



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2015 Wisconsin Act 203
[2015 Senate Bill 422]

**Exclusion of Franchisors as
Employers Under State
Employment Laws**

2015 Wisconsin Act 203 excludes a franchisor from classification as the employer of a franchisee or of an employee of a franchisee for purposes of certain state laws relating to employment (worker's compensation, unemployment insurance, employment discrimination, minimum wage, and wage payments). Generally, under the Act, a franchisor may be considered the employer of a franchisee or of an employee of a franchisee under the above laws only if one of the following is satisfied:

- The franchisor has agreed in writing to assume the role of employer.
- The Department of Workforce Development, in administering the particular employment law, has found the franchisor to exercise a type or degree of control over the franchisee or the franchisee's employees that is not customarily exercised by a franchisor for the purpose of protecting the franchisor's trademarks and brand.

Effective date: March 3, 2016. The Act initially applies to work performed on the effective date of the Act.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.