

HOUSE BILL 264

C2

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By: Delegates B. Robinson, A. Washington, Glenn, Anderson, Angel, Atterbeary, D. Barnes, Barron, Branch, Brooks, Carr, Carter, Conaway, Davis, Fennell, Gaines, Hayes, Haynes, Hill, Holmes, C. Howard, Jackson, Jones, Knotts, McCray, Moon, Oaks, Patterson, Pena–Melynk, Proctor, Sample–Hughes, Smith, Sydnor, Tarlau, Turner, Vaughn, Walker, M. Washington, and C. Wilson

Introduced and read first time: January 25, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Study Group to Investigate Discriminatory Practices Against Minority**
3 **Franchisees**

4 FOR the purpose of establishing the Study Group to Investigate Discriminatory Practices
5 Against Minority Franchisees; providing for the composition, chair, and staffing of
6 the Study Group; prohibiting a member of the Study Group from receiving certain
7 compensation, but authorizing the reimbursement of certain expenses; requiring the
8 Study Group to study and make recommendations regarding certain matters;
9 requiring the Study Group to report its findings and recommendations to the
10 Governor and the General Assembly on or before a certain date; providing for the
11 termination of this Act; and generally relating to the Study Group to Investigate
12 Discriminatory Practices Against Minority Franchisees.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That:

15 (a) In this section, “minority” means an individual of African American, Hispanic,
16 Native American, or Asian descent.

17 (b) There is a Study Group to Investigate Discriminatory Practices Against
18 Minority Franchisees.

19 (c) The Study Group consists of the following members:

20 (1) one member of the Senate of Maryland, appointed by the President of
21 the Senate;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) one member of the House of Delegates, appointed by the Speaker of the
2 House;

3 (3) two members of the Legislative Black Caucus, appointed by the Chair
4 of the Legislative Black Caucus;

5 (4) the Attorney General, or the Attorney General's designee;

6 (5) the Secretary of Labor, Licensing, and Regulation, or the Secretary's
7 designee; and

8 (6) three individuals with expertise in matters relating to the
9 franchisor–franchisee relationship in the State, appointed by the Governor.

10 (d) The Governor shall designate the chair of the Study Group.

11 (e) The Office of the Attorney General shall provide staff for the Study Group.

12 (f) A member of the Study Group:

13 (1) may not receive compensation as a member of the Study Group, but

14 (2) is entitled to reimbursement for expenses under the Standard State
15 Travel Regulations, as provided in the State budget.

16 (g) The Study Group shall:

17 (1) study reports of minority franchisee discrimination on the national
18 level;

19 (2) study the franchisor–franchisee relationship in the State and
20 investigate whether there is evidence or a pattern of discriminatory treatment of minority
21 franchisees by their respective franchisors;

22 (3) investigate incidents of franchise closings in the State to determine if
23 minority–owned franchises are shut down disproportionately as compared to
24 nonminority–owned franchises;

25 (4) conduct hearings as considered appropriate; and

26 (5) in the event a pattern of discriminatory practices in the State is found,
27 make recommendations regarding prevention, intervention, and enforcement strategies.

28 (h) On or before December 31, 2016, the Study Group shall report its findings and
29 recommendations to the Governor and, in accordance with § 2–1246 of the State
30 Government Article, the General Assembly.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2016. It shall remain effective for a period of 1 year and 1 month and, at the end of June
3 30, 2017, with no further action required by the General Assembly, this Act shall be
4 abrogated and of no further force and effect.