

State Franchise Relationship Statutes: Transfer and Assignment Provisions

Consult local, state, and federal laws for current status and to ensure compliance with other applicable regulations and requirements. Please note the governing agreements must be complied with as well in relation to a franchise transfer or approval/disapproval of a requested transfer.

State	Citation	Franchisee Notice of Intended Transfer Required	Key Transfer Standard	Response Deadline For Approval or Disapproval	Written Reason Required for Disapproval?
Arkansas	Ark. Code Ann. § 4-72-205(b)–(c)	Yes, written notice of intent and transferee's name, address, financial qualification, experience for previous five years	Cannot unreasonably withhold approval	30 days ¹	Yes — character, financial ability, experience
California	Cal. Bus. & Prof. Code §§ 20028-20029	Yes, written notice of intent delivered by courier or certified mail and include: (1) proposed transferee's name and address; (2) a copy of all agreements related to the transfer, the assets of the franchise business, or the interest in the franchise business; and (3) proposed transferee's application for approval to become the successor franchisee.	Cannot unreasonably withhold approval	60 days	Yes
Hawaii	Haw. Rev. Stat. § 482E-6(2)(1)	Yes, written notice of proposed transfer	Good cause for disapproval (enumerated)	30 days	Yes
Iowa	Iowa Code § 523H.5	Yes, written notice of intent no less than 60 days before proposed transfer	Refusal cannot be arbitrary or capricious; transferee must meet reasonable qualifications	60 days	Yes; cannot require new FA
Michigan	Mich. Comp. Laws § 445.1527(g)	Not statutorily required	Good cause for disapproval (enumerated)	Not statutorily required	Not statutorily required
Minnesota	Minn. Stat. § 80C.14(5)	Not statutorily required	Cannot unreasonably withhold	Not statutorily required	Not statutorily required
Nebraska	Neb. Rev. Stat. § 87-405	Yes, written notice of intent and transferee's name, address, financial qualification, experience for previous five years	Cannot unreasonably withhold	60 days	Yes — character, financial ability, experience
New Jersey	N.J. Stat. Ann. § 56:10-6	Yes, written notice of intent and transferee's name, address, financial qualification, experience for previous five years	Can disapprove for material reasons relating to character, financial ability, experience	60 days	Yes — character, financial ability, experience

¹ For franchise agreements entered into, renewed, or transferred after March 4, 1977, but before August 1, 2023, the AFPA requires a response deadline of for notice of disapproval within 60 days. The AFPA was amended to shorten the response window to 30 days for agreements entered into from August 1, 2023 on.