

1 HB390
2 183690-3
3 By Representative Carns
4 RFD: Commerce and Small Business
5 First Read: 09-MAR-17

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ENROLLED, An Act,

Relating to franchises; to provide that certain categories of persons working for a franchisee may not be deemed to be employees of the franchisor of the franchisee.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) This act shall be known as the Franchise Business Protection Act.

(b) For purposes of this act, the terms "franchisee" and "franchisor" have the same meaning as defined in 16 C.F.R. § 436.1.

(c) Except as provided in a voluntary agreement entered into between the United States Department of Labor and a franchisor, the following persons may not be deemed or construed to be employees of a franchisor:

(1) A franchisee.

(2) An employee of a franchisee.

(3) An independent contractor working for a franchisee.

~~(d) To the extent that this section does not conflict with federal law, this section shall apply to both of the following:~~

(d) To the extent that this section does not conflict with federal law, this section shall only apply to the following:

1 (1) The enforcement or enactment of rules or
2 ordinances by state agencies or local governmental bodies.

3 (2) Labor relations and collective bargaining.

4 Section 2. This act shall become effective on the
5 first day of the third month following its passage and
6 approval by the Governor, or its otherwise becoming law.

