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## **AAHOA Stands with National Coalition Urging Congress to Pass the Bipartisan *American Franchise Act***

**ATLANTA, GA, December 10, 2025** — AAHOA (Asian American Hotel Owners Association), representing nearly 20,000 hotel owners and supporting 60% of all U.S. hotels, has joined more than 100 business, advocacy, and diversity organizations in signing a coalition letter led by the International Franchise Association (IFA) calling on Congress to support the bipartisan *American Franchise Act* (AFA), H.R. 5267.

The legislation—which now has 51 bipartisan cosponsors in the U.S. House of Representatives—aims to provide long-term clarity to the joint-employer standard, a decade-long challenge marked by shifting interpretations across presidential administrations. This back-and-forth has created uncertainty, increased risk, and slowed growth for franchise businesses nationwide, including thousands of AAHOA Member hotels. The version expected to advance in Congress is the updated redline version of the AFA, an improved draft developed collaboratively by the Coalition of Franchisee Associations, franchisee attorneys, IFA legal counsel, and AAHOA. This is the version AAHOA fully supports.

The coalition emphasizes that the franchise business model generates approximately \$900 billion in U.S. economic output and supports 8.8 million jobs, underscoring its vital role in local communities.

"For more than a decade, AAHOA Members have shouldered the consequences of an unstable joint-employer framework—higher legal exposure, rising costs, and hesitancy from lenders and investors," said **AAHOA Chairman Kamalesh (KP) Patel**. "This updated redline version of the *American Franchise Act* finally brings clarity to what does—and does not—cross the line into joint-employer territory. It protects franchisees, holds franchisors accountable if they overstep, and prevents franchisors from using joint-employer concerns as an excuse to roll back support and services to owners. This is a fair and balanced fix that benefits small businesses. AAHOA applauds Representatives Kevin Hern (R-OK) and Don Davis (D-NC) for their leadership, and we strongly support this version of the bill. We urge Congress to move swiftly so hotel owners can focus on what they do best: serving guests,

employing local workers, and driving economic growth in every corner of the country."

"AAHOA Members rely on a predictable regulatory environment to grow their businesses and create jobs, yet they've endured years of regulatory whiplash that has made long-term planning nearly impossible," said **AAHOA President & CEO Laura Lee Blake**. "The *American Franchise Act* establishes the clear, commonsense standard our industry needs. With nearly \$900 billion in economic impact at stake, Congress must act decisively to protect the independence of small business owners and strengthen the backbone of local communities. This legislation isn't just timely. It's a linchpin for long-term stability."

AAHOA joined 69 state associations and 33 national organizations, including franchisee groups, diversity organizations, and chambers of commerce, in urging Congress to enact the AFA. The coalition letter was addressed to Hern and Davis, who have been leading advocates for advancing a durable, franchise-specific joint-employer standard in both chambers of Congress.

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### **About AAHOA**

AAHOA is the largest hotel owners association in the nation, with Member-owned properties representing a significant part of the U.S. economy. AAHOA's 20,000 members own 60% of the hotels in the United States and are responsible for 1.4% of the nation's GDP. More than 1 million employees work at AAHOA member-owned hotels, earning \$51.3 billion annually, and member-owned hotels support 4.2 million U.S. jobs across all sectors of the hospitality industry. AAHOA's mission is to advance and protect the business interests of hotel owners through advocacy, industry leadership, professional development, member benefits, and community engagement.