

HB 0679

2004

1 A bill to be entitled
 2 An act relating to sales representative contracts
 3 involving commissions; amending s. 686.201, F.S.; revising
 4 definitions; providing for application to certain persons
 5 as well as businesses; including services as well as
 6 products; providing for application to retail as well as
 7 wholesale transactions; increasing damages under certain
 8 actions for compliance; providing an effective date.

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10 Be It Enacted by the Legislature of the State of Florida:

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12 Section 1. Section 686.201, Florida Statutes, is amended
 13 to read:

14 686.201 Sales representative contracts involving
 15 commissions; requirements; termination of agreement; civil
 16 remedies.--

17 (1) As used in this act, the term:

18 (a) "Commission" means compensation accruing to a sales
 19 representative for payment by a principal, the rate of which
 20 compensation is expressed as a percentage of the dollar amount
 21 of orders or sales.

22 (b) "Principal" means a person or business which ~~who does~~
 23 ~~not have a permanent or fixed place of business in this state~~
 24 ~~and who~~:

25 1. Manufactures, produces, imports, or distributes a
 26 product or service for wholesale, ~~except for fresh commodities.;~~

27 2. Contracts with a sales representative to solicit orders
 28 for the product or service.; ~~and~~

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29 3. Compensates the sales representative, in whole or in
30 part, by commission.

31 (c) "Sales representative" means a person or business
32 which ~~who~~ contracts with a principal to solicit ~~wholesale~~ orders
33 and who is compensated, in whole or in part, by commission, but
34 does not include a person or business which ~~who~~ places orders
35 for his or her own account for resale.

36 (2) When a principal contracts with a sales representative
37 to solicit ~~wholesale~~ orders within this state, the contract
38 shall be in writing and shall set forth the method by which the
39 commission is to be computed and paid. The principal shall
40 provide the sales representative with a signed copy of the
41 contract and shall obtain a signed receipt for the contract from
42 the sales representative.

43 (3)(a) When the contract between a sales representative
44 and a principal is terminated and the contract was not reduced
45 to writing, all commissions due shall be paid within 30 days
46 after ~~of~~ termination.

47 (b) In the event a principal fails to comply with the
48 provisions of paragraph (a), the sales representative has a
49 cause of action for damages equal to triple ~~double~~ the amount of
50 commission found to be due. The prevailing party in any such
51 action is entitled to an award of reasonable attorney's fees and
52 court costs.

53 Section 2. This act shall take effect upon becoming a law.