

House Bill 3095

Sponsored by Representative MCLANE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits public body from deeming franchisee employee of franchisor unless public body determines, with support of substantial evidence, that franchisor exercises more control over franchisee than is customary among franchisor and franchisee relationships in relevant market and than is necessary to preserve goodwill associated with trademark that franchisor licensed to franchisee.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to relationships between franchisors and franchisees; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS 650.005 to 650.100.

SECTION 2. A public body, as defined in ORS 174.109, may not for any purpose deem a franchisee to be an employee of a franchisor unless the public body determines, with substantial evidence to support the determination, that the franchisor exercises more control over the franchisee than is:

(1) Customary among franchisor and franchisee relationships in the relevant market; and

(2) Reasonably necessary to preserve the goodwill that is associated with the trademark that the franchisor licensed to the franchisee.

SECTION 3. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.