

REVISED CODE OF WASHINGTON
TITLE 49 – LABOR REGULATIONS
CHAPTER 49.48 – WAGES, PAYMENT, COLLECTION

Section 49.48.150

Sales representatives—Definitions.

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 49.48.160 through 49.48.190.

- (1) "Commission" means compensation paid a sales representative by a principal in an amount based on a percentage of the dollar amount of certain orders for or sales of the principal's product. Commission includes bonus payments under an incentive compensation plan or other agreement between a principal and sales representative.
- (2) "Principal" means a person, whether or not the person has a permanent or fixed place of business in this state, who:
 - (a) Manufactures, produces, imports, or distributes a product for sale to customers who purchase the product for resale;
 - (b) Uses a sales representative to solicit orders for the product; and
 - (c) Compensates the sales representative in whole or in part by commission.
- (3) "Sales representative" means a person who solicits, on behalf of a principal, orders for the purchase at wholesale of the principal's product, but does not include a person who places orders for his or her own account for resale, or purchases for his or her own account for resale, or sells or takes orders for the direct sale of products to the ultimate consumer.

(2020 c 84 s 1; 2010 c 8 s 12052; 1992 c 177 s 1.)

Official Notes: Severability—1992 c 177: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1992 c 177 s 7.]

Section 49.48.160

Sales representatives—Contract—Agreement.

- (1) A contract between a principal and a sales representative under which the sales representative is to solicit wholesale orders within this state must be in writing and must set forth the method by which the sales representative's commission is to be computed and paid. The principal shall provide the sales representative with a copy of the contract. A provision in the contract establishing venue for an action arising under the contract in a state other than this state, or establishing conditions for payment of a commission contrary to the provisions of this section, is void.
- (2) When no written contract has been entered into, any agreement between a sales representative and a principal is deemed to incorporate the provisions of RCW 49.48.150 through 49.48.190.
- (3)
 - (a) During the course of the contract, a sales representative shall be paid the earned commission and all other moneys earned or payable in accordance with the agreed terms of the contract, but no later than thirty days after receipt of payment by the principal for products or goods sold on behalf of the principal by the sales representative.
 - (b) Upon termination of a contract, whether or not the agreement is in writing, all earned commissions due to the sales representative shall be paid within thirty days after receipt of payment by the principal for products or goods sold on behalf of the principal by the sales representative, including earned commissions not due when the contract is terminated.
 - (c) Where a sales representative's efforts prior to termination of a contract results in a sale, regardless of when the sale occurs, the termination may not affect whether a commission is considered earned.
- (4) Failure to pay an earned commission is a wage payment violation under RCW 49.52.050.

(2020 c 84 s 2; 1992 c 177 s 2.)

Official Notes: Severability—1992 c 177: See note following RCW 49.48.150.

Section 49.48.170

Sales representatives—Payment.

A principal shall pay wages and commissions at the usual place of payment unless the sales representative requests that the wages and commissions be sent through registered mail. If, in accordance with a request by the sales representative, the sales representative's wages and commissions are sent through the mail, the wages and commissions are deemed to have been paid as of the date of their registered postmark.

(1992 c 177 s 3.)

Official Notes: Severability—1992 c 177: See note following RCW 49.48.150.

Section 49.48.180

Sales representatives—Principal considered doing business in this state.

A principal who is not a resident of this state and who enters into a contract subject to RCW 49.48.150 through 49.48.190 is considered to be doing business in this state for purposes of the exercise of personal jurisdiction over the principal.

(1992 c 177 s 4.)

Official Notes: Severability—1992 c 177: See note following RCW 49.48.150.

Section 49.48.190

Sales representatives—Rights and remedies not exclusive—Waiver void.

- (1) RCW 49.48.150 through 49.48.190 supplement but do not supplant any other rights and remedies enjoyed by sales representatives.
- (2) A provision of RCW 49.48.150 through 49.48.190 may not be waived, whether by express waiver or by attempt to make a contract or agreement subject to the laws of another state. A waiver of a provision of RCW 49.48.150 through 49.48.190 is void.

(1992 c 177 s 5.)

Official Notes: Severability—1992 c 177: See note following RCW 49.48.150.

<https://app.leg.wa.gov/RCW/default.aspx?cite=49.48>