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## **California Senate To Consider Franchising Bill**

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The Senate Judiciary Committee of California is scheduled to consider a franchising bill at a hearing scheduled for Tuesday, April 16, 2013, at 1:30 p.m. If passed by California's legislature (the State Assembly and Senate), <u>SB 610 would amend the California Franchise Relations Act</u> ("CFRA") as follows:

- The parties to a franchise relationship would be required to deal with one another in good faith (essentially, making the implied covenant of good faith and fair dealing an express statutory requirement); and
- Franchisors (or subfranchisors) would be prohibited from restricting a franchisee from joining or participating in an association of franchisees.

SB 610 would also amend the CFRA by permitting a franchisee to sue a franchisor or subfranchisor who violates the CFRA for damages, rescission, or other relief deemed appropriate by a court. Moreover, SB 610 would authorize a court in its discretion to award treble (3 times) damages to the suing franchisee, as well as reasonable costs and attorney's fees.

For more information about SB 610 and a copy of the full text of the bill, visit <a href="www.leginfo.ca.gov">www.leginfo.ca.gov</a>. A live audio / video feed may be available during the hearing at <a href="http://www.calchannel.com/">http://www.calchannel.com/</a>.

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