

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.  
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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.