

**Hall of the House of Representatives**  
84th General Assembly - Regular Session, 2003  
**Amendment Form**

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**Subtitle of House Bill No. 2223**

"AN ACT TO REGULATE PROFESSIONAL EMPLOYER ORGANIZATIONS."

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**Amendment No. 1 to House Bill No. 2223.**

Amend House Bill No. 2223 as originally introduced:

Page 1, line 12 delete "EMPLOYEE"

AND

Page 1, line 13 delete "ASSOCIATION" and substitute "EMPLOYER ORGANIZATION"

AND

Page 4, line 17 delete "Professional employer organization service organization" and substitute "Employer service assurance organization"

AND

Page 6, delete lines 9 through 21, and substitute the following:

"(f)(1) Applicants for licensing or a professional employer organization licensed under this subchapter hereby authorize the Arkansas Employment Security Division, the Workers' Compensation Commission, and the Arkansas Insurance Department, or their successors, to release otherwise confidential information to the other above named departments or commission concerning the applicant or professional employer organization upon the written request by the requesting division, department or commission.

(2) The Arkansas Employment Security Division, the Workers' Compensation Commission, and the Arkansas Insurance Department shall maintain the confidentiality of information received under subdivision (f)(1) of this section, unless the information is introduced into evidence at an administrative proceeding or at a civil or criminal trial arising out of a violation of this subchapter that involves the applicant, the professional employer organization, or the controlling person."

AND

Page 6, line 22, add the following:



“(g)(1) Neither this subchapter nor any professional employer agreement shall affect, limit, restrict, or modify the rights or obligations of any client, professional employer organization, or covered employee with respect to the payment of wages as required by contract or by state or federal law.

(2) Neither this subchapter nor any professional employer agreement shall affect, limit, restrict, or modify the rights or obligations of any client, professional employer organization, or covered employee with respect to compliance with the following:

(A) Arkansas Code, Title 11, Chapters 2 through 7, Chapter 10, and Chapter 12;

(B) Arkansas Code, §§ 20-20-301 through 20-20-303;

(C) Arkansas Code §§ 22-9-301 through 22-9-315, commonly referred to as the Arkansas Prevailing Wage Law;

(D) The Arkansas Civil Rights Act of 1993, §§ 16-123-101 et seq.;

(E) The Public Employees’ Chemical Right to Know Act, §§ 8-7-1001 et seq; and

(F) Arkansas Code § 7-1-102 concerning voting time, § 16-31-106 concerning jury duty, and § 21-4-101 concerning leave of absence for public service.”

AND

Page 7, delete lines 23 through 27 and substitute the following:

“(ii) The financial statement under subdivision (b)(1)(H)(i) of this section shall be prepared in accordance with generally accepted accounting principles, and unless the professional employer organization provides financial assurance as set forth in § 22-92-408(a)(2), the financial statement shall be audited by an independent certified public accountant licensed to practice in Arkansas or the state of domicile of the professional employer organization.”

AND

Page 7, line 29 delete “audited or reviewed”

AND

Page 8, line 20 delete “(d)(3)(ii)(a)” and substitute “(d)(3)(B)(ii)(a)”

AND

Page 8, line 26 delete “(d)(3)(ii)(a)” and substitute “(d)(3)(B)(ii)(a)”

AND

Page 9, line 22 delete “organization s” and substitute “organizations”

AND

Page 13, line 27 delete “Insurance Commissioner” and substitute

“commissioner”

AND

Page 15, line 8 delete “seciton” and substitute “section”

AND

Page 17, line 15 delete “(c)(4)(1)” and substitute “(c)(4)(B)(1)”

AND

Page 17, line 18 delete “(c)(4)(2)” and substitute “(c)(4)(B)(2)”

AND

Page 19, line 30 delete “§ 23-92-311” and substitute “§ 23-92-411”

AND

Page 20, line 27 delete “employee leasing firm” and substitute “professional employer organization”

AND

Page 20, line 30 delete “employee leasing”

AND

Page 20, line 31 delete “firm” and substitute “professional employer organization”

AND

Page 24, line 12 delete “Professional employer organization service organization” and substitute “Employer service assurance organization”

AND

Page 24, line 14, delete “commissioner” and substitute “Insurance Commissioner”

AND

Page 24, line 15 delete “professional employer organization service organization” and substitute “employer service assurance organization”

AND

Page 24, delete lines 17 and 18 and substitute the following:

“of the requirements under §§ 23-92-404 through 23-92-406 and § 23-92-408,

and the fees provided for in § 23-92-407.”

AND

Page 24, line 19 delete “professional employer organization service” and substitute “employer service assurance”

AND

Page 24, line 23 delete “professional employer organization service” and substitute “employer service assurance”

AND

Page 24, line 25 delete “professional employer organization service organization” and substitute “employer service assurance organization”

AND

Page 24, delete line 26 and substitute the following:

“service relating to the regulation of professional employer organizations, and no state agency, professional employer organization, or insurer shall utilize the services of the organization for those purposes, unless the organization has obtained a license from the commissioner.”

AND

Page 24, line 28 delete “professional employee organization” and substitute “employer service assurance organization”

AND

Page 24, line 29 delete “State Insurance”

AND

Page 24, line 30 delete “Commissioner” and substitute “commissioner”

AND

Page 24, line 31 delete “professional employer organization service organization” and substitute “employer service assurance organization”

AND

Page 24, line 36 delete “professional employer organization service organization” and substitute “employer service assurance organization”

AND

Page 25, delete lines 20 and 21 and substitute the following:

“for which the employer service assurance organization provides an affidavit under § 23-92-414.”

AND

Page 25, line 25 delete “professional employer organization service organization’s” and substitute “employer service assurance organization’s”

AND

Page 25, line 36 delete “professional employer organization service” and substitute “employer service assurance”

AND

Page 26, line 1 delete “§ 23-92-315” and substitute “§ 23-92-414”

AND

Page 26, line 5 delete “§§ 23-92-301 - 23-92-320” and substitute “§§ 23-92-401 through 23-92-419”

AND

Page 26, line 7 delete “§§ 23-92-301 - 23-92-320” and substitute “§§ 23-92-401 through 23-92-419”

AND

Page 26, line 27 delete “professional employer organization service organization” and substitute “employer service assurance organization”

AND

Page 27, line 1 delete “Professional service organizations” and substitute “Employer service assurance organizations”

AND

Page 27, line 2 delete “professional employer organization” and substitute “employer service assurance organization”

AND

Page 27, line 5 delete “professional employer organization service organization” and substitute “employer service assurance organization”

AND

Page 27, line 9 delete “professional employer organization service organization” and substitute “employer service assurance organization”

AND

Page 27, line 23 delete "Professional employer organization service organization" and substitute "Employer service assurance organization"

AND

Page 27, line 25 delete "professional employer organization service organization" and substitute "employer service assurance organization"

AND

Page 27, line 27 delete "§§ 23-92-314 and 23-92-319;" and substitute "§§ 23-92-414 and 23-92-419(b);"

AND

Page 27, line 36 delete "professional employer service organization" and substitute "employer service assurance organization"

AND

Page 28, line 2 delete "23-92-319" and substitute "23-92-414 or § 23-92-419(b)"

AND

Page 28, line 15 delete "professional employer organization service organizations" and substitute "employer service assurance organizations"

AND

Page 28, line 16 delete "rates and other"

AND

Page 28, line 19 delete "professional"

AND

Page 28, line 20 delete "employer organization service organizations" and substitute "employer service assurance organizations"

AND

Page 28, line 26 delete "professional employer organization service" and substitute "employer service assurance"

AND

Page 28, delete line 32 and 33 and substitute the following:

“Rate service organizations and employer service assurance organizations, annual continuation of”

AND

Page 29, line 29 delete “professional service organization” and substitute “  
”

The Amendment was read \_\_\_\_\_

By: Representative R. Smith

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Chief Clerk