

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas *As Engrossed: H1/14/99 H2/5/99 H2/16/99 H3/22/99 H3/30/99*

2 82nd General Assembly

# A Bill

3 Regular Session, 1999

HOUSE BILL 1023

4

5 *By: Representatives Napper and Rodgers*

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## For An Act To Be Entitled

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*"AN ACT TO AMEND THE ARKANSAS FRANCHISE PRACTICES ACT;  
AND FOR OTHER PURPOSES. "*

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## Subtitle

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*"AN ACT TO AMEND THE ARKANSAS FRANCHISE  
PRACTICES ACT; AND FOR OTHER PURPOSES. "*

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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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20 SECTION 1. *Arkansas Code 4-72-202(1) is amended to read as follows:*

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*"(1) 'Franchise' means a written or oral agreement for a definite  
or indefinite period, in which a person grants to another person a license to  
use a trade name, trademark, service mark, or related characteristic within an  
exclusive or nonexclusive territory, or to sell or distribute goods or  
services within an exclusive or nonexclusive territory, at wholesale, retail,  
by lease agreement, or otherwise. However, a franchise is not created by a  
lease, license, or concession granted by a retailer to sell goods or furnish  
services on or from premises which are occupied by the retailer-grantor  
primarily for its own merchandising activities ~~and a franchise is not created  
by door-to-door sales complying with § 4-89-101, et seq."~~*

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SECTION 2. *Arkansas Code 4-72-203 is amended to read as follows:*

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*"4-72-203. Applicability of subchapter.*

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*This subchapter applies only to a franchise entered into, renewed, or  
transferred after March 4, 1977, the performance of which contemplates or  
requires the franchise to establish or maintain a place of business within the*

1 State of Arkansas. However, the provisions of this subchapter shall not apply  
2 to those business relations, actions, transactions, or franchises ~~subject to~~  
3 ~~the provisions of §§ 4-72-401 - 4-72-403 and §§ 4-72-501 - 4-72-503, or which~~  
4 ~~are subject to the Federal Trade Commission regulations 'Disclosure~~  
5 ~~Requirements and Prohibitions Concerning Franchising and Business Opportunity~~  
6 ~~Ventures', 16 C.F.R. 436.1 et seq. as defined by 26 USC § 3508(b)(2)(A)(ii)."~~  
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8 SECTION 3. All provisions of this Act of a general and permanent nature  
9 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
10 Revision Commission shall incorporate the same in the Code.  
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12 SECTION 4. If any provision of this Act or the application thereof to  
13 any person or circumstance is held invalid, such invalidity shall not affect  
14 other provisions or applications of the Act which can be given effect without  
15 the invalid provision or application, and to this end the provisions of this  
16 Act are declared to be severable.  
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18 SECTION 5. All laws and parts of laws in conflict with this Act are  
19 hereby repealed.  
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22 /s/ Napper, et al