived bill in the Senate.
- McConnell has promised the AKFCF GAC that as long as he has 41 Republicans who will stand with him in the Senate, this bill will not see the light of day .

- Every Democratic Presidential candidate for the White House has made support for “card-check” legislation a centerpiece of their campaign.

Immigration

- AKFCF was greatly concerned about the “Employment Eligibility Verification System” included in the bill which would require us to verify the legality of existing and potential employees and impose fines ranging from \$1,000 to \$15,000 for violators.
- The bill did not provide employers with the necessary tools to ensure employees are eligible to work.
- AKFCF franchisees are ready and willing to comply with immigration laws but are not law enforcement officials and cannot be held accountable if undocumented workers find a way to beat the system.
- It is highly unlikely either the House or Senate will consider comprehensive Immigration legislation again this year, it is possible they will consider more targeted immigration issues which could present opportunities for Members of Congress to offer Amendments that would include these enforcement penalties on small business.

Frivolous Obesity Lawsuits

- Congressman Dan Boren (D-OK) and Congressman Ric Keller (R-FL) have teamed up to introduce H.R. 2183, the "Personal Responsibility in Food Consumption Act of 2007".
- The House passed a similar bill in the 109th Congress with 306 votes, which included approximately 40 percent of the Democratic Caucus.
- While the bill in the 110th Congress already has 44 co-sponsors, only seven of them are Democrats.
- Senator Mark Pryor (D-AR) and Senate Minority Leader Mitch McConnell (R-KY) have introduced the companion bill, S. 1323, the "Commonsense Consumption Act of 2007."
- It currently has 12 Republican and 4 Democrat co-sponsors and the support of Senate Majority Leader Harry Reid.