HB 517 2008

A bill to be entitled

An act relating to franchises; creating s. 559.816, F.S.; providing definitions; requiring venue for certain actions brought by franchisors against franchisees in this state to be in this state; prohibiting contrary provisions in certain agreements entered into or renewed after a specified date; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 559.816, Florida Statutes, is created to read:

559.816 Actions between franchisors and franchisees.--

- (1) For purposes of this section, the term:
- (a) "Franchise" means any continuing commercial relationship or arrangement in which the terms of the offer or contract specify, or the franchise seller promises or represents, orally or in writing, that:
- 1. The franchisee will obtain the right to operate a business that is identified or associated with the franchisor's trademark or to offer, sell, or distribute goods, services, or commodities that are identified or associated with the franchisor's trademark;
- 2. The franchisor will exert or has authority to exert a significant degree of control over the franchisee's method of operation or provide significant assistance in the franchisee's method of operation; and

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3. The franchisee makes a required payment or commits to make a required payment to the franchisor or its affiliate as a condition of obtaining or commencing operation of the franchise.

(b) "Franchisee" means a person who is granted a franchise.

- (c) "Franchisor" means any person who grants a franchise.
- (2) Notwithstanding any other provision of law, in any action brought by a franchisor against a franchisee who is in this state concerning the franchise agreement or otherwise relating to the franchise, venue for such action shall be in this state. Any provision of a franchise agreement or other agreement between a franchisor and franchisee concerning the franchise that is entered into or renewed on or after July 1, 2008, to the contrary shall be void and unenforceable to the extent that it contradicts the requirements of this section.
  - Section 2. This act shall take effect July 1, 2008.