

CHAMBER ACTION

1 The Committee on Business Regulation recommends the following:

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3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to sales representative contracts
7 involving commissions; amending s. 686.201, F.S.; revising
8 definitions; providing for application to certain persons
9 as well as businesses; including services as well as
10 products; providing for application to retail as well as
11 wholesale transactions; increasing damages under certain
12 actions for compliance; specifying nonapplication to
13 certain licensed persons performing services within the
14 scope of their license; providing an effective date.

15
16 Be It Enacted by the Legislature of the State of Florida:

17
18 Section 1. Section 686.201, Florida Statutes, is amended
19 to read:

20 686.201 Sales representative contracts involving
21 commissions; requirements; termination of agreement; civil
22 remedies.--

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

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24 (a) "Commission" means compensation accruing to a sales
 25 representative for payment by a principal, the rate of which
 26 compensation is expressed as a percentage of the dollar amount
 27 of orders or sales.

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

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

33 2. Contracts with a sales representative to solicit orders
 34 for the product or service. ~~and~~

35 3. Compensates the sales representative, in whole or in
 36 part, by commission.

37 (c) "Sales representative" means a person or business
 38 which ~~who~~ contracts with a principal to solicit ~~wholesale~~ orders
 39 and who is compensated, in whole or in part, by commission, but
 40 does not include a person or business which ~~who~~ places orders
 41 for his or her own account for resale or a person who is an
 42 employee of the business.

43 (2) When a principal contracts with a sales representative
 44 to solicit ~~wholesale~~ orders within this state, the contract
 45 shall be in writing and shall set forth the method by which the
 46 commission is to be computed and paid. The principal shall
 47 provide the sales representative with a signed copy of the
 48 contract and shall obtain a signed receipt for the contract from
 49 the sales representative.

50 (3)(a) When the contract between a sales representative
 51 and a principal is terminated and the contract was not reduced

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52 | to writing, all commissions due shall be paid within 30 days
53 | after ~~of~~ termination.

54 | (b) In the event a principal fails to comply with the
55 | provisions of paragraph (a), the sales representative has a
56 | cause of action for damages equal to triple ~~double~~ the amount of
57 | commission found to be due. The prevailing party in any such
58 | action is entitled to an award of reasonable attorney's fees and
59 | court costs.

60 | (4) This section does not apply to persons licensed
61 | pursuant to chapter 475 who are performing services within the
62 | scope of their license.

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