

## SENATE AMENDMENTS TO SENATE BILL 136

By COMMITTEE ON BUSINESS AND TRANSPORTATION

April 27

- 1 Delete lines 6 through 14 of the printed bill and insert:  
2 **“SECTION 2. (1) A franchisee or subfranchisor is not an employee of a franchisor if:**  
3 **“(a) The franchise is subject to ORS 650.005 to 650.100 and federal regulation under 16**  
4 **C.F.R. part 436;**  
5 **“(b) The franchisee or subfranchisor:**  
6 **“(A) Obtains any licenses, registrations or other authorizations that are necessary under**  
7 **federal, state or local law to engage in business under the terms of the franchise; and**  
8 **“(B) Files with the Department of Consumer and Business Services a copy of the fran-**  
9 **chise that includes a signed statement in which the parties to the franchise attest that the**  
10 **parties understand and agree to the terms of the franchise; and**  
11 **“(c) The franchisee or subfranchisor:**  
12 **“(A) Is a business entity that is formed under the laws of, or authorized to do business**  
13 **in, this state with the purpose of engaging in business under the terms of the franchise; or**  
14 **“(B) Engages in business under the terms of the franchise as a sole proprietor.**  
15 **“(2) A franchisor may not defend against a franchisee’s or subfranchisor’s claim in any**  
16 **forum that the franchisee or subfranchisor is an employee of the franchisor on the basis that**  
17 **the franchisor has met the requirements set forth in subsection (1) of this section if a court**  
18 **of competent jurisdiction has found, within the 10 years that preceded the date on which the**  
19 **franchisee or subfranchisor brought the claim, that the franchisor:**  
20 **“(a) Violated section 5 of the Federal Trade Commission Act, 15 U.S.C. 45; or**  
21 **“(b) Engaged in an unlawful practice under ORS 646.608 in connection with the**  
22 **franchise.”.**  
23 Delete line 17 and insert “October 1, 2015.”.  
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