

**HOUSE . . . . . No. 03513**

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The Commonwealth of Massachusetts

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PRESENTED BY:

*John D. Keenan*

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to clarifying franchises.

\_\_\_\_\_  
PETITION OF:

NAME:

*John D. Keenan*

DISTRICT/ADDRESS:

*7th Essex*

# HOUSE . . . . . No. 03513

By Mr. Keenan of Salem, a petition (accompanied by bill, House, No. [BILL NUMBER]) of John D Keenan for legislation to clarify the status of employees of franchisors. Community Development and Small Businesses.

## The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to clarifying franchises.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 148B of chapter 149 of the Massachusetts General Laws, as amended by  
2 section 26 of chapter 193 of the acts of 2004, is hereby amended by inserting at the end thereof  
3 the following:-  
  
4 (f) Notwithstanding the provisions of this section, an individual who owns a franchise, or is a  
5 party to a franchise agreement under which he or she is authorized to sell products and/or  
6 services (a) in accordance with prescribed methods and procedures; and (b) under service marks,  
7 trademarks, trade names and other intellectual property licensed under such agreement, shall not  
8 be considered an employee of the franchisor. For the purposes of this section, "Franchise" has  
9 the same meaning ascribed to it by the Federal Trade Commission in 16 CFR 436 through  
10 436.11"

11 SECTION 2. Section 2 of chapter 151A of the Massachusetts General Laws is hereby amended  
12 by inserting at the end thereof the following:-

13 Notwithstanding the provisions of this section, an individual who owns a franchise, or is a party  
14 to a franchise agreement under which he or she is authorized to sell products and/or services (a)  
15 in accordance with prescribed methods and procedures; and (b) under service marks, trademarks,  
16 trade names and other intellectual property licensed under such agreement, shall not be  
17 considered to be engaged in an employment relationship with the franchisor subject to this  
18 chapter. For the purposes of this section, "Franchise" has the same meaning ascribed to it by the  
19 Federal Trade Commission in 16 CFR 436 through 436.11".

20 SECTION 3. Paragraph (4) of section 1 of chapter 152 of the Massachusetts General Laws is  
21 hereby amended by inserting at the end thereof the following:-

22 Notwithstanding the provisions of this section, an individual who owns a franchise, or is a party  
23 to a franchise agreement under which he or she is authorized to sell products and/or services (a)  
24 in accordance with prescribed methods and procedures; and (b) under service marks, trademarks,  
25 trade names and other intellectual property licensed under such agreement, shall not be  
26 considered an employee of the franchisor. For the purposes of this section, "Franchise" has the  
27 same meaning ascribed to it by the Federal Trade Commission in 16 CFR 436 through 436.11".