

Payroll Laws? Depends on Which State

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Greg Bulgrin of the Chicago office, was quoted in the March 20 *HR.BLR.com* article "Payroll Laws? Depends on Which State." The article noted a recent court case involving the Illinois Wage Payment and Collection Act (IWPCA) and a company based in another state. An Illinois manager joined a Missouri-based company to help run its office in Chicago. He signed an employment agreement with the company. When he was later fired, he sought payment under the contract but the company refused. He sued the company for breach of contract and both the company and its president for violating the IWPCA. The company president argued that as a Missouri resident running a Missouri enterprise, he could neither be liable under the IWPCA nor taken to court in Illinois. The judge ruled in favor of the plaintiff. Greg commented: "If you're an out-of-state company doing business in Illinois, know that your executives can be found personally liable under IWPCA. Consider adding forum selection and venue clauses to your employment contracts. These can help to control where any future litigation proceeds and what law will apply."

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