

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 527

BY BUSINESS COMMITTEE

AN ACT

1 RELATING TO LABOR; AMENDING CHAPTER 9, TITLE 44, IDAHO CODE, BY THE ADDI-
2 TION OF A NEW SECTION 44-905, IDAHO CODE, TO PROVIDE DEFINITIONS AND TO
3 PROVIDE THAT NEITHER A FRANCHISEE NOR AN EMPLOYEE OF A FRANCHISEE SHALL
4 BE CONSIDERED AN EMPLOYEE OF A FRANCHISOR EXCEPT UNDER CERTAIN CIRCUM-
5 STANCES.
6

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Chapter 9, Title 44, Idaho Code, be, and the same is
9 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
10 ignated as Section 44-905, Idaho Code, and to read as follows:

11 44-905. FRANCHISE AGREEMENTS -- EMPLOYMENT STATUS. (1) For purposes
12 of this section, "franchise agreement," "franchisee" and "franchisor" shall
13 have the same meanings as provided in section 29-110, Idaho Code.

14 (2) Neither a franchisee nor an employee of a franchisee shall be con-
15 sidered an employee of the franchisor for any purpose, unless:

16 (a) The franchisee or the employee of a franchisee is specifically de-
17 scribed as an employee of the franchisor in the franchise agreement; or

18 (b) The franchisor is found or has been found by a court or another tri-
19 bunal to have exercised a type or degree of control over the franchisee
20 or the franchisee's employee that is not customarily exercised by a
21 franchisor.