



KeyVote

July 10, 2012

To Members of the U.S. House of Representatives:

On behalf of the members of the National Restaurant Association, the leading business association for the restaurant and food service industry, **I am writing to urge you to vote YES for passage of H.R. 6079, the “Repeal of Obamacare Act.”**

Our industry is the nation’s second-largest private-sector employer comprised of 970,000 restaurant and foodservice outlets employing 12.9 million—nine percent of the U.S. workforce. Our industry is unique for several reasons. Small businesses dominate the industry; even larger chains are often collections of smaller franchised businesses. Our workforce is typically young, and desirous of the flexible scheduling that comes from service operations far beyond the typical 40 hour work week.

We have a high average workforce turnover rate relative to other industries. The business model of the restaurant industry produces relatively low profit margins of 4 to 6 percent before taxes, with labor costs being one of the most significant line items for a restaurant. Finally, restaurants employ a high proportion of part-time, seasonal, and temporary workers.

The early signals of the economic impact of the health care legislation signed into law in March of 2010 are not encouraging for our industry. In particular, the employer mandate and associated penalties are such that many restaurant operators fear that they will need to shed jobs or close down in order to avoid cost increases upwards of 40 percent. The current construct appears to impose untenable cost and job burdens for many in the restaurant industry.

Please know that our industry does want health care reform and we will continue to actively participate in the health care reform debate, but believe Congress must seek comprehensive health care reform that focuses first on lowering health care coverage costs and not on reform that hampers the ability of employers to create jobs.

Thus, we urge you to vote YES in support of the “Repeal of Obamacare Act” and look forward to working with you and your staff as we move forward on our common goal of creating an affordable and reasonable health care system. **The National Restaurant Association will consider votes on, or related to, H.R. 6079 in our annual “how they voted” scorecard.**

Sincerely,

A handwritten signature in black ink that reads "Dawn M. Sweeney".

Dawn M. Sweeney
President and CEO