EXHIBIT C

Stricken language would be deleted from and underlined language would be added to present law.

1	State of Arkansas	111	
2	94th General Assembly	A Bill	DRAFT EGL/EGI
3	Second Extraordinary Session, 202	3	HOUSE BILI
4			
5	By: NA		
6			
7		For An Act To Be Entitle	ed
8	AN ACT TO REPE	EAL THE STATUTES CONCERNIA	NG THE
9	OCCUPATIONAL A	AUTHORIZATION AND LICENSUF	RE OF PRIVATE
10	EMPLOYMENT AGE	ENCIES, EMPLOYMENT COUNSEL	LORS, AND
11	EMPLOYMENT AGE	ENCY MANAGERS; TO REPEAL T	THE ARKANSAS
12	PRIVATE EMPLOY	MENT AGENCY ACT OF 1975;	TO REPEAL
13	REFERENCES TO	PRIVATE EMPLOYMENT AGENCI	IES, EMPLOYMENT
14	COUNSELORS, AN	ND EMPLOYMENT AGENCY MANAG	GERS; TO REMOVE
15	EMPLOYMENT AGE	ENCY LICENSES FROM THE LIS	ST OF SOURCES
16	OF ENUMERATED	GENERAL REVENUE; AND FOR	OTHER
17	PURPOSES.		
18			
19			
20		Subtitle	
21	TO REPEA	L CERTAIN STATUTES CONCER	NING THE
22	OCCUPATION	ONAL AUTHORIZATION AND LI	CENSURE
23	OF CERTA	IN EMPLOYMENT OFFICES AND	
24	AGENCIES	; AND TO REPEAL THE ARKAN	SAS
25	PRIVATE :	EMPLOYMENT AGENCY ACT OF	1975.
26			
27			
28	BE IT ENACTED BY THE GENER	RAL ASSEMBLY OF THE STATE	OF ARKANSAS:
29			
30	SECTION 1. Arkansas	Code Title 11, Chapter 1	ll, is repealed.
31			
32	CHAPTER 1	.1 — EMPLOYMENT OFFICES AN	ND AGENCIES
33			
34	Sub	chapter l — General Provi	sions
35			
36	11-11-101. Recruit	ent of labor by foreign l	labor agents.

DRAFT

1	(a) No foreign labor agent, labor bureau or employment agency, or any
2	other person shall enter this state and attempt to hire, induce, or take from
3	this state any labor, singularly or in groups, for any purpose, whether or
4	not a fee or charge is extracted from the worker, without first applying to
5	the Director of the Division of Labor for a license to do so and filing with
6	the director:
7	(1) A statement as to where the labor is to be taken, for what
8	purpose, for what length of time, and whether transportation is to be paid to
9	and from the destination, if temporary;
10	(2) A statement of the financial standing of the employer
11	desiring the labor;
12	(3) An affidavit of authority to represent the employer in this
13	state; and
14	(4) Whatever other information the director may require.
15	(b)(1) The director shall determine whether the person desiring the
16	labor from this state is a labor agent, labor bureau, or employment agency
17	and, if so, whether the applicant is qualified to be licensed under the laws
18	of this state and according to the provisions of this section.
19	(2) The director, after the investigation, may refuse to license
20	or register the applicant until the applicant has complied with the
21	provisions of this section.
22	(3) The applicant shall, in the event of unfavorable action by
23	the director, have the right of appeal to the proper court.
24	(c) This section is cumulative to all existing laws affecting the
25	hiring or employment of labor.
26	
27	Subchapter 2 - Arkansas Private Employment Agency Act of 1975
28	
29	11-11-201. Title.
30	This subchapter may be cited as the "Arkansas Private Employment Agency
31	Act of 1975".
32	
33	11-11-202. Definitions.
34	As used in this subchapter, unless the context otherwise requires:
35	(1) "Agency manager" means the individual designated by the
36	employment agency to conduct the general management, administration, and

1 operation of a designated employment agency office. Every employment agency 2 must maintain a licensed agency manager at each of its separate office 3 locations: 4 (2) "Applicant" except when used to describe an applicant for an 5 employment agency or agency manager's or counselor's license means any 6 person, whether employed or unemployed, seeking or entering into an 7 arrangement for employment or change of employment through the medium or 8 service of an employment agency; 9 (5) "Employee" means a person performing or seeking to perform 10 work or service of any kind or character for compensation; 11 (6) "Employer" means a person employing or seeking to employ a 12 person for compensation; (7)(A) "Employment agent" or "employment agency" means any 13 person engaged for hire, compensation, gain, or profit in the business of 14 15 furnishing persons seeking employment with information or other service 16 enabling the persons to procure employment by or through employers or 17 furnishing any other person who may be seeking to employ or may be in the 18 market for help of any kind with information enabling the other person to 19 procure help. 20 (B) However, "employment agent" or "employment agency" 21 does not mean: 22 (i) Any person who prepares resumes for individuals 23 for employment purposes if the person who prepares the resumes does not refer or purport to refer prospective employees to employers or employers to 24 25 prospective employees, does not represent himself or herself as an employment 26 agency, or does not have any financial connection with any employment agency; 27 (ii) Any person who employs individuals to render 28 part-time or temporary services to, for, or under the direction of a third person if the person employing the individuals, in addition to paying wages 29 30 or salaries, pays federal Social Security taxes and state and federal unemployment insurance and secures work service to, for, or under the 31 32 direction of a third person; 33 (iii) Any bona fide nursing school, nurses' 34 registry, management consulting firm, business school, or vocational school 35 whose primary function and purpose is training and education, except that if 36 such an organization charges a fee, directly or indirectly, for job placement

1	of individuals, the organization shall be an employment agency within the
2	meaning of this subchapter;
3	(iv) A labor organization;
4	(v) Any person who publishes advertisements placed
5	and paid for by a third person seeking employment or an employee, provided
6	that the person does not procure or offer to procure employment or employees;
7	or
8	(vi) Any person who contracts with an employer to
9	recruit employees for the employer without charge to the prospective
10	employee;
11	(8) "Employment counselor" means an employee of any employment
12	agency who interviews, counsels, or advises applicants or employers, or both,
13	on employment or allied problems or who makes or arranges contracts or
14	contacts between employers and employees. The term "employment counselor"
15	includes employees who solicit orders for employees from prospective
16	employers;
17	(9) "Fee" shall mean anything of value, including any money or
18	other valuable consideration exacted, charged, collected, or received,
19	directly or indirectly, or paid or contracted to be paid for any services or
20	act by an employment agency; and
21	(10) "Person" means any individual, company, firm, association,
22	partnership, or corporation.
23	
24	11-11-203. Penalty.
25	(a) The Director of the Division of Labor shall have authority to
26	impose a fine of not less than twenty-five dollars (\$25.00) nor more than
27	five hundred dollars (\$500) for violation of the provisions of this
28	subchapter by an employment agency or its employees or agents.
29	(b) The director shall notify the employment agency in writing of the
30	reasons for imposition of a fine and at that time shall make available to the
31	employment agency a signed written statement by any individual having filed a
32	complaint with the director relative to the matter for which a fine has been
33	imposed by the director.
34	(c) The agency shall have the right to a hearing before the director
35	and the right to judicial review provided by § 11-11-223 with respect to the
36	fine.

1	
2	11-11-204. Director and division - Powers and duties.
3	(a) It shall be the duty of the Division of Labor, and it shall have
4	the power, jurisdiction, and authority to administer and enforce the
5	provisions of this subchapter.
6	(b) The Director of the Division of Labor shall have the power,
7	jurisdiction, and authority to issue licenses to employment agencies, agency
8	managers, and counselors and to refuse to issue, revoke, or suspend the
9	licenses when, after due investigation, and in compliance with the procedures
10	set forth in §§ 11-11-221 and 11-11-222, the director finds that the
11	applicant is for good and sufficient cause unfit to be an employment agent,
12	agency manager, or counselor within the meaning of this subchapter or any
13	rules or orders lawfully promulgated under this subchapter.
14	(c)(1) Complaints against any person, employment agent, agency
15	manager, or counselor may be made to the division orally or in writing.
16	(2) The director shall have the power to compel attendance of
17	witnesses by issuance of subpoenas, administer oaths, direct production of
18	documents and records, and direct taking of testimony and evidence concerning
19	all matters within the jurisdiction of the division.
20	(3) The director may order testimony to be taken by deposition
21	in any proceeding pending before the division at any stage of the proceeding.
22	(4) The director or his or her duly authorized agent shall at
23	all reasonable times have access to, for the purpose of examination and
24	copying, the books, records, papers, and documents of any person being
25	investigated or proceeded against under the provisions of this subchapter, so
26	long as the books, records, papers, or documents sought to be inspected or
27	copied are reasonably related to the investigation or proceeding being
28	conducted by the director.
29	(5) The director or his or her authorized agent shall, upon
30	application of any party to proceedings before the director, issue to the
31	party subpoenas requiring the attendance and testimony of witnesses or the
32	production of any books, records, papers, or documents reasonably related to
33	issues involved in proceedings before the director or an investigation
34	conducted by the director.
35	(6) If any person in proceedings before the director or in

investigations conducted by the director disobeys or resists any lawful order

1	or process issued by the director or his or her authorized agents, or fails
2	to produce, after being lawfully directed to do so, any book, paper, record,
3	or document, or refuses to appear and testify after being subpoenaed to do
4	so, the director shall certify the facts to any court of competent
5	jurisdiction in the state or to the Pulaski County Circuit Court.
6	(7) The court shall have authority to conduct hearings and
7	punish any person for failure or refusal to testify or produce books, papers,
8	documents, or records subpoenaed or ordered by the director as though the
9	conduct constituted contempt of court.
10	(8) Witnesses summoned by the director or his or her authorized
11	agent shall be paid the same fees and mileage paid to witnesses in the courts
12	of this state.
13	(d)(l) The director may prescribe such rules for the conduct of the
14	business of private employment agencies as necessary to implement this
15	subchapter.
16	(2) These rules shall have the force and effect of law and shall
17	be enforced by the director in the same manner as the provisions of this
18	subchapter.
19	(3) Adoption of rules pursuant to this subsection shall be
20	carried out in compliance with the Arkansas Administrative Procedure Act, §
21	25-15-201 et seq.
22	(e) The division shall have authority to investigate employment
23	agents, agency managers, and counselors. The division shall have the right to
24	examine records required by law to be kept and maintained by employment
25	agents, agency managers, and counselors and to examine the offices where the
26	business is or shall be conducted by them.
27	(f) The division may seek to recover in a court of competent
28	jurisdiction fees charged or collected in violation of this subchapter.
29	
30	11-11-208. License required Penalties.
31	(a) No person shall engage in the business of or act as an employment
32	agent, agency manager, or counselor unless he or she first obtains a license
33	from the Division of Labor.
34	(b)(l)(A) Any person who shall engage in the business of or act as an
35	employment agent, agency manager, or counselor without first procuring a
36	license is guilty of a misdemeanor.

1	(B) He or she shall be punished by a fine of not less than
2	fifty dollars (\$50.00) and not more than two hundred fifty dollars (\$250) for
3	each day of acting as an employment agent, agency manager, or counselor
4	without a license or by imprisonment for not more than three (3) months, or
5	by both.
6	(2) In addition to the penalties described in subdivision (b)(1)
7	of this section, upon petition of the Director of the Division of Labor, any
8	court in the state having the statutory power to enjoin or restrain shall
9	have jurisdiction to restrain and enjoin any person who engages in the
10	business of or acts as an employment agent, agency manager, or counselor
11	without having first procured a license for so engaging or acting.
12	
13	11-11-209. Gertificate of exemption required for certain
14	organizations.
15	(a) Bona fide nursing schools, nurses' registries, management
16	consulting firms, business schools, vocational schools whose primary function
17	and purpose is training and education, and resume services shall obtain from
18	the Director of the Division of Labor a certificate of exemption from the
19	requirements of this subchapter.
20	(b) In connection with issuance of a certificate of exemption and with
21	respect to an organization's continued eligibility for a previously issued
22	certificate of exemption, the director shall have those investigative powers
23	conferred by § 11-11-204.
24	
25	11-11-210. Employment counselor's license - Application -
26	Qualifications.
27	(a) To be eligible for application for an employment counselor's
28	license, the applicant shall be:
29	(1) A citizen of the United States;
30	(2) Of good moral character;
31	(3) A person whose license has not been revoked within two (2)
32	years from the date of application; and
33	(4) Able to demonstrate business integrity.
34	(b)(1) Every applicant for an initial license for employment counselor
35	shall file with the Division of Labor a written application on a form
36	prescribed and furnished by the Director of the Division of Labor.

1	(2) The applicant shall life at least two (2) letters of
2	character reference from persons of reputed business or professional
3	integrity.
4	(3) This application shall contain information prescribed by the
5	director.
6	
7	11-11-211. Agency manager license Application - Qualifications.
8	(a) To be eligible to apply for a license to act as an agency manager,
9	the applicant shall be:
10	(1) A citizen of the United States;
11	(2) Of good moral character;
12	(3) At least twenty-one (21) years of age;
13	(4) A person whose license has not been revoked within two (2)
14	years from the date of the application;
15	(5) A person who has completed the twelfth grade, except that
16	the Director of the Division of Labor may establish proof necessary to him or
17	her that the applicant is possessed of a twelfth-grade education in terms of
18	intellectual competency, judgment, and achievement; and
19	(6) A person who demonstrates business integrity, financial
20	responsibility, and judgment.
21	(b)(1) Every applicant for an initial license for agency manager shall
22	file with the Division of Labor a written application on a form prescribed
23	and furnished by the director.
24	(2) The applicant shall file at least two (2) letters of
25	character reference from persons of reputed business or professional
26	integrity.
27	(3) This application shall contain information prescribed by the
28	director.
29	
30	11-11-212. Employment agency license - Application - Qualifications.
31	(a) To be eligible to apply for a license to operate an employment
32	agency, the applicant shall be:
33	(1) A citizen of the United States;
34	(2) Of good moral character;
35	(3) At least twenty one (21) years of age;
36	(4) A person whose license has not been revoked within two (2)

1	years from the date of the application;
2	(5) A person who has completed the twelfth grade, except that
3	the Director of the Division of Labor may establish proof necessary to him or
4	her that the applicant is possessed of a twelfth-grade education in terms of
5	intellectual competency, judgment, and achievement; and
6	(6) A person who demonstrates business integrity, financial
7	responsibility, and judgment.
8	(b)(1) Every applicant for an initial employment agency license and
9	every applicant for a renewal license shall file with the Director of the
10	Division of Labor a completed application on a form prescribed and furnished
11	by the Director of the Division of Labor.
12	(2)(A) The application shall be signed by the applicant and
13	sworn to before anyone qualified by law to administer oaths.
14	(B) If the applicant is a corporation, the application
15	shall state the names and home addresses of all shareholders, officers, and
16	directors of the corporation and shall be signed and sworn to by the
17	president, treasurer, and secretary thereof.
18	(C) If the applicant is a partnership, the application
19	shall state the names and home addresses of all partners therein and shall be
20	signed and sworn to by all of them.
21	(3) The applicant shall file at least two (2) letters of
22	character reference from persons of reputed business or professional
23	integrity.
24	(4) This application shall also contain such other information
25	as the Director of the Division of Labor may prescribe.
26	
27	11-11-213. Employment agency license — Bond required — Action on the
28	bond.
29	(a)(1) Every application for issuance or renewal of an employment
30	agency's license shall be accompanied by a bond in the sum of five thousand
31	dollars (\$5,000) with a duly licensed surety company or companies authorized
32	to do business in this state.
33	(2) The terms and conditions of the bond shall be approved by
34	the Director of the Division of Labor.
35	(3) The bond shall be conditioned that the employment agency and

each member, employee, shareholder, director, or officer of a person, firm,

- 1 partnership, corporation, or association operating as the employment agency 2 will not violate the provisions of this subchapter or violate rules or orders 3 lawfully promulgated by the director or violate the terms of any contract 4 made by the employment agent in the conduct of its business. 5 (b)(1) If any person shall be aggrieved by the misconduct of any 6 licensee, that person may maintain an action in his or her own name upon the 7 bond of the employment agency in any court of competent jurisdiction or in 8 the Pulaski County Circuit Court. 9 (2)(A) All claims shall be assignable, and the assignee shall be 10 entitled to the same remedies upon the bond of the licensee as the person 11 aggrieved would have been entitled to if the claim had not been assigned. (B) Any claim so assigned may be enforced in the name of 12 13 the assignee. 14 (3) Any remedies given by this section shall not be exclusive of 15 any other remedy that would otherwise exist. (c) Action on the bond required by this section may be maintained by 16 17 the director in the name of the state in any court of competent jurisdiction 18 or in the Pulaski County Circuit Court, for the benefit of any person or 19 persons aggrieved by the misconduct of the licensee. (d)(1) If any licensee fails to file a new bond with the Division of 20 Labor within thirty (30) days after notice of cancellation by the surety of 21 22 the bond required by this section, the license issued to the principal under the bond is suspended until such time as a new surety bond is filed with and 23 approved by the director. 24 (2) A person whose license is suspended pursuant to this 25 26 subsection shall not carry on the business of an employment agency during the 27 period of the suspension. 28 11-11-214. Investigation of license applicant by director. 29 30 (a) Upon filing of an application for a license as provided in this
 - subchapter, the Director of the Division of Labor shall cause an
 investigation to be made regarding the character, business integrity, and
 financial responsibility of the license applicant.

33

- (b) The director shall also determine the suitability or unsuitability of the applicant's proposed office location.
- 36 (c) An application for an employment agency's, agency manager's, or

1	employment counselor's license shall be rejected by the director if it is
2	found that any person named in the license application is not of good moral
3	character, business integrity, or financial responsibility or if there is
4	good and sufficient reason within the meaning and purpose of this subchapter
5	for rejecting the application.
6	
7	11-11-215. Employment agency license - Scope - Change of license.
8	(a)(1) An employment agent's license issued pursuant to this
9	subchapter shall protect only those persons to whom it is issued and only the
10	location for which it is issued.
11	(2) A separate license shall be required for each separate
12	office location operated by an employment agency.
13	(3) No license shall be valid to protect any business transacted
14	under any name other than that designated in the license.
15	(b) No employment agent shall permit any person not mentioned in the
16	license or license application to become a member, officer, director,
17	shareholder, or partner in the conduct of the business of the employment
18	agent unless written consent of the Director of the Division of Labor and
19	written consent of the surety on the bond required by this subchapter shall
20	first be obtained.
21	(c) The location of an employment agency shall not be changed without
22	written consent from the Director of the Division of Labor, and a new license
23	application shall be required for any change of office location in excess of
24	twenty-five (25) miles.
25	(d) A charge of ten dollars (\$10.00) shall be made by the Division of
26	Labor for the recording of authorization for each change of office location
27	authorized by this section.
28	
29	11-11-216. Examination for licenses.
30	(a)(1)(A) Before the Director of the Division of Labor issues a
31	license to an applicant for a permanent employment agent's, permanent agency
32	manager's, or permanent counselor's license, the applicant shall be required
33	to successfully complete a written examination prepared by the director.
34	(B) The examination shall establish the competency of the
35	applicant to:
36	(i) Operate and conduct an employment agency; or

1	(11) Terrorm service as an agency manager of counseror ro-
2	the agency.
3	(2) No examination shall be required for renewal of any license
4	issued pursuant to this subchapter unless the license has been suspended,
5	revoked, or submitted late, causing the application to be treated as a new
6	application.
7	(b) The Division of Labor shall hold examinations at such times and
8	places as it shall reasonably determine, except that examinations shall be
9	given to license applicants at least once every sixty (60) days.
10	(c)(1) An examination fee of five dollars (\$5.00) shall be paid by
11	each applicant in addition to the license fee.
12	(2) The examination fee shall be retained by the division,
13	whether or not the applicant successfully completes the examination.
14	(3) The examination fee shall be forfeited if the applicant does
15	not take the examination within three (3) months of the application date.
16	
17	11-11-217. License fees.
18	(a) Before a permanent license shall be granted to a license
19	applicant, an applicant shall pay the following annual fee for each license:
20	(1) Two hundred fifty dollars (\$250) for an employment agency;
21	(2) Twenty-five dollars (\$25.00) for an employment agency
22	manager; and
23	(3) Twenty dollars (\$20.00) for an employment counselor.
24	(b) Multiple licenses for a person simultaneously performing the
25	functions of employment agent, agency manager, or employment counselor will
26	not be required. The person shall procure a license commensurate with the
27	highest level of job duties and responsibilities customarily and regularly
28	performed by the person.
29	(c) All moneys received from licensing shall be deposited into the
30	general fund of the State Treasury.
31	
32	11-11-218. Temporary licenses.
33	(a)(1) The Director of the Division of Labor shall have authority to
34	issue a temporary license for operation of a private employment agency, which
35	shall be valid for no more than ninety (90) days, upon submission by the
36	applicant for the licence of.

1	the property completed application form furnished and
2	approved by the director;
3	(B) Submission of evidence of the applicant's compliance
4	with the bonding requirements of this subchapter; and
5	(C) Payment of a temporary license fee of one hundred
6	dollars (\$100).
7	(2) The temporary license may be issued only if, after
8	investigation, it reasonably appears that the applicant will meet the
9	qualifications for a permanent private employment agency license.
10	(b)(1) The director shall have authority to issue temporary licenses
11	for agency managers and employment counselors, which shall be valid for no
12	more than ninety (90) days, upon submission by the applicant for such license
13	of:
14	(A) A properly completed application form, furnished and
15	approved by the director; and
16	(B) Payment of a temporary license fee of ten dollars
17	(\$10.00).
18	(2) The temporary licenses for agency managers and employment
19	counselors may be issued only if, after investigation, it reasonably appears
20	that the applicant will meet the qualifications for a permanent license as
21	agency manager or employment counselor.
22	(3) Temporary licenses issued to agency managers and employment
23	counselors are nontransferable and are automatically rescinded upon
24	suspension or termination of the employment of the agency manager or
25	employment counselor.
26	(4) The director shall approve or reject an application for a
27	temporary agency manager's license or temporary employment counselor's
28	license within five (5) days after receipt of a properly completed
29	application for the license.
30	
31	11-11-219. Renewal of licenses.
32	(a) Every license issued pursuant to this subchapter shall remain in
33	force for one (1) year from the date of issue or until the end of the state's
34	fiscal year, whichever occurs first, unless the license has been revoked
35	pursuant to the provisions of this subchapter.
36	(b) Applications for renewal of all licenses provided by this

- subchapter must be filed with the Director of the Division of Labor no later than thirty (30) days prior to expiration of the license.
- (c) Any licensee who fails to renew a license by the expiration date shall be automatically suspended from the right to engage in the activity authorized by the license until the license is renewed.
- (d) Every application for renewal of a license must be accompanied by payment of the required license fee and evidence of compliance with the bonding requirements of this subchapter.

- 11-11-220. Cessation of business by licensee.
- (a)(1) If an employment agent ceases business operations, the agent shall, as soon as reasonably possible, notify the Division of Labor and shall deliver or forward by mail the agent's license to the division. Failure to give notice, or failure to deliver such employment agent's license, shall be a violation of § 11-11-208.
- (2)(A) When one (1) or more individuals, on the basis of whose qualifications an agency license has been obtained, ceases to be connected with the licensed business for any reason whatsoever, the agency business may be carried on for a temporary period not to exceed thirty (30) days, under such terms and conditions as the Director of the Division of Labor shall provide by rule for the orderly closing of the business or the replacement and qualification of a new member, partner, or corporate officer, director, or shareholder.
- (B) The agency's authorization to continue to do business under this subchapter beyond the thirty-day period provided in this subdivision (a)(2) shall be contingent upon approval by the Director of the Division of Labor of any new member, principal, partner, officer, director, or shareholder.
- (b)(1) If an agency manager terminates his or her employment with an employment agency by which he or she is employed, the agency shall notify the division, as soon as is reasonably possible, to enable the division to know at all times the identity of the person charged with the general management of each of the agency's office locations.
- (2) The employment agency shall also deliver or forward by mail the agency manager's license, together with the reasons why the agency manager has terminated his or her position with the employment agency.

1	(c) If an employment counselor terminates his or her employment with
2	the employment agency by which he or she is employed, the agency shall, as
3	soon as is reasonably possible, notify the division and deliver or forward by
4	mail the employment counselor's license to the division, together with the
5	reasons for his or her termination.
6	
7	11-11-221. Issuance, refusal, suspension, or revocation of license -
8	Grounds.
9	(a) The Director of the Division of Labor shall issue a license as an
10	employment agent, agency manager, or counselor to any person who qualifies
11	for the license under the terms of this subchapter.
12	(b) The director may, in addition, refuse to issue a license to any
13	person or may suspend or revoke the license of any employment agent, agency
14	manager, or employment counselor or impose administrative fines as provided
15	for in § 11-11-203 when the director finds that any of the following
16	conditions exist:
17	(1) That the employment agent, agency manager, or counselor has
18	violated any of the provisions of this subchapter;
19	(2) That the employment agent, agency manager, or counselor has
20	violated any of the rules or other orders lawfully promulgated by the
21	director;
22	(3) That the employment agent, agency manager, or counselor has
23	violated the conditions of the bond required by § 11-11-213;
24	(4) That the person, employment agent, agency manager, or
25	employment counselor has engaged in a fraudulent, deceptive, or dishonest
26	practice;
27	(5) That the person, employment agent, agency manager, or
28	employment counselor has been legally adjudicated incompetent; or
29	(6) That the applicant is for good and sufficient cause unfit to
30	be an employment agent, agency manager, or employment counselor within the
31	meaning of this subchapter or of any of the rules or orders lawfully
32	promulgated by the director.
33	(c) This section and § 11-11-222 shall not be construed to relieve any
34	person from civil liability or from criminal prosecution under the provisions
35	of this subchapter or under other laws of this state.

1	11-11-222. Refusal, suspension, of fevocation of ficense — Notice and
2	hearing.
3	(a)(1) The Director of the Division of Labor may not refuse to issue a
4	license or suspend or revoke a license unless it furnishes the person,
5	employment agent, agency manager, or employment counselor with a written
6	statement of the charges against him or her and affords him or her an
7	opportunity to be heard on the charges.
8	(2) At the time that written charges are furnished to an
9	employment agency, the director shall make available to the agency a signed
10	written statement by any individual having filed a complaint with the
11	director relative to the matter for which charges have been filed by the
12	director.
13	(3) The agency shall be given at least twenty (20) days' written
14	notice of the date and time of the hearing. The notice shall conform to the
15	standards for notices set forth in the Arkansas Administrative Procedure Act,
16	§ 25-15-201 et seq.
17	(4) The notice shall be sent by certified mail, return receipt
18	requested, to the address of the person as shown on his or her application
19	for license, or it may be served in the manner in which a summons is served
20	in civil cases commenced in the circuit courts of this state.
21	(b)(1) At the time and place fixed for the hearing, the director shall
22	hold the hearing and thereafter make his or her order either dismissing the
23	charges or refusing, suspending, or revoking the license.
24	(2)(A) At the hearing, the accused shall have the right to
25	appear personally and by counsel and to cross-examine witnesses against him
26	or her.
27	(B)(i) He or she shall be allowed to produce evidence and
28	witnesses in his or her defense and shall have the right to have witnesses
29	subpoenaed.
30	(ii) The subpoenas shall be issued by the director.
31	(c)(1) A stenographic record of all proceedings shall be made, and a
32	transcript of the proceedings shall be made if desired by the Division of
33	Labor or by the accused.
34	(2) The transcript shall be paid for by the party ordering it.
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36	11-11-223. Judicial review of director's administrative orders.

(a) If the Director of the Division of Labor refuses to grant a license, suspends or revokes a license that has been granted, or imposes an administrative fine as provided in §§ 11-11-213, 11-11-221, and 11-11-222, the person adversely affected or aggrieved by the order of the director issued pursuant to the provisions of §§ 11-11-221 and 11-11-222 may obtain a review of the order.

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- (b) The order may be brought in the circuit court in the judicial district in which the violation is alleged to have occurred, where the employment agent, manager, or counselor worked, or in the Pulaski County Circuit Court or, if the aggrieved person is a nonresident of the state, in the Pulaski County Circuit Court.
- (c)(1) The review may be obtained by filing in the court within thirty (30) days following the issuance of the order a written petition praying that the order be modified or set aside.
- (2)(A) A copy of the petition shall be forthwith transmitted by the clerk of the court to the Division of Labor.
- (B) Thereupon, the division shall file in the court the 18 record of proceedings before the division.
 - (d) Upon the filing, the court shall have jurisdiction of the proceedings and of the questions determined therein and shall have power to grant such temporary relief or restraining order as it deems just and proper and to make and enter upon the pleadings, testimony, and proceedings set forth in the record a decree affirming, modifying, or setting aside, in whole or in part, the order of the director and enforcing the same to the extent that the order is affirmed.
 - (e) Commencement of proceedings under this section shall not, unless ordered by the court, operate as a stay of the order of the director,
 - (f)(1) No objection which has not been urged before the director shall be considered by the court.
 - (2) The findings of the director with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive.
 - (g)(1) If any party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for the failure to adduce the evidence in the hearing before the director, the

- court may order the additional evidence to be taken before the director and made a part of the record.
- (2)(A) The director may modify his or her findings as to the facts or make new findings, by reason of additional evidence so taken and filed, and the director shall file the modified or new findings with the court.
- 7 (B) The findings with respect to questions of fact, if
 8 supported by substantial evidence on the record considered as a whole, shall
 9 be conclusive.
 - (h) Upon the filing of the record with it, the jurisdiction of the court shall be exclusive, and its judgment and decree shall be final, except that it shall be subject to review by the Supreme Court.
 - (i)(1) The division shall certify the record of its proceedings if the party commencing the proceedings shall pay to it the cost of preparing and certifying the records, including the recording and transcribing of all testimony introduced in the proceedings.
 - (2) If payment of the costs of preparing and certifying the records, including the recording and transcribing of all testimony introduced in the proceedings, is not made by the party commencing the proceedings for review within ten (10) days after notice from the division of the cost of preparing and certifying the record, the circuit court in which the proceeding is pending, on motion of the director, shall dismiss the petition.

24 11-11-224. Deceptive practices.

- (a) No employment agent shall publish or cause to be published any fraudulent or misleading notice or advertisement of the employment agency by means of cards, circulars, or signs or in newspapers or other publications.
- (b) All letterheads, receipts, and blanks shall contain the full name and address of the employment agency, and the licensee shall state in all notices and advertisements the fact that the licensee is or conducts a private employment agency.
- (c) No employment agency shall print, publish, or paint on any sign or window or insert in any newspaper or publication a name similar to that of the Arkansas State Employment Service or any other governmental agency.
- (d) No employment agency shall print or stamp on any receipt or on any contract used by the agency any part of this subchapter unless the entire

- section from which the part is taken is printed or stamped thereon.
- 2 (e) No employment agency shall allow any person in its employment to
 3 use any names other than their legal names in the course of and in respect to
 4 their employment with the agency.
 - (f) No employment agency or its employees or agents shall give any information or make any representation to any applicant, where the agency or its employees or agents know or reasonably should know that the information or representation is false.
 - (g) No employment agency or its employees or agents shall knowingly withhold from a job applicant any information material to a job to which that applicant is referred.
 - (h) No employment agent or its agents or employees shall engage in any conduct in the course of its business that constitutes a fraudulent, dishonest, or deceptive practice, whether or not the conduct is prohibited by this subchapter.
 - (i) No contracts, forms, or schedules used by employment agencies in their dealings with the public shall contain any false, ambiguous, or misleading information.

- 11-11-225. Miscellaneous restrictions and requirements.
- 21 <u>In addition to other provisions of this subchapter, the following</u>
 22 provisions shall govern each and every employment agency:
 - (1) Every employment agent or agency shall display his, her, or its license in a conspicuous place in the main office of the agency. Managers and counselors shall display their licenses in a conspicuous place in their offices or work areas;

 - (B) Advertising for an employment position with the agency itself shall clearly convey the information that the job position offered is with the employment agency publishing the advertisement;
 - (3) No employment agency or its agents or employees shall receive or require any applicant to execute any power of attorney, assignment of wages or salary, or note authorizing the confession of judgment;
- 35 (4) No employment agent, by himself or herself, or by his or her 36 agents or employees, shall solicit, persuade, or induce any employee to leave

1 any employment in which the employment agent or his or her agent has placed 2 the employee, nor shall any employment agency or any of its agents or employees solicit, persuade, or induce any employer to discharge any 3 employee, nor shall any employment agent, or his or her agents or employees, 4 5 divide or offer to divide or share directly or indirectly any fee, charge, or 6 compensation received, or to be received, from an employee with any employer 7 or persons in any way connected with the business thereof; 8 (5)(A) No employment agent by himself or herself or by his or 9 her agents or employees shall give or promise to give anything of intrinsic 10 value to any employer or applicant for employment as an inducement to use the 11 services of his or her employment agency. 12 (B) No fee shall be solicited or accepted as an 13 application or registration fee by an employment agent for the purpose of 14 registering any person as an applicant for employment; 15 (6) No employment agency or its agents or employees shall 16 advertise or make a referral for any job position without having first 17 obtained a bona fide job order therefor; 18 (7) No employment agency or its agents or employees shall refer 19 an applicant for a job or job interview unless the applicant has been 20 personally interviewed by the employment agency or its agents or employees or 21 has corresponded with the employment agency with the specific purpose of 22 securing employment through that employment agency; 23 (8)(A) Every employment agency shall inform the public by a 24 conspicuous sign or poster that the employment agency is subject to the requirements of this subchapter, which is administered and enforced by the 25 26 Division of Labor. 27 (B) The division shall prepare and distribute the sign or 28 poster to be used by agencies to comply with this subdivision (8); 29 (9) No employment agency or its agents or employees shall knowingly send an applicant to any place where a strike, lockout, or other 30 31 labor dispute exists: 32 (10) No agency shall use any trade name or business identity 33 similar to, or reasonably likely to be confused with, the trade name or 34 business identity of an existing agency or any governmental nonprofit 35 employment agency; 36 (11) No employment agency shall refer an applicant to a

1	situation, employment, or occupation prohibited by law;
2	(12) No employment agency shall charge a fee to an employee for
3	any services other than actual placement of an applicant;
4	(13) No employment agency shall charge an applicant a fee for
5	accepting employment with the employment agency or any subsidiary of that
6	agency;
7	(14) Any information regarding an applicant's background or
8	eredit, from whatever source obtained, shall be used for no purpose other
9	than assisting the applicant in securing employment. However, an employment
10	agency may use background and credit information regarding an applicant in
11	determining whether to conduct placement services for the applicant if the
12	applicant gives written authorization for securing the information and
13	understands the purpose for which the information is secured;
14	(15) No employment agency or its agents or employees shall
15	engage in any practice that discriminates against any person on the basis of
16	race, color, sex, age, religion, or national origin;
17	(16) Under no circumstances shall more than one (1) fee for any
18	one (1) placement be charged any applicant;
19	(17) No contracts, forms, or schedules used by employment
20	agencies shall contain any provisions in conflict with the provisions of this
21	subchapter; and
22	(18) All refunds due shall be made by the agency by cash, check,
23	or money order promptly when due.
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25	11-11-226. Designation of manager required.
26	(a) Every employment agency shall designate an agency manager at each
27	office location of that agency, who shall be responsible for the general
28	management, administration, and operation of that office location.
29	(b) The agency manager must comply with the licensing requirements of
30	\$\$ 11-11-210 - 11-11-212, 11-11-214, 11-11-217, 11-11-218, 11-11-220(a)(1)
31	and (b), and 11-11-226.
32	(c) Every employment agency must maintain an agency manager at each of
33	its office locations.
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35	11-11-227. Fee restrictions and requirements.
36	(a) When employment lasts less than ninety (90) calendar days,

- 1 regardless of the reason, no employment agency may charge an employee a fee 2 of more than one-ninetieth (1/90th) of the permanent placement fee for each 3 calendar day of the employment. Under no circumstances shall the fee exceed twenty percent (20%) of an employee's actual gross earnings if employment 4 5 lasts less than thirty (30) days or forty percent (40%) of an employee's 6 actual gross earnings if employment lasts more than thirty (30) days but less 7 than ninety (90) days. 8 (b)(1) When a promissory note is used by the agency, it shall be 9 clearly identified as such and shall not be executed until the placement is 10 made. 11 (2) The defense of no or insufficient consideration shall be 12 good as against a holder of any such employment agency fee note. 13 (c)(1) When a dispute concerning a fee exists, the Division of Labor 14 may conduct an investigation to determine all of the facts concerning the 15 dispute. Thereafter, the Director of the Division of Labor shall issue a 16 decision and order resolving the dispute. 17 (2) Any person aggrieved by this decision and order may obtain 18 review of this decision and order pursuant to § 11-11-222. 19 (d)(1) Any schedule of fees to be charged by an employment agency for 20 its services shall be furnished to all applicants upon making application 21 with the agency. 22 (2)(A) The forms, fee schedules, and contracts utilized by an employment agency shall contain no ambiguous, false, or misleading 23 24 information. (B) No contract or fee schedule shall contain smaller than 25 26 eight-point type. 27 (e)(1) All fee schedules used in the business of an employment agency 28 must be furnished to job applicants and fee-paying employers and shall state in dollars and cents the amount of any fee charged by the agency for its 29 30 services. 31 (2) Percentages shall not be used by agencies in schedules of
 - (2) Percentages shall not be used by agencies in schedules of fees to be charged for their services, except when the annual salary for a job is twelve thousand dollars (\$12,000) or more.

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(f) It shall be unlawful for any employment agency to impose, enforce, collect, or receive a fee for performance of any service for a job applicant, or for a prospective employer, unless the agency makes every reasonable

- effort to disclose the exact dollar amount of the fee to the applicant or prospective employer prior to commencement of employment of an applicant by an employer.
- (g) Nothing in this section or this subchapter shall be construed to prohibit an employment agency from contracting with an employer on a fee paid basis to pay the fee for the placement services for an employee without an actual job placement or to prohibit an agency from charging a fee to an employer for a retained services contract to search for applicants for an employer without an actual job placement.

- 11 11-228. Filing of fee schedule, forms, and contracts required.
 - (a) It shall be the duty of every employment agency to file with the Division of Labor a schedule of all fees, charges, and commissions that the agency expects to charge and collect for its service, together with a copy of all forms and contracts to be used in dealings with the public in the operation of its business.
 - (b) The fee schedules, contracts, and forms shall be filed with the division on the date of the agency's application for initial or renewal licensing under this subchapter.
 - (c) Any amendments or supplements to fee schedules, contracts, or forms filed with the division must be filed at least fifteen (15) days before the amendment or supplement is to become effective.
 - (d) It shall be unlawful for any employment agency to charge, demand, collect, or receive a greater compensation for any service performed by the agency than is specified in fee schedules filed with the division or than is specified by this subchapter.

- 11-11-229. Records required.
- (a) It shall be the duty of every employment agency to keep a complete record of all orders for employees that are received from prospective employers. This record shall contain the date when the order was received, the name and address of the employer seeking the services of an employee, the name of the individual placing the order, the duties of the position to be filled, the qualifications required of the employee, the salary or wages to be paid, and the probable duration of the job.
 - (b) It shall be the duty of every employment agency to keep a complete

record of each applicant who is referred by the agency to an employer for a
job interview. This record shall contain the date when the applicant was
referred to a prospective employer for a job or interview, the name of the
applicant, and the name of the firm to whom the applicant is referred.

- (c)(1) It shall be the duty of every employment agency to keep a complete register called a "business transaction record", which shall consist of the name of the individual placed, the date of the placement, the name of the employer, the starting date of the position, the starting salary, the amount of the fee charged, and the remarks column.
- (2) The remarks column will state the amount of any adjustment or refund made.
- (d)(1) Prior to referral of any person to a job or interview or prior to placement of any job advertisement, an employment agency must have a current bona fide job order.
- (2) It shall be the duty of every employment agency to maintain a copy of any job advertisement and the job order pertaining to any advertisement in a readily available record.
- (e) All of the records listed in this section shall be kept in the employment agency office and shall be open during office hours to inspection by the Division of Labor and its duly authorized agents.
- (f) No employment agent or his or her employee shall knowingly make any false entry or omission in the records.

SECTION 2. Arkansas Code § 11-10-717(e)(5), concerning employer contribution collections, failure to pay or report, and penalties, is repealed.

(5) The provisions of this subsection shall not be applicable to private employment agencies who provide their employees to employers on a temporary help basis, provided that the private employment agencies are liable as employers for the payment of contributions on wages paid to temporary workers so employed.

SECTION 3. Arkansas Code § 19-6-201(17), concerning the enumeration of general revenues of the state, is repealed.

(17) Employment agency licenses, as enacted by Acts 1975, No. 493, known as the "Arkansas Private Employment Agency Act of 1975", and all

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