



Today's Headline

"Under this model, business owners are given a pathway to grow and aspiring entrepreneurs have the opportunity to open a business under a brand name that already has a strong following"

- Becky Renner, franchisee of Orangetheory Fitness

This FANmail is brought to you by: Becky Renner

U.S. House Committee on Education and the Workforce Approves H.R. 3441, the Save Local Business Act

Yesterday, the U.S. House Committee on Education and the Workforce held a hearing to markup H.R. 3441, [the Save Local Business Act](#), a major step that now moves the legislation one step closer to a full House vote.

Ahead of the hearing, IFA submitted a [letter](#) of support for H.R. 3441, reinforcing [the Save Local Business Act](#) that would return the law to the long-standing interpretation of "joint employer".

“[The Save Local Business Act] is just one example of how policy changes that **reduce regulation and unnecessary red tape** can spark optimism within the small business community.”

-- Matt Lewis, Sports Clips, Raleigh, NC

#SaveLocalBiz

In her opening remarks, [Chairwoman Virginia Foxx \(R-NC\)](#) outlined the need to revert back to the common sense definition of joint employer. "This legislation empowers workers to succeed and employers to grow," Chairwoman Foxx said. "Workers deserve certainty and stability, and small and local businesses need clear rules of the road to follow in order to create jobs in their communities."

The lead sponsor of the bill, [Rep. Bradley Byrne \(R-AL\)](#) explained how the costly and confusing joint employer rule has threatened the path to entrepreneurship and job creation, and merely remains as an means for increased litigation."Today our committee sent a clear message that we are standing up for American workers and job creators," said Rep. Byrne, chairman of the Subcommittee on Workforce Protections. "The Save Local Business Act is all about eliminating uncertainty for workers and protecting small businesses throughout the United States. Over the coming weeks, I will continue working with my colleagues to build even stronger support for this commonsense, bipartisan legislation."



Lead sponsor of H.R. 3441, Rep. Bradley Byrne, urges his colleagues to restore the common sense definition of joint employer

[ACT TODAY TO ENSURE H.R. 3441 GETS A VOTE ON THE U.S. HOUSE FLOOR](#)

Franchising Expands Opportunity for Minorities

This week, [Rep. Bobby Rush \(D-IL\)](#) penned an op-ed with [Howard James](#), franchisee of FASTSIGNS in Washington D.C., on the importance of franchising for minorities. Rep. Rush represents the First Congressional District of Illinois, a region of the state where franchising accounts for over 1,000 franchise businesses spending \$584 million in payroll each year, supporting 24,000 jobs, and spurring nearly \$2 billion in economic activity. Rep. Bobby Rush and Howard James use their combined op-ed to describe the economic and social opportunities inherent within the franchise business model.

"Minorities have too frequently been denied the opportunity to begin on even the ground floor in business, but franchising has helped thousands of our entrepreneurs overcome common obstacles, such as access to capital."

Political & Legislative Updates

President Trump Unveils Proposal for Tax Reform

Last week, President Trump announced his proposal for tax reform during a speech in Indianapolis. [IFA President and CEO Robert Cresanti, CFE](#), said the proposal would "supercharge our economy" and allow business owners to "hire more employees, expand operations, open more locations and give more back to their communities."

In a recent statement, Cresanti added, "Tax reform has long been one of the franchise community's top legislative priorities. For years, the burdensome and complex tax code has held back small business owners and stifled new investments, but today -- we have hope that relief is finally on the way."

Read more [here](#).



Dunkin' Brands CEO, Travis Nigel, talks about the importance of tax cuts

IFA Backs Coalition Letter to Congress on Tax Reform

On September 28, [a coalition letter](#), signed by over 240 associations along with state and local chambers of commerce, was sent to all members of the U.S. Congress urging them to "expeditiously pass a budget resolution with reconciliation instructions so that the promise of tax reform can be made a reality." Chairman Kevin Brady (R-TX) told business leaders at the U.S. Chamber "tax reform is all about delivering more jobs, bigger paychecks, and fairness."

Read the letter [here](#).

William Emanuel Confirmed to NLRB

The U.S. Senate confirmed management attorney, [William Emanuel](#), to the NLRB in a 49-47 party line vote. His confirmation shifted the NLRB to a Republican majority. The board is expected to eventually use that majority to reconsider a wide range of Obama era decisions.

Read more [here](#).

IFA Supports Small Business Health Plans Act of 2017

On September 20, IFA submitted a letter of support to Senator Mike Enzi (R-WY) for the introduction of [S. 1818](#), *the Small Business Health Plans Act of 2017*. The proposed legislation would increase the ability for small businesses to provide affordable, comprehensive healthcare coverage to employees. Of particular interest for the franchise community, the bill includes a safe harbor provision from joint employer liability concerns. The included language would allow both franchisors and franchisees the opportunity to come together to offer competitive health insurance for franchisee's employees.

Read the support letter [here](#).

FAN at Work

IFA Board of Directors Member Urges Action on Comprehensive Tax Reform

On September 28, Barbara Moran-Goodrich, CFE, CEO of Moran Family of Brands, [submitted an op-ed](#) following President Trump's tax proposal announcement. A member of IFA's Board of Directors, Moran-Goodrich praised the new proposal and discusses how it would relive America's small businesses of burdensome regulations. Furthermore, the proposed lower tax rates would aid franchise owners designated as "pass through entities" in implementing a target of 3% growth.

"If tax reform can enable other aspiring franchisees and franchisers to do the same, we can build America's most robust and resilient economy ever"

Read the full op-ed [here](#).



Barbara Moran-Goodrich, CEO of Moran Family Brands

U.S. House Rep. Steve Cohen (D-TN) Meets ServiceMaster in Memphis, TN

On Friday, September 22, Rep. [Steve Cohen](#) (D-TN) met with ServiceMaster franchise owners in Memphis, TN. The discussion primarily focused on the disastrous joint employer standard where attendees commented on how the new definition has been a consistent roadblock for the expansion of their business. The meeting concluded with franchise owners urging Rep. Cohen to support the new joint employer legislative fix, [H.R. 3441](#), the Save Local Business Act, that would provide clarity to the joint employer standard, restoring the "direct-control" definition under both

the National Labor Relations Act and Fair Labor Standards Act. Congressman Cohen is working with his legislative staff to review H.R. 3441 as a result of this important in-district meeting.



Rep. Steve Cohen (center) with local Memphis, TN ServiceMaster franchise owners and corporate representatives

U.S. Department of Treasury Announces Action to Reduce Burdensome Tax Regulations

On October 2, the U.S. Department of Treasury, under the direction of Secretary Steven T. Mnuchin, released a [report](#) on planned efforts to reduce the burden of eight tax regulations identified earlier this year. Ways and Means Committee Chairman Kevin Brady (R-TX) praised the efforts in a statement, calling it welcoming "news for our nation's businesses, workers, and families. For too long, our broken tax code has tied the hands of America's job creators with burdensome tax regulations that increase costs and hurt their competitiveness." The regulations addressed in the report include regulations under Section 871(m), relating to payments treated as U.S. source dividends, and the Foreign Account Tax Compliance Act. The IFA had consistently supported legislation repealing the estate tax and opposing regulations and legislation that would increase the costs imposed on families trying to pass their businesses on to the next generation.

Orangetheory Franchisee Voices Concern on Joint Employer

On September 26, Becky Renner, an Orangetheory Fitness franchisee in Phoenix, [penned an op-ed](#) discussing how the new joint employer standard creates confusion and additional risk for small business owners in Arizona. Renner comments on the challenges franchise owners face with heightened uncertainty surrounding the National Labor

Relation Board's (NLRB) August 2015 decision to expand employer liability to indirect and potential control. Renner calls upon the entire Arizona Congressional delegation to support common sense reform by signing onto [H.R. 3441](#), the Save Local Business Act.

Read the full op-ed [here](#).

Florida Hotel Franchisee Calls Upon Congress to Act on Joint Employer



Becky Renner, Orangetheory Owner in Arizona.

FAN's Florida Co-Captain, Azim Saju [placed an op-ed](#) in the *Orlando Sentinel* on September 22 which highlights the importance of a permanent solution to joint employer liability. Saju argues that the "indirect" control standard has caused major setbacks in providing employees the necessary skills and training for growth. As a franchisee, Saju works alongside employees, giving him the ability to determine promotions, whereas the franchisor has no knowledge of the employees' performance. In the piece, Saju explains how the franchise business model promotes apprenticeships and upward mobility for local employees, and goes on to describe how joint employer critically threatens the autonomy of small business owners.



Azim Saju, Managing Member and General Counsel of HDG Hotels

Saju urges the Florida Congressional delegation to pass the [Save Local Business Act](#), which would restore certainty for Florida businesses and employees.

Read the full op-ed [here](#).

— ONE OWNER MAKES A DIFFERENCE. —
TOGETHER, OUR VOICES PROVOKE CHANGE.

Local small business owners representing a wide range of industries and demographics across the country are joining together and voicing concerns on how the NLRB's new joint employer standard puts all small business at risk.

In the News

ICYMI:

[Free-Market Coalition Urges Action on Franchise Rule](#), Inside Sources
[Federal Court Concludes Franchisor Was NOT Joint Employer](#), Franchise Law
[Small Franchisees, Big Business?](#), Twin Cities Business
[House Small Business Committee Prepares for Fair and Simple Tax Plan Hearing](#), Small Business Trends
[Trump, Taxes and the 'Middle Class Miracle'](#), US News
[Letter to the Editor: Bill would support businesses](#), The News Herald
[Bob Omainsky: Alabama's Bradley Byrne champions critical joint employer fix](#), Alabama Today
[Eakinomics: What's Left of the Obama Union Push?](#), American Action Forum
[Time for Congress to come together on joint employer](#), New Jersey Business Journal

Featured FAN - Becky Renner

Becky Renner, along with her husband, Travis Renner, is the owner of ten Orangetheory locations. Coming from fitness backgrounds, Travis and Becky Renner opened their first Orangetheory Fitness studio in 2012. Since then, the married couple opened nine more studios in Arizona with two more in the developing process. In 2015 they bought the Kansas territory and own 2 open studios and 1 under development.

The Renners love owning Orangetheory Fitness franchise and Becky is an avid member of the studio and taking sessions at least 5 times per week. They have 4 kids ages 7, 10, 12, and 14 residing in Gilbert, AZ. Their passion for fitness and health has been apparent since the beginning as Travis was a college decathlete at Kansas State and Becky was a college gymnast at Arizona State University. Their dream was to always own their own fitness studio!



Becky Renner with her husband, Travis Renner

Franchising Facts - Did You Know?

Denny's was originally called Danny's Donuts. However, after one year of operation the menu had expanded beyond doughnuts. The name was eventually changed when the founders began expanding. The name Danny's Donuts wasn't available everywhere, and it was being confused with an existing coffee chain.

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SURVEY!

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