

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

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8 SYNOPSIS: This bill would provide that certain
9 categories of persons working for a franchisee may
10 not be deemed to be employees of the franchisor of
11 the franchisee.

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13 A BILL
14 TO BE ENTITLED
15 AN ACT

16
17 Relating to franchises; to provide that certain
18 categories of persons working for a franchisee may not be
19 deemed to be employees of the franchisor of the franchisee.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

23 (b) For purposes of this act, the terms "franchisee"
24 and "franchisor" have the same meaning as defined in 16 C.F.R.
25 § 436.1.

26 (c) Except as provided in a voluntary agreement
27 entered into between the United States Department of Labor and

1 a franchisor, the following persons may not be deemed or
2 construed to be employees of a franchisor:

3 (1) A franchisee.

4 (2) An employee of a franchisee.

5 (3) An independent contractor working for a
6 franchisee.

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

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

12 (2) Labor relations and collective bargaining.

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