

HB 931 -- FRANCHISE EMPLOYMENT

SPONSOR: Schroer

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Small Business by a vote of 14 to 3. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 7 to 3.

This bill specifies that neither a franchisee nor a franchisee's employees shall be considered employees of a franchisor for any purpose unless the franchisor exercises direct and immediate control over the hiring, termination, discipline, and direction of the employees of a franchisee.

This bill is the same as SB 94 (2021) and SB 738 (2020).

PROPONENTS: Supporters say that the bill will better define the difference between franchisee and franchisor when dealing with lawsuits.

Testifying for the bill were Representative Schroer; Missouri Chamber of Commerce; National Federation of Independent Business (NFIB); Missouri Hotel Lodging Association; and the United States Chamber Of Commerce.

OPPONENTS: Those who oppose the bill say that the bill seeks to remove large franchisors from the obligations and responsibilities they have incurred in those laboring in service of their franchise. The bill limits remedies for employees who have been damaged while faithfully working for a franchise.

Testifying against the bill were Arnie C. Dienoff and Missouri AFL-CIO.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.