

1 A bill to be entitled
 2 An act relating to sales representative contracts
 3 involving commissions; amending s. 686.201, F.S.;
 4 expanding the definition of the term "commission";
 5 deleting requirement for written contract between a
 6 principal and a sales representative; requiring payment of
 7 commission within time certain after termination of
 8 contract under certain circumstances; providing an
 9 effective date.

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

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

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

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

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

24 (b) "Principal" means a person or business which:

25 1. Manufactures, produces, imports, or distributes a
 26 product or service.

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

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 contracts with a principal to solicit orders and who is
33 compensated, in whole or in part, by commission, but does not
34 include a person or business which places orders for his or her
35 own account for resale or a person who is an employee of the
36 business.

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

44 (2)~~(3)~~(a) When the contract between a sales representative
45 and a principal ends ~~is terminated and the contract was not~~
46 ~~reduced to writing~~, all commissions due, unless otherwise
47 specified in a written contract, shall be paid within 60 ~~30~~ days
48 after termination.

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

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55 (3)~~(4)~~ This section does not apply to persons licensed
56 pursuant to chapter 475 who are performing services within the
57 scope of their license.

58 Section 2. This act shall take effect July 1, 2007.