

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 521

By: Gollihare

AS INTRODUCED

An Act relating to franchises; amending 59 O.S. 2021, Section 6005, which relates to employer and employee relationships; modifying definition; updating statutory reference; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 59 O.S. 2021, Section 6005, is amended to read as follows:

Section 6005. A. For purposes of this ~~act~~ section:

1. "Franchisor" means any person who grants a franchise and participates in the franchise relationship. Unless otherwise stated, it includes subfranchisors. For purposes of this definition, a "subfranchisor" means a person who functions as a franchisor by engaging in both pre-sale activities and post-sale performance;

2. "Franchisee" means any person who is granted a franchise; and

3. "Franchise" means any continuing commercial relationship or arrangement, ~~whatever it may be called,~~ in which the terms of the

1 offer or contract specify, ~~or the franchise seller promises or~~  
2 ~~represents, orally or in writing,~~ that:

3 a. the franchisee will obtain the right to operate a  
4 business that is identified or associated with the  
5 franchisor's trademark, or to offer, sell or  
6 distribute goods, services or commodities that are  
7 identified or associated with the franchisor's  
8 trademark,

9 b. the franchisor will exert or has authority to exert a  
10 significant degree of control over the franchisee's  
11 method of operation, or provide significant assistance  
12 in the franchisee's method of operation, and

13 c. as a condition of obtaining or commencing operation of  
14 the franchise, the franchisee makes a required payment  
15 or commits to make a required payment to the  
16 franchisor or its affiliate.

17 B. A franchisor shall not be considered the employer of a  
18 franchisee or a franchisee's employees.

19 C. The employees of a franchisee shall not be considered  
20 employees of the franchisor; neither shall the employees of a  
21 franchisor be considered employees of a franchisee.

22 SECTION 2. This act shall become effective November 1, 2025.

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