

SS SB 38 -- JOINT EMPLOYERS

SPONSOR: Onder (Schroer)

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Judiciary by a vote of 9 to 5.

This bill specifies that neither a franchisee nor a franchisee's employees will 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 franchise.

This bill is similar to HB 300 (2019).

PROPOSERS: Supporters say that franchisees are usually small business owners, whereas franchisors are usually large companies with a lot of money. The "direct and immediate control" standard is the standard that falls under Missouri law. This would provide a lot of predictability for franchise owners. There are labor implications at the state level that need to be addressed and that is what this bill does.

Testifying for the bill were Senator Onder; National Federation of Independent Business; and Missouri Chamber of Commerce and Industry.

OPPONENTS: There was no opposition voiced to the committee.