

**HOUSE SUMMARY OF SENATE AMENDMENTS**

**HB 464**

**2015 Regular Session**

**Talbot**

LABOR: Provides relative to franchise relationships

**Synopsis of Senate Amendments**

1. Provides that an employee of a franchisee may be considered to be an employee of the franchisor when the franchisee and the franchisor jointly decide matters related to the essential terms and conditions of employment.
2. Add technical amendments.

**Digest of Bill as Finally Passed by Senate**

**Abstract:** Provides that an employee of a franchisee is not an employee of the franchisor.

Present law provides for franchise agreements specifying that parties to a franchise may agree that the franchisor will refrain from selling, distributing, or granting additional franchises within defined geographic area and in return, the franchisee will refrain from competing with the franchisor, or other franchisees of the franchisor, for a period of up to 2 years following the severance of the franchise relationship. Proposed law retains present law.

Proposed law provides that a franchisee's employees are not deemed employees of the franchisor unless the two entities share or co-determine those matters governing the essential terms and conditions of employment and directly and immediately control matters relating to the employment relationship such as hiring, firing, discipline, supervision, and direction.

Proposed law clarifies that proposed law and present law do not apply to the unemployment or workers' compensation Chapters.

(Amends R.S. 23:921(F)(2); Adds R.S. 23:921(F)(3) and (4))