



PIA Legal Alert

A Service of the Printing Industries Alliance | 636 North French Road Suite 1 | Amherst | NY | 14228

Tel: (716) 691-3211 or (800) 777-4PIA (4742) | Fax: (716) 691-4249 | Email: info@PIAlliance.org

Urgent Notice to All Members In New York

You *MUST* Have Employment Contracts With Your Commissioned Salespersons

Beginning on October 16, 2007, a new state law will require all employers to have written employment contracts with their commissioned salespersons. The contract must include a description of how wages, salary, draws, commissions, etc. are earned and paid on a regular basis and how they will be paid out if the employment relationship is terminated.

The new law also creates a “presumption” in favor of the employee when no agreement is present. In other words, the Department of Labor will presume that the terms of employment set forth by the salesperson are accurate, if you do not have a written agreement to the contrary.

Employers need to know that having a written employment agreement will give their commissioned sales employees a potential claim for breach of contract if the terms or conditions of their employment change (for example, if their compensation is changed, if they are disciplined or terminated, etc.).

There are a number of options as to how to structure sales policies and procedures, but whatever option is selected, the basic points must now be committed to a written contract. Help is available through our member Employment and Human Resource Services Program. For more information, contact the Association office or PIA’s General Counsel Nicholas J. Fiorenza, Esq. at 315-437-7600 (or njfiorenza@ferrarafirm.com) today.