



826202

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/05/2017	.	
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The Committee on Regulated Industries (Latvala) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Section 686.101, Florida Statutes, is created to  
read:

686.101 Short title.—Sections 686.101–686.113 may be cited  
as the “Protect Florida Small Business Act.”

Section 2. Section 686.102, Florida Statutes, is created to  
read:



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11 686.102 Legislative findings and intent; construction.-

12 (1) The Legislature finds that the welfare of franchisees,  
13 including the success and failure of their franchise businesses,  
14 greatly affects the general economy of this state, the public  
15 interest, and the public welfare. The intent of the Legislature  
16 is to promote fair business relations between franchisees and  
17 franchisors and to protect franchisees against unfair treatment  
18 by franchisors. Therefore, it is necessary to regulate the  
19 conduct of franchisors and their representatives in order to  
20 prevent fraud, unfair business practices, unfair methods of  
21 competition, impositions, and other abuses upon franchisees in  
22 this state.

23 (2) In order to promote the intention and policies in this  
24 section, the provisions of this act shall be liberally  
25 construed.

26 Section 3. Section 686.103, Florida Statutes, is created to  
27 read:

28 686.103 Definitions.—As used in this act, the term:

29 (1) "Affiliate" means a person controlling, controlled by,  
30 or under common control with another person or, in the case of a  
31 business entity, such entity's officer, director, or other  
32 person in control of the activities of such entity.

33 (2) "Area franchise" means a contract or agreement,  
34 expressed or implied, written or oral, regardless of whether the  
35 contract or agreement is designated as a franchise, permit,  
36 license, resolution, contract, certificate, agreement, or  
37 otherwise, between a franchisor and another person through which  
38 that person is granted the right, for consideration in whole or  
39 in part:



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40 (a) To sell or negotiate the sale of a franchise in the  
41 name or on behalf of the franchisor; or

42 (b) To become an area developer and develop a franchise for  
43 the benefit of that person or that person's affiliates.

44 (3) "Area franchisee" means the owner of an area franchise.

45 (4) (a) "Franchise" or "franchise agreement" means a  
46 contract or agreement, expressed or implied, written or oral,  
47 regardless of whether the contract or agreement is designated as  
48 a franchise, permit, license, resolution, contract, certificate,  
49 agreement, or otherwise, for a definite or indefinite time,  
50 between two or more persons by which:

51 1. A franchisee is granted the right to engage in the  
52 business of offering, selling, or distributing goods or services  
53 under a marketing plan or system prescribed in substantial part  
54 by a franchisor;

55 2. The operation of the franchise business pursuant to that  
56 marketing plan or system is substantially associated with the  
57 franchisor's trademark, service mark, trade name, logotype,  
58 advertising, or other commercial symbol designating the  
59 franchisor or its affiliate; and

60 3. The franchisee is required to pay, directly or  
61 indirectly, a franchise fee.

62 (b) The term "franchise" or "franchise agreement" includes  
63 an area franchise.

64 (c) The term "franchise" or "franchise agreement" does not  
65 include any of the following:

66 1. A franchise governed by the Agricultural Equipment  
67 Manufacturers and Dealers Act.

68 2. Any activity governed by ss. 686.501-686.506.



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69           3. A franchise governed by the Outdoor Power Equipment  
70 Manufacturers, Distributors, Wholesalers, and Servicing Dealers  
71 Act.

72           4. A motor vehicle franchise or agreement governed by ss.  
73 320.3201-320.3211 or ss. 320.60-320.70.

74           5. A business relationship between a beer distributor and a  
75 manufacturer governed by s. 563.022.

76           6. A professional sports franchise as described in s.  
77 288.11625(2) (c).

78           (5) "Franchise business" means a business unit that is  
79 owned or operated by a franchisee and that is subject to a  
80 marketing plan or system prescribed by the franchise.

81           (6) "Franchise fee" means a fee or charge greater than \$100  
82 annually which a franchisee is required to pay or agrees to pay,  
83 directly or indirectly, to the franchisor for the right to enter  
84 into or continue a franchise, including, but not limited to, a  
85 payment for goods or services. However, a fee or charge that a  
86 franchisee pays or agrees to pay the franchisor for goods at a  
87 bona fide wholesale price if no obligation is imposed upon the  
88 franchisee to purchase or pay for a quantity of goods in excess  
89 of that which a reasonable person normally would purchase by way  
90 of a starting inventory or supply or to maintain an ongoing  
91 inventory or supply is not considered a franchise fee.

92           (7) "Franchisee" means a person to whom a franchise is  
93 offered or granted.

94           (8) "Franchisor" means a person who grants a franchise to a  
95 franchisee.

96           (9) "Fraud" means and includes actual fraud or constructive  
97 fraud as normally defined, in addition to the following:



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98           (a) A misrepresentation in any manner, whether  
99 intentionally false or arising from negligence, of a material  
100 fact.

101           (b) A promise or representation not made honestly and in  
102 good faith.

103           (c) An intentional failure to disclose a material fact.

104           (d) Any artifice employed to deceive another.

105           (10) "Person" means a natural person, corporation, limited  
106 liability company, association, partnership, trust, or other  
107 business entity and, in the case of a business entity, includes  
108 any other affiliate of such entity.

109           (11) "Sale" means and includes the issuance, transfer,  
110 agreement for transfer, exchange, pledge, hypothecation, or  
111 mortgage in any manner or form, whether by transfer in trust or  
112 otherwise, of any goods or interest therein, or of any franchise  
113 related thereto, for a consideration, and any option,  
114 subscription or other contract, or solicitation, looking to a  
115 sale, or offer or attempt to sell in any form, whether in  
116 written or oral form, for a consideration.

117           Section 4. Section 686.104, Florida Statutes, is created to  
118 read:

119           686.104 Termination or nonrenewal.—

120           (1) Except as otherwise provided in this act, a franchisor  
121 may not terminate or refuse to renew a franchise except for good  
122 cause. The termination or nonrenewal of a franchise without good  
123 cause constitutes an unfair termination. Except as provided in  
124 subsection (2), good cause is limited to the failure of the  
125 franchisee to substantially comply with the reasonable and  
126 material requirements imposed upon the franchisee by the



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127 franchise agreement after being given notice at least 90 days in  
128 advance of the termination and a reasonable opportunity, which  
129 may not be less than 60 days after the date of the notice of  
130 noncompliance, to cure the failure. If the franchisee cures the  
131 failure within the time given to cure, the termination notice is  
132 void.

133 (2) A franchisor may give to a franchisee an immediate  
134 notice of termination without an opportunity to cure if, during  
135 the period in which the franchise is in effect, any one of the  
136 following events relevant to the franchise occurs:

137 (a) The franchisee has been judicially determined to be  
138 insolvent, has had all or a substantial part of its assets  
139 assigned to or for the benefit of any creditor, or has admitted  
140 its inability to pay its debts as they come due.

141 (b) The franchisee abandons, by failing to operate, the  
142 franchise business for 10 consecutive days during which, under  
143 the terms of the franchise, the franchisee is required to  
144 operate the franchise business unless such failure to operate is  
145 due to an act of God; a work stoppage; a strike or labor  
146 difficulty; a fire, flood, hurricane, or sinkhole; or other  
147 causes beyond the franchisee's control.

148 (c) The franchisor and franchisee, within 30 days after  
149 termination or nonrenewal, agree in writing to terminate the  
150 franchise.

151 (d) The franchisee fails, for a period of 10 days after a  
152 notice of noncompliance, to comply with any federal, state, or  
153 local law or regulation, including, but not limited to, any  
154 health, safety, building, and labor law or regulation applicable  
155 to the operation of the franchise.



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156 (e) A levy of execution has been made on the license  
157 granted by the franchise or on a property used in the franchise  
158 business and is not discharged within 5 days after such levy.

159 (f) The franchisee is convicted of a felony that  
160 significantly, directly, and adversely affects the operation of  
161 the franchise business.

162 (g) The franchisor makes a reasonable determination that  
163 continued operation of the franchise business by the franchisee  
164 will result in imminent and substantial danger to public health  
165 or safety.

166 Section 5. Section 686.105, Florida Statutes, is created to  
167 read:

168 686.105 Expiration.—

169 (1) A franchise agreement, regardless of its stated term of  
170 years, is deemed to be continuing unless the franchisor has  
171 complied with subsections (2) and (3).

172 (2) A franchisor must provide written notice to the  
173 franchisee of the franchisor's intent not to extend the  
174 agreement beyond its expiration date at least 180 days before  
175 the expiration date unless:

176 (a) Termination of the franchise agreement is authorized  
177 under s. 686.104;

178 (b) The franchisor and franchisee agree, before the  
179 agreement's expiration, in writing not to extend the franchise;  
180 or

181 (c) The franchisor completely withdraws from directly or  
182 indirectly distributing its products or services in the  
183 geographic market then being served by the franchisee.

184 (3) The franchisor may permit the franchise agreement to



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185 expire if the franchisor provides written notice 180 days before  
186 the agreement's expiration, the franchisor agrees not to enforce  
187 any covenant against the franchisee not to compete with the  
188 franchisor or with other franchisees of the franchisor, and the  
189 nonrenewal of the franchise is not for the purpose of converting  
190 the franchise business to operation by an affiliate, employee,  
191 or agent of the franchisor.

192 (4) As a condition of an extension of the franchise  
193 agreement, the franchisor may require that the franchisee meet  
194 the reasonable qualifications for new franchisees existing at  
195 the time of extension and that the franchisee execute a new  
196 franchise agreement incorporating terms and fees existing for  
197 new franchises at the time of extension.

198 Section 6. Section 686.106, Florida Statutes, is created to  
199 read:

200 686.106 Sales, transfers, and assignments.-

201 (1) A franchisor may not deny the surviving spouse, heir,  
202 or estate of a deceased franchisee or of the person controlling  
203 a majority interest in the franchisee the opportunity to  
204 participate in the ownership of the franchise or franchise  
205 business under a valid franchise agreement for at least 180 days  
206 after the death of the franchisee or person controlling a  
207 majority interest in the franchisee. During that time, the  
208 surviving spouse, heir, or estate of the deceased must either  
209 meet all of the existing reasonable qualifications for a  
210 purchaser of a franchise or must sell, transfer, or assign the  
211 franchise to a person who meets the franchisor's existing  
212 reasonable qualifications for new franchisees. The rights  
213 granted to the surviving spouse, heir, or estate under this





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214 section are granted subject to the surviving spouse, heir, or  
215 estate of the deceased maintaining all standards and obligations  
216 of the franchise.

217 (2) (a) A franchisee may sell, transfer, or assign a  
218 franchise, all or substantially all of the assets of the  
219 franchise business, or an interest in the franchisee with the  
220 prior written consent of the franchisor. The franchisor's  
221 consent may not be withheld unless the purchaser, transferee, or  
222 assignee does not meet the qualifications for new or renewing  
223 franchisees described in paragraph (b) or the franchisee and the  
224 purchaser, transferee, or assignee fail to comply with other  
225 reasonable transfer conditions specified in the franchise  
226 agreement.

227 (b) A franchisor may not prevent a franchisee from selling,  
228 transferring, or assigning a franchise, all or substantially all  
229 of the assets of the franchise business, or an interest in the  
230 franchisee to another person if the other person meets the  
231 franchisor's reasonable qualifications for the approval of new  
232 or renewing franchises in effect at the time the franchisor  
233 receives notice of the proposed sale, transfer, or assignment.

234 (3) (a) To invoke the protections under this section, a  
235 franchisee must, before the sale, transfer, or assignment of a  
236 franchise, all or substantially all of the assets of the  
237 franchise business, or an interest in the franchisee, notify the  
238 franchisor in writing of the franchisee's intent to sell,  
239 transfer, or assign.

240 (b) The franchisor shall, within 60 days after receipt of  
241 all of the written notice or any shorter period required by the  
242 franchise agreement, notify the franchisee of the approval or



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243 disapproval of the proposed sale, transfer, or assignment. If  
244 the proposed sale, transfer, or assignment is disapproved, the  
245 franchisor must include in the notice of disapproval a statement  
246 specifying the reasons for the disapproval. A proposed sale,  
247 transfer, or assignment is deemed approved unless disapproved by  
248 the franchisor in the manner provided in this paragraph.

249 (4) This section does not prohibit a franchisor from  
250 exercising the contractual right of first refusal to purchase a  
251 franchise, all or substantially all of the assets of a franchise  
252 business, or an interest in a franchisee after receipt of a bona  
253 fide offer from a proposed seller to purchase the franchise,  
254 assets, or interest. A franchisor exercising the contractual  
255 right of first refusal shall offer the seller payment at least  
256 equal to the value offered in the bona fide offer.

257 Section 7. Section 686.107, Florida Statutes, is created to  
258 read:

259 686.107 Repurchase of inventory upon termination,  
260 nonrenewal, or expiration of a franchise agreement.-

261 (1) (a) A franchisee must have the opportunity to monetize  
262 any equity that the franchisee may have developed in the  
263 franchise business before the termination, nonrenewal, or  
264 expiration of the franchise agreement. Equity in the  
265 franchisor's intellectual property is not transferred to the  
266 franchisee, however. Therefore, upon termination, nonrenewal, or  
267 expiration of a franchise agreement, a franchisor must, if the  
268 franchisee requests it, repurchase at fair market value the  
269 inventory, supplies, goods, fixtures, equipment, and furnishings  
270 of the franchise business. The franchisor must also either  
271 purchase the goodwill of the franchise business or waive any and



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272 all noncompete obligations of the franchisee so that the  
273 franchisee may, at its option, continue in business.

274 (b) This section does not apply if the franchisee declines  
275 a bona fide offer of renewal from the franchisor which is  
276 consistent with s. 686.105 and the franchise agreement between  
277 the franchisor and franchisee.

278 (c) This section does not apply if the franchisor and  
279 franchisee agree in writing within 30 days of the termination,  
280 nonrenewal, or expiration of the franchise to terminate or not  
281 renew the franchise, or to allow the franchise to expire.

282 (d) This section does not apply to inventory, supplies,  
283 goods, fixtures, equipment, or furnishings sold by the  
284 franchisee between the date of the notice of termination,  
285 nonrenewal, or expiration and the date the franchisee ceases to  
286 operate the franchise business pursuant to a termination,  
287 nonrenewal, or expiration.

288 (2) If a franchisor fails or refuses to repurchase any  
289 inventory, supplies, goods, fixtures, equipment, good will, or  
290 furnishings required to be repurchased under subsection (1)  
291 within 60 days after the termination, nonrenewal, or expiration  
292 of a franchise, the franchisor is civilly liable for the entire  
293 value of the inventory, supplies, goods, fixtures, equipment,  
294 good will, and furnishings required to be repurchased under  
295 subsection (1), plus the franchisee's reasonable attorney fees,  
296 court costs, and interest on the inventory, supplies, goods,  
297 fixtures, equipment, good will, and furnishings computed at the  
298 legal interest rate provided in s. 687.01 from the 61st day  
299 after termination.

300 Section 8. Section 686.108, Florida Statutes, is created to



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301 read:

302 686.108 Rights and prohibitions.—The following rights and  
303 prohibitions govern the relations between a franchisor or  
304 subfranchisor and its franchisee:

305 (1) The parties shall deal with each other in good faith  
306 and in a commercially reasonable manner.

307 (2) A person may not, during the selling or establishing of  
308 a franchise, intentionally misrepresent or fail to disclose:

309 (a) The prospects or chances for success of the proposed or  
310 existing franchise;

311 (b) The known required total investment for such franchise;  
312 or

313 (c) Any effort to sell or establish more franchises than is  
314 reasonable to expect the market or market area for the  
315 particular franchise to sustain.

316 (3) It is prohibited and deemed an unfair and deceptive act  
317 or practice, or an unfair method of competition, and a violation  
318 of this section for a franchisor or subfranchisor, or an  
319 officer, agent, employee, or other representative thereof to  
320 directly or indirectly:

321 (a) Terminate or fail to renew a franchise agreement in  
322 violation of this act;

323 (b) Allow a franchise agreement to expire without complying  
324 with this act;

325 (c) Fail to repurchase inventory, supplies, goods,  
326 fixtures, equipment, good will, and furnishings in violation of  
327 s. 686.107;

328 (d) Prevent a sale, transfer, or assignment of a franchise  
329 in violation of s. 686.106;



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- 330 (e) Violate the Florida Deceptive and Unfair Trade  
331 Practices Act in connection with its business as a franchisor,  
332 or an officer, agent, or other representative thereof;
- 333 (f) Resort to or use false or misleading advertising in  
334 connection with its business as a franchisor, or an officer,  
335 agent, or other representative thereof;
- 336 (g) Without prior written disclosure to a franchisee,  
337 obtain vendor rebates, kickbacks, or other similar payments from  
338 another person with whom the franchisee does business or employs  
339 on account of or in relation to the transactions between the  
340 franchisee, the franchisor, and the other person;
- 341 (h) Require a franchisee to assent to a release,  
342 assignment, novation, waiver, or estoppel that would relieve any  
343 person from liability imposed under this act, including, but not  
344 limited to, through the use of a disclaimer or checklist  
345 designed to avoid a protection under this act;
- 346 (i) Require a franchisee to assent to the use of a choice  
347 of law provision by selecting a different state's law to govern  
348 the relationship of the parties;
- 349 (j) Restrict or inhibit, directly or indirectly, the right  
350 of a franchisee to join a franchisee association or the free  
351 association for any lawful purpose among franchisees;
- 352 (k) Impose upon a franchisee, by contract or rule, written  
353 or oral, any unreasonable standard of conduct; or
- 354 (l) Require a franchisee to waive its rights to a jury  
355 trial or waive any procedure or remedy otherwise available in  
356 this state, however, a binding arbitration clause is enforceable  
357 if it complies with s. 686.111.
- 358 (4) A person who executes or carries out a scheme, plan, or



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359 organization that violates any provision of this section, if  
360 knowledge or intent is proved, commits a misdemeanor of the  
361 second degree, punishable as provided in ss. 775.082 and  
362 775.083.

363 (5) A person who shows in a civil court of law a violation  
364 of this section is entitled to the remedies in s. 686.112.

365 (6) The Department of Legal Affairs, by itself or jointly  
366 with the Department of Agriculture and Consumer Services, may  
367 sue on behalf of the people of this state for injunctive relief  
368 against any franchisor plan or activity that is in violation of  
369 this act.

370 Section 9. Section 686.109, Florida Statutes, is created to  
371 read:

372 686.109 Unenforceable franchise agreement or other contract  
373 or part thereof.—A franchise agreement or other contract, a part  
374 thereof, or practice thereunder which is in violation of any  
375 provision of this act is deemed against public policy and is  
376 void and unenforceable. An aggrieved party at its option may  
377 choose to seek to void only the portion of the agreement that is  
378 unenforceable and continue to enforce the remainder of the  
379 agreement.

380 Section 10. Section 686.110, Florida Statutes, is created  
381 to read:

382 686.110 Venue; choice of law.—

383 (1) A provision in a franchise agreement restricting the  
384 venue to a forum outside of this state or selecting the law of  
385 any other state or jurisdiction other than Florida is void with  
386 respect to any claim arising under or relating to a franchise  
387 agreement involving a franchisee that was, at the time of



388 signing, a resident of this state or a business entity  
389 established in this state or involving a franchise business  
390 either operating or planning to be operated in this state.

391 (2) An agreement between a franchisor based in this state  
392 and a franchisee that was not, at the time of signing, a  
393 resident of this state or a business entity established in this  
394 state or involving a franchise business either operating or  
395 planning to be operated in this state is not subject to this  
396 act, regardless of whether the franchise agreement contains a  
397 choice of law provision selecting this state.

398 Section 11. Section 686.111, Florida Statutes, is created  
399 to read:

400 686.111 Arbitration.—This act does not limit the right of a  
401 franchisor and franchisee to agree, before or after a dispute  
402 arises, to binding arbitration to settle a claim under this act  
403 if:

404 (1) The standards applied and the remedies available in the  
405 arbitration are not less than the requirements specified in this  
406 act; and

407 (2) Each arbitrator employed is chosen from a list of  
408 impartial arbitrators provided by the American Arbitration  
409 Association or is any other impartial person.

410 Section 12. Section 686.112, Florida Statutes, is created  
411 to read:

412 686.112 Remedies.—

413 (1) If a franchisor terminates, fails to renew, or allows a  
414 franchise to expire in violation of this act, the franchisee is  
415 entitled to receive from the franchisor the fair market value of  
416 the franchise business and franchise assets in addition to any



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417 other damage caused by the violation.

418 (2) In addition to any relief specified in this act, any  
419 person aggrieved or injured in his or her business or property  
420 by any violation of this act may bring an action in the  
421 appropriate state or federal court of this state and shall  
422 recover the damages sustained and the costs of such action,  
423 including reasonable attorney fees.

424 (3) Without regard and in addition to any other remedy or  
425 relief to which a person is entitled, any person aggrieved by a  
426 violation of this act may bring an action to obtain a  
427 declaratory judgment stating that an action or a practice  
428 violates these sections and may obtain injunctive relief  
429 enjoining a franchisor that has violated, is violating, or is  
430 otherwise likely to violate these sections from committing the  
431 violation.

432 (4) In an action for monetary damages, if a judge or jury  
433 finds that the franchisor acted maliciously, the judge or jury  
434 may award punitive damages as authorized by state law.

435 (5) The Department of Legal Affairs or the state attorney  
436 may bring an action for injunctive relief or other appropriate  
437 civil relief for a violation of this act if the violation occurs  
438 in the judicial circuit of the department or the state attorney,  
439 respectively.

440 (6) The remedies provided in this section are in addition  
441 to any other remedies provided by law or in equity, including,  
442 but not limited to, the Florida Deceptive and Unfair Trade  
443 Practices Act.

444 Section 13. Section 686.113, Florida Statutes, is created  
445 to read:





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446           686.113 Applicability.-  
447           (1) Any person or franchisor who engages directly or  
448 indirectly in an agreement or contract within this state in  
449 connection with a franchise, or any franchise whose franchisee  
450 is a resident of this state or is domiciled in this state or  
451 whose franchise business is, has been, or is intended to be  
452 operated in this state, is subject to this act and to the  
453 jurisdiction of the courts of this state, in accordance with the  
454 laws of this state, for violations of this act.  
455           (2) This act applies to:  
456           (a) Any written or oral agreement between a franchisor and  
457 a franchisee, including, but not limited to, a franchise  
458 offering; a franchise agreement; a sale of goods, services, and  
459 advertising; a lease or mortgage of real or personal property; a  
460 promise to pay; a security interest; a pledge; an insurance  
461 contract; an advertising contract; a construction or  
462 installation contract; a servicing contract; and any other  
463 agreement in which the franchisor has a direct or indirect  
464 interest;  
465           (b) Any franchise entered into, renewed, amended, or  
466 revised after the effective date of this act;  
467           (c) Any existing franchise of an indefinite duration which  
468 may be terminated by the franchisee or franchisor without cause;  
469 and  
470           (d) Any existing franchise entered into before the  
471 effective date of this act, only to the extent that this act  
472 does not significantly impair the existing contract rights  
473 between the parties.  
474           (3) This act is supplemental to, and does not preempt,



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475 local ordinances dealing with prohibited or unlawful conduct in  
476 the manufacturing, distribution, wholesaling, advertising, or  
477 sale of goods if such ordinances are not inconsistent with this  
478 act.

479 (4) This act supersedes s. 817.416 with respect to any  
480 franchisee that signs a franchise agreement on or after the  
481 effective date of this act. Section 817.416 continues to govern  
482 the claims of all franchisees that signed franchise agreements  
483 or were victims of fraud perpetrated before the effective date  
484 of this act, as well as distributors and any other entities,  
485 past, present, or future, which would be covered by s. 817.416,  
486 but not by this act.

487 Section 14. Subsection (5) is added to section 817.416,  
488 Florida Statutes, to read:

489 817.416 Franchises and distributorships;  
490 misrepresentations.—

491 (5) APPLICABILITY.—This section does not apply to a  
492 franchise entered into, renewed, amended, or revised on or after  
493 the effective date of this act. A franchise entered into,  
494 renewed, amended, or revised on or after the effective date of  
495 this act is subject to ss. 686.101-686.113.

496 Section 15. The Division of Law Revision and Information is  
497 directed to replace the phrase "the effective date of this act"  
498 wherever it occurs in this act with the date the act becomes a  
499 law.

500 Section 16. This act shall take effect upon becoming a law.

501  
502 ===== T I T L E A M E N D M E N T =====

503 And the title is amended as follows:



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504 Delete everything before the enacting clause  
505 and insert:

506 A bill to be entitled  
507 An act relating to franchises; creating s. 686.101,  
508 F.S.; providing a short title; creating s. 686.102,  
509 F.S.; providing legislative findings and intent;  
510 providing construction; creating s. 686.103, F.S.;  
511 providing definitions; creating s. 686.104, F.S.;  
512 prohibiting a franchisor from terminating or not  
513 renewing a franchise except under certain  
514 circumstances; providing limitations on what  
515 constitutes good cause; providing that immediate  
516 notice of termination of a franchise for specified  
517 reasons under certain circumstances is reasonable;  
518 creating s. 686.105, F.S.; providing that a franchise  
519 is deemed to be continuing under certain  
520 circumstances; prohibiting a franchisor from allowing  
521 a franchise to expire unless specified criteria have  
522 been met; authorizing a franchisor to require a  
523 franchisee to meet specified requirements; requiring a  
524 franchise and other related agreements to continue in  
525 effect under certain circumstances; creating s.  
526 686.106, F.S.; prohibiting a franchisor from denying  
527 certain persons the opportunity to participate in the  
528 ownership of a franchise for a specified period after  
529 the death of the franchisee or the person controlling  
530 a majority interest; requiring specified persons to  
531 meet certain requirements or to sell, transfer, or  
532 assign the franchise after the death of the franchisee



533 or the person controlling a majority interest;  
534 authorizing a franchisee to sell, transfer, or assign  
535 a franchise, specified assets, or an interest in the  
536 franchisee under certain circumstances; prohibiting a  
537 franchisor from preventing a franchisee from selling  
538 or transferring a franchise, assets of the franchise  
539 business, or an interest in the franchisee under  
540 certain circumstances; requiring the franchisor to  
541 make available and to apply specified requirements for  
542 the approval of new or renewing franchises under  
543 certain circumstances; requiring a franchisee to  
544 notify a franchisor of certain intent; providing  
545 notice requirements; providing application  
546 requirements for the proposed purchaser, transferee,  
547 or assignee of a franchise, certain assets, or an  
548 interest in the franchisee under certain  
549 circumstances; requiring a franchisor to notify a  
550 franchisee of the approval status of a proposed sale,  
551 assignment, or transfer within a specified timeframe;  
552 providing notice requirements; providing that certain  
553 provisions do not prohibit a franchisor from  
554 exercising a contractual right of first refusal under  
555 certain circumstances; creating s. 686.107, F.S.;  
556 providing that a franchisee must have the opportunity  
557 to monetize certain equity from the franchise business  
558 under certain circumstances; requiring the repurchase  
559 by a franchisor of certain inventory, supplies, goods,  
560 fixtures, equipment, good will, and furnishings upon  
561 termination, nonrenewal, or expiration of a franchise



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562 subject to certain requirements; providing  
563 applicability; providing that a franchisor is civilly  
564 liable for failing or refusing to repurchase certain  
565 inventory, supplies, goods, fixtures, equipment, good  
566 will, and furnishings under specified requirements  
567 upon termination, nonrenewal, or expiration of a  
568 franchise; creating s. 686.108, F.S.; requiring a  
569 franchisor or subfranchisor and a franchisee to deal  
570 with each other in good faith; prohibiting a person  
571 from intentionally misrepresenting or failing to  
572 disclose specified information; providing that certain  
573 actions are deemed unfair and deceptive; providing  
574 that it is a violation of certain provisions for a  
575 franchisor and subfranchisor to restrict or inhibit  
576 specified rights of franchisees; providing that  
577 certain violations constitute a misdemeanor of the  
578 second degree; providing penalties; providing that a  
579 person may be awarded certain damages, attorney fees,  
580 and other costs under specified circumstances;  
581 authorizing the Department of Legal Affairs by itself  
582 or jointly with the Department of Agriculture and  
583 Consumer Services to sue a franchisor on behalf of  
584 certain persons for specified violations; creating s.  
585 686.109, F.S.; providing that a contract or franchise  
586 agreement is void and unenforceable under certain  
587 circumstances; creating s. 686.110, F.S.; providing  
588 that provisions in a franchise agreement which  
589 restrict venue or choice of law are void under certain  
590 circumstances; creating s. 686.111, F.S.; providing



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591 that the rights of a franchisor and franchisee to  
592 agree to binding arbitration are not limited under  
593 certain circumstances; creating s. 686.112, F.S.;  
594 providing remedies for a franchisee or an aggrieved or  
595 injured person under certain circumstances;  
596 authorizing punitive damages under certain  
597 circumstances; authorizing the Department of Legal  
598 Affairs or the state attorney to bring an action for  
599 injunctive relief or other civil relief under certain  
600 circumstances; clarifying that specified remedies are  
601 in addition to existing remedies; creating s. 686.113  
602 F.S.; providing applicability; amending s. 817.416,  
603 F.S.; providing applicability; providing a directive  
604 to the Division of Law Revision and Information;  
605 providing an effective date.