

Senate Bill 136

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Business and Transportation)

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**.

Provides that franchisee or subfranchisor is not employee of franchisor if franchise is subject to state or federal law, if franchisee or subfranchisor obtains license, registration or other authorization required under federal, state or local law to operate franchise and if franchisee or subfranchisor is business entity formed under laws of, or authorized to do business in, this state or is sole proprietor of business in, and resident of, this state.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to relationships between franchisors and franchisees; and declaring an emergency.

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

4 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS 650.005 to**
5 **650.100.**

6 **SECTION 2. A franchisee or subfranchisor is not an employee of a franchisor if:**

7 (1) **The franchise is subject to ORS 650.005 to 650.100 or to federal regulation under 16**
8 **C.F.R. part 436;**

9 (2) **The franchisee or subfranchisor obtains any licenses, registrations or other authori-**
10 **zations that are necessary under federal, state or local law to operate the franchise; and**

11 (3) **The franchisee or subfranchisor is:**

12 (a) **A business entity that is formed under the laws of, or authorized to do business in,**
13 **this state; or**

14 (b) **A sole proprietor of a business in, and a resident of, this state.**

15 **SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**
16 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
17 **on its passage.**

18

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.