1	State of Arkansas
2	95th General Assembly A Bill
3	Regular Session, 2025SENATE BILL 278
4	
5	By: Senator J. English
6	By: Representative S. Meeks
7	
8	For An Act To Be Entitled
9	AN ACT TO REPEAL THE STATUTES CONCERNING THE
10	OCCUPATIONAL AUTHORIZATION AND LICENSURE OF PRIVATE
11	EMPLOYMENT AGENCIES, EMPLOYMENT COUNSELORS, AND
12	EMPLOYMENT AGENCY MANAGERS; TO REPEAL THE ARKANSAS
13	PRIVATE EMPLOYMENT AGENCY ACT OF 1975; AND FOR OTHER
14	PURPOSES.
15	
16	
17	Subtitle
18	TO REPEAL THE STATUTES CONCERNING THE
19	OCCUPATIONAL AUTHORIZATION AND LICENSURE
20	OF CERTAIN EMPLOYMENT OFFICES AND
21	AGENCIES; AND TO REPEAL THE ARKANSAS
22	PRIVATE EMPLOYMENT AGENCY ACT OF 1975.
23	
24	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25	
26	SECTION 1. Arkansas Code Title 11, Chapter 11, is repealed.
27	
28	CHAPTER 11 - EMPLOYMENT OFFICES AND AGENCIES
29	
30	Subchapter 1 — General Provisions
31	
32	11-11-101. Recruitment of labor by foreign labor agents.
33	(a) No foreign labor agent, labor bureau or employment agency, or any
34	other person shall enter this state and attempt to hire, induce, or take from
35	this state any labor, singularly or in groups, for any purpose, whether or
36	not a fee or charge is extracted from the worker, without first applying to



1	the Director of the Division of Labor for a license to do so and filing with
2	the director:
3	(1) A statement as to where the labor is to be taken, for what
4	purpose, for what length of time, and whether transportation is to be paid to
5	and from the destination, if temporary;
6	(2) A statement of the financial standing of the employer
7	desiring the labor;
8	(3) An affidavit of authority to represent the employer in this
9	state; and
10	(4) Whatever other information the director may require.
11	(b)(1) The director shall determine whether the person desiring the
12	labor from this state is a labor agent, labor bureau, or employment agency
13	and, if so, whether the applicant is qualified to be licensed under the laws
14	of this state and according to the provisions of this section.
15	(2) The director, after the investigation, may refuse to license
16	or register the applicant until the applicant has complied with the
17	provisions of this section.
18	(3) The applicant shall, in the event of unfavorable action by
19	the director, have the right of appeal to the proper court.
20	(e) This section is cumulative to all existing laws affecting the
21	hiring or employment of labor.
22	
23	Subchapter 2 — Private Employment Agencies
24	
25	11-11-201. Title.
26	This subchapter may be cited as the "Arkansas Private Employment Agency
27	Act of 1975".
28	
29	11-11-202. Definitions.
30	As used in this subchapter, unless the context otherwise requires:
31	(1) "Agency manager" means the individual designated by the
32	employment agency to conduct the general management, administration, and
33	operation of a designated employment agency office. Every employment agency
34	must maintain a licensed agency manager at each of its separate office
35	locations;
36	(2) "Applicant" except when used to describe an applicant for an

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

1	and paid for by a third person seeking employment or an employee, provided
2	that the person does not procure or offer to procure employment or employees;
3	OT
4	(vi) Any person who contracts with an employer to
5	recruit employees for the employer without charge to the prospective
6	employee;
7	(8) "Employment counselor" means an employee of any employment
8	agency who interviews, counsels, or advises applicants or employers, or both,
9	on employment or allied problems or who makes or arranges contracts or
10	contacts between employers and employees. The term "employment counselor"
11	includes employees who solicit orders for employees from prospective
12	employers;
13	(9) "Fee" shall mean anything of value, including any money or
14	other valuable consideration exacted, charged, collected, or received,
15	directly or indirectly, or paid or contracted to be paid for any services or
16	act by an employment agency; and
17	(10) "Person" means any individual, company, firm, association,
18	partnership, or corporation.
19	
20	11-11-203. Penalty.
21	(a) The Director of the Division of Labor shall have authority to
22	impose a fine of not less than twenty-five dollars (\$25.00) nor more than
23	five hundred dollars (\$500) for violation of the provisions of this
24	subchapter by an employment agency or its employees or agents.
25	(b) The director shall notify the employment agency in writing of the
26	reasons for imposition of a fine and at that time shall make available to the
27	employment agency a signed written statement by any individual having filed a
28	complaint with the director relative to the matter for which a fine has been
29	imposed by the director.
30	(c) The agency shall have the right to a hearing before the director
31	and the right to judicial review provided by § 11-11-223 with respect to the
32	fine.
33	
34	11-11-204. Director and division — Powers and duties.
35	
	(a) It shall be the duty of the Division of Labor, and it shall have

1 provisions of this subchapter.

2 (b) The Director of the Division of Labor shall have the power, 3 jurisdiction, and authority to issue licenses to employment agencies, agency 4 managers, and counselors and to refuse to issue, revoke, or suspend the 5 licenses when, after due investigation, and in compliance with the procedures 6 set forth in §§ 11-11-221 and 11-11-222, the director finds that the 7 applicant is for good and sufficient cause unfit to be an employment agent, 8 agency manager, or counselor within the meaning of this subchapter or any 9 rules or orders lawfully promulgated under this subchapter. 10 (c)(1) Complaints against any person, employment agent, agency manager, or counselor may be made to the division orally or in writing. 11 12 (2) The director shall have the power to compel attendance of witnesses by issuance of subpoenas, administer oaths, direct production of 13 14 documents and records, and direct taking of testimony and evidence concerning 15 all matters within the jurisdiction of the division. 16 (3) The director may order testimony to be taken by deposition 17 in any proceeding pending before the division at any stage of the proceeding. 18 (4) The director or his or her duly authorized agent shall at all reasonable times have access to, for the purpose of examination and 19 20 copying, the books, records, papers, and documents of any person being investigated or proceeded against under the provisions of this subchapter, so 21 22 long as the books, records, papers, or documents sought to be inspected or 23 copied are reasonably related to the investigation or proceeding being 24 conducted by the director. 25 (5) The director or his or her authorized agent shall, upon 26 application of any party to proceedings before the director, issue to the 27 party subpoenas requiring the attendance and testimony of witnesses or the 28 production of any books, records, papers, or documents reasonably related to issues involved in proceedings before the director or an investigation 29 30 conducted by the director. 31 (6) If any person in proceedings before the director or in 32 investigations conducted by the director disobeys or resists any lawful order 33 or process issued by the director or his or her authorized agents, or fails 34 to produce, after being lawfully directed to do so, any book, paper, record, or document, or refuses to appear and testify after being subpoenaed to do 35 so, the director shall certify the facts to any court of competent 36

1	jurisdiction in the state or to the Pulaski County Circuit Court.
2	(7) The court shall have authority to conduct hearings and
3	punish any person for failure or refusal to testify or produce books, papers,
4	documents, or records subpoenaed or ordered by the director as though the
5	conduct constituted contempt of court.
6	(8) Witnesses summoned by the director or his or her authorized
7	agent shall be paid the same fees and mileage paid to witnesses in the courts
8	of this state.
9	(d)(1) The director may prescribe such rules for the conduct of the
10	business of private employment agencies as necessary to implement this
11	subchapter.
12	(2) These rules shall have the force and effect of law and shall
13	be enforced by the director in the same manner as the provisions of this
14	subchapter.
15	(3) Adoption of rules pursuant to this subsection shall be
16	carried out in compliance with the Arkansas Administrative Procedure Act, §
17	25-15-201 et seq.
18	(e) The division shall have authority to investigate employment
19	agents, agency managers, and counselors. The division shall have the right to
20	examine records required by law to be kept and maintained by employment
21	agents, agency managers, and counselors and to examine the offices where the
22	business is or shall be conducted by them.
23	(f) The division may seek to recover in a court of competent
24	jurisdiction fees charged or collected in violation of this subchapter.
25	
26	11-11-208. License required - Penalties.
27	(a) No person shall engage in the business of or act as an employment
28	agent, agency manager, or counselor unless he or she first obtains a license
29	from the Division of Labor.
30	(b)(l)(A) Any person who shall engage in the business of or act as an
31	employment agent, agency manager, or counselor without first procuring a
32	license is guilty of a misdemeanor.
33	(B) He or she shall be punished by a fine of not less than
34	fifty dollars (\$50.00) and not more than two hundred fifty dollars (\$250) for
35	each day of acting as an employment agent, agency manager, or counselor
36	without a license or by imprisonment for not more than three (3) months, or

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

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

1	intellectual competency, judgment, and achievement; and
2	(6) A person who demonstrates business integrity, financial
3	responsibility, and judgment.
4	(b)(1) Every applicant for an initial employment agency license and
5	every applicant for a renewal license shall file with the Director of the
6	Division of Labor a completed application on a form prescribed and furnished
7	by the Director of the Division of Labor.
8	$(2)(\Lambda)$ The application shall be signed by the applicant and
9	sworn to before anyone qualified by law to administer oaths.
10	(B) If the applicant is a corporation, the application
11	shall state the names and home addresses of all shareholders, officers, and
12	directors of the corporation and shall be signed and sworn to by the
13	president, treasurer, and secretary thereof.
14	(C) If the applicant is a partnership, the application
15	shall state the names and home addresses of all partners therein and shall be
16	signed and sworn to by all of them.
17	(3) The applicant shall file at least two (2) letters of
18	character reference from persons of reputed business or professional
19	integrity.
20	(4) This application shall also contain such other information
21	as the Director of the Division of Labor may prescribe.
22	
23	11-11-213. Employment agency license — Bond required — Action on the
24	bond.
25	(a)(1) Every application for issuance or renewal of an employment
26	agency's license shall be accompanied by a bond in the sum of five thousand
27	dollars (\$5,000) with a duly licensed surety company or companies authorized
28	to do business in this state.
29	(2) The terms and conditions of the bond shall be approved by
30	the Director of the Division of Labor.
31	(3) The bond shall be conditioned that the employment agency and
32	each member, employee, shareholder, director, or officer of a person, firm,
33	partnership, corporation, or association operating as the employment agency
34	will not violate the provisions of this subchapter or violate rules or orders
35	lawfully promulgated by the director or violate the terms of any contract
36	made by the employment agent in the conduct of its business.

1 (b)(1) If any person shall be aggrieved by the misconduct of any 2 licensee, that person may maintain an action in his or her own name upon the 3 bond of the employment agency in any court of competent jurisdiction or in 4 the Pulaski County Circuit Court. 5 (2)(A) All claims shall be assignable, and the assignee shall be 6 entitled to the same remedies upon the bond of the licensee as the person 7 aggrieved would have been entitled to if the claim had not been assigned. 8 (B) Any claim so assigned may be enforced in the name of 9 the assignee. 10 (3) Any remedies given by this section shall not be exclusive of any other remedy that would otherwise exist. 11 12 (c) Action on the bond required by this section may be maintained by 13 the director in the name of the state in any court of competent jurisdiction 14 or in the Pulaski County Circuit Court, for the benefit of any person or 15 persons aggrieved by the misconduct of the licensee. 16 (d)(1) If any licensee fails to file a new bond with the Division of 17 Labor within thirty (30) days after notice of cancellation by the surety of 18 the bond required by this section, the license issued to the principal under 19 the bond is suspended until such time as a new surety bond is filed with and 20 approved by the director. 21 (2) A person whose license is suspended pursuant to this 22 subsection shall not carry on the business of an employment agency during the 23 period of the suspension. 24 25 11-11-214. Investigation of license applicant by director. 26 (a) Upon filing of an application for a license as provided in this 27 subchapter, the Director of the Division of Labor shall cause an 28 investigation to be made regarding the character, business integrity, and financial responsibility of the license applicant. 29 30 (b) The director shall also determine the suitability or unsuitability of the applicant's proposed office location. 31 32 (c) An application for an employment agency's, agency manager's, or 33 employment counselor's license shall be rejected by the director if it is 34 found that any person named in the license application is not of good moral character, business integrity, or financial responsibility or if there is 35

36 good and sufficient reason within the meaning and purpose of this subchapter

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

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

36 with the bonding requirements of this subchapter; and

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

36 shall be automatically suspended from the right to engage in the activity

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1	authorized by the license until the license is renewed.
2	(d) Every application for renewal of a license must be accompanied by
3	payment of the required license fee and evidence of compliance with the
4	bonding requirements of this subchapter.
5	
6	11-11-220. Cessation of business by licensee.
7	(a)(l) If an employment agent ceases business operations, the agent
8	shall, as soon as reasonably possible, notify the Division of Labor and shall
9	deliver or forward by mail the agent's license to the division. Failure to
10	give notice, or failure to deliver such employment agent's license, shall be
11	a violation of § 11-11-208.
12	(2)(A) When one (1) or more individuals, on the basis of whose
13	qualifications an agency license has been obtained, ceases to be connected
14	with the licensed business for any reason whatsoever, the agency business may
15	be carried on for a temporary period not to exceed thirty (30) days, under
16	such terms and conditions as the Director of the Division of Labor shall
17	provide by rule for the orderly closing of the business or the replacement
18	and qualification of a new member, partner, or corporate officer, director,
10	
19	or shareholder.
19	or shareholder.
19 20	or shareholder. (B) The agency's authorization to continue to do business
19 20 21	or shareholder. (B) The agency's authorization to continue to do business under this subchapter beyond the thirty-day period provided in this
19 20 21 22	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
19 20 21 22 23	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,
19 20 21 22 23 24	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.
19 20 21 22 23 24 25	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
19 20 21 22 23 24 25 26	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
19 20 21 22 23 24 25 26 27	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
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1	reasons for his or her termination.
2	
3	11-11-221. Issuance, refusal, suspension, or revocation of license -
4	Grounds.
5	(a) The Director of the Division of Labor shall issue a license as an
6	employment agent, agency manager, or counselor to any person who qualifies
7	for the license under the terms of this subchapter.
8	(b) The director may, in addition, refuse to issue a license to any
9	person or may suspend or revoke the license of any employment agent, agency
10	manager, or employment counselor or impose administrative fines as provided
11	for in § 11-11-203 when the director finds that any of the following
12	conditions exist:
13	(1) That the employment agent, agency manager, or counselor has
14	violated any of the provisions of this subchapter;
15	(2) That the employment agent, agency manager, or counselor has
16	violated any of the rules or other orders lawfully promulgated by the
17	director;
18	(3) That the employment agent, agency manager, or counselor has
19	violated the conditions of the bond required by § 11-11-213;
20	(4) That the person, employment agent, agency manager, or
21	employment counselor has engaged in a fraudulent, deceptive, or dishonest
22	practice;
23	(5) That the person, employment agent, agency manager, or
24	employment counselor has been legally adjudicated incompetent; or
25	(6) That the applicant is for good and sufficient cause unfit to
26	be an employment agent, agency manager, or employment counselor within the
27	meaning of this subchapter or of any of the rules or orders lawfully
28	promulgated by the director.
29	(c) This section and § 11-11-222 shall not be construed to relieve any
30	person from civil liability or from criminal prosecution under the provisions
31	of this subchapter or under other laws of this state.
32	
33	11-11-222. Refusal, suspension, or revocation of license - Notice and
34	hearing.
35	(a)(1) The Director of the Division of Labor may not refuse to issue a
36	license or suspend or revoke a license unless it furnishes the person,

1	employment agent, agency manager, or employment counselor with a written
2	statement of the charges against him or her and affords him or her an
3	opportunity to be heard on the charges.
4	(2) At the time that written charges are furnished to an
5	employment agency, the director shall make available to the agency a signed
6	written statement by any individual having filed a complaint with the
7	director relative to the matter for which charges have been filed by the
8	director.
9	(3) The agency shall be given at least twenty (20) days' written
10	notice of the date and time of the hearing. The notice shall conform to the
11	standards for notices set forth in the Arkansas Administrative Procedure Act,
12	§ 25-15-201 et seq.
13	(4) The notice shall be sent by certified mail, return receipt
14	requested, to the address of the person as shown on his or her application
15	for license, or it may be served in the manner in which a summons is served
16	in civil cases commenced in the circuit courts of this state.
17	(b)(1) At the time and place fixed for the hearing, the director shall
18	hold the hearing and thereafter make his or her order either dismissing the
19	charges or refusing, suspending, or revoking the license.
20	(2)(A) At the hearing, the accused shall have the right to
21	appear personally and by counsel and to cross-examine witnesses against him
22	or her.
23	(B)(i) He or she shall be allowed to produce evidence and
24	witnesses in his or her defense and shall have the right to have witnesses
25	subpoenaed.
26	(ii) The subpoenas shall be issued by the director.
27	(c)(l) A stenographic record of all proceedings shall be made, and a
28	transcript of the proceedings shall be made if desired by the Division of
29	Labor or by the accused.
30	(2) The transcript shall be paid for by the party ordering it.
31	
32	11-11-223. Judicial review of director's administrative orders.
33	(a) If the Director of the Division of Labor refuses to grant a
34	license, suspends or revokes a license that has been granted, or imposes an
35	administrative fine as provided in §§ 11-11-213, 11-11-221, and 11-11-222,
36	the person adversely affected or aggrieved by the order of the director

1 issued pursuant to the provisions of §§ 11-11-221 and 11-11-222 may obtain a 2 review of the order. 3 (b) The order may be brought in the circuit court in the judicial 4 district in which the violation is alleged to have occurred, where the 5 employment agent, manager, or counselor worked, or in the Pulaski County 6 Circuit Court or, if the aggrieved person is a nonresident of the state, in 7 the Pulaski County Circuit Court. 8 (c)(1) The review may be obtained by filing in the court within thirty 9 (30) days following the issuance of the order a written petition praying that 10 the order be modified or set aside. 11 (2)(A) A copy of the petition shall be forthwith transmitted by 12 the clerk of the court to the Division of Labor. (B) Thereupon, the division shall file in the court the 13 14 record of proceedings before the division. 15 (d) Upon the filing, the court shall have jurisdiction of the 16 proceedings and of the questions determined therein and shall have power to 17 grant such temporary relief or restraining order as it deems just and proper 18 and to make and enter upon the pleadings, testimony, and proceedings set 19 forth in the record a decree affirming, modifying, or setting aside, in whole 20 or in part, the order of the director and enforcing the same to the extent that the order is affirmed. 21 22 (e) Commencement of proceedings under this section shall not, unless ordered by the court, operate as a stay of the order of the director. 23 24 (f)(1) No objection which has not been urged before the director shall 25 be considered by the court. 26 (2) The findings of the director with respect to questions of 27 fact, if supported by substantial evidence on the record considered as a 28 whole, shall be conclusive. (g)(1) If any party shall apply to the court for leave to adduce 29 30 additional evidence and shall show to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for 31 32 the failure to adduce the evidence in the hearing before the director, the 33 court may order the additional evidence to be taken before the director and 34 made a part of the record. 35 (2)(A) The director may modify his or her findings as to the

36 facts or make new findings, by reason of additional evidence so taken and

1 filed, and the director shall file the modified or new findings with the 2 court. 3 (B) The findings with respect to questions of fact, if 4 supported by substantial evidence on the record considered as a whole, shall 5 be conclusive. 6 (h) Upon the filing of the record with it, the jurisdiction of the 7 court shall be exclusive, and its judgment and decree shall be final, except that it shall be subject to review by the Supreme Court. 8 9 (i)(1) The division shall certify the record of its proceedings if the 10 party commencing the proceedings shall pay to it the cost of preparing and 11 certifying the records, including the recording and transcribing of all 12 testimony introduced in the proceedings. (2) If payment of the costs of preparing and certifying the 13 14 records, including the recording and transcribing of all testimony introduced 15 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 16 17 preparing and certifying the record, the circuit court in which the 18 proceeding is pending, on motion of the director, shall dismiss the petition. 19 20 11-11-224. Deceptive practices. 21 (a) No employment agent shall publish or cause to be published any 22 fraudulent or misleading notice or advertisement of the employment agency by 23 means of cards, circulars, or signs or in newspapers or other publications. 24 (b) All letterheads, receipts, and blanks shall contain the full name and address of the employment agency, and the licensee shall state in all 25 26 notices and advertisements the fact that the licensee is or conducts a 27 private employment agency. 28 (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 29 30 the Arkansas State Employment Service or any other governmental agency. 31 (d) No employment agency shall print or stamp on any receipt or on any 32 contract used by the agency any part of this subchapter unless the entire 33 section from which the part is taken is printed or stamped thereon. 34 (e) No employment agency shall allow any person in its employment to use any names other than their legal names in the course of and in respect to 35

36 their employment with the agency.

1	(f) No employment agency or its employees or agents shall give any
2	information or make any representation to any applicant, where the agency or
3	its employees or agents know or reasonably should know that the information
4	or representation is false.
5	(g) No employment agency or its employees or agents shall knowingly
6	withhold from a job applicant any information material to a job to which that
7	applicant is referred.
8	(h) No employment agent or its agents or employees shall engage in any
9	conduct in the course of its business that constitutes a fraudulent,
10	dishonest, or deceptive practice, whether or not the conduct is prohibited by
11	this subchapter.
12	(i) No contracts, forms, or schedules used by employment agencies in
13	their dealings with the public shall contain any false, ambiguous, or
14	misleading information.
15	
16	11-11-225. Miscellaneous restrictions and requirements.
17	In addition to other provisions of this subchapter, the following
18	provisions shall govern each and every employment agency:
19	(1) Every employment agent or agency shall display his, her, or
20	its license in a conspicuous place in the main office of the agency. Managers
21	and counselors shall display their licenses in a conspicuous place in their
22	offices or work areas;
23	(2)(A) All advertising by an employment agency of any form or
24	kind shall include the words "employment agency" or "personnel agency".
25	(B) Advertising for an employment position with the agency
26	itself shall clearly convey the information that the job position offered is
27	with the employment agency publishing the advertisement;
28	(3) No employment agency or its agents or employees shall
29	receive or require any applicant to execute any power of attorney, assignment
30	of wages or salary, or note authorizing the confession of judgment;
31	(4) No employment agent, by himself or herself, or by his or her
32	agents or employees, shall solicit, persuade, or induce any employee to leave
33	any employment in which the employment agent or his or her agent has placed
34	the employee, nor shall any employment agency or any of its agents or
35	employees solicit, persuade, or induce any employer to discharge any
36	employee, nor shall any employment agent, or his or her agents or employees,

1	divide or offer to divide or share directly or indirectly any fee, charge, or
2	compensation received, or to be received, from an employee with any employer
3	or persons in any way connected with the business thereof;
4	(5)(A) No employment agent by himself or herself or by his or
5	her agents or employees shall give or promise to give anything of intrinsic
6	value to any employer or applicant for employment as an inducement to use the
7	services of his or her employment agency.
8	(B) No fee shall be solicited or accepted as an
9	application or registration fee by an employment agent for the purpose of
10	registering any person as an applicant for employment;
11	(6) No employment agency or its agents or employees shall
12	advertise or make a referral for any job position without having first
13	obtained a bona fide job order therefor;
14	(7) No employment agency or its agents or employees shall refer
15	an applicant for a job or job interview unless the applicant has been
16	personally interviewed by the employment agency or its agents or employees or
17	has corresponded with the employment agency with the specific purpose of
18	securing employment through that employment agency;
19	(8)(A) Every employment agency shall inform the public by a
20	conspicuous sign or poster that the employment agency is subject to the
21	requirements of this subchapter, which is administered and enforced by the
22	Division of Labor.
23	(B) The division shall prepare and distribute the sign or
24	poster to be used by agencies to comply with this subdivision (8);
25	(9) No employment agency or its agents or employees shall
26	knowingly send an applicant to any place where a strike, lockout, or other
27	labor dispute exists;
28	(10) No agency shall use any trade name or business identity
29	similar to, or reasonably likely to be confused with, the trade name or
30	business identity of an existing agency or any governmental nonprofit
31	employment agency;
32	(11) No employment agency shall refer an applicant to a
33	situation, employment, or occupation prohibited by law;
34	(12) No employment agency shall charge a fee to an employee for
35	any services other than actual placement of an applicant;
36	(13) No employment agency shall charge an applicant a fee for

1 accepting employment with the employment agency or any subsidiary of that 2 agency; 3 (14) Any information regarding an applicant's background or 4 credit, from whatever source obtained, shall be used for no purpose other 5 than assisting the applicant in securing employment. However, an employment 6 agency may use background and credit information regarding an applicant in 7 determining whether to conduct placement services for the applicant if the 8 applicant gives written authorization for securing the information and 9 understands the purpose for which the information is secured; 10 (15) No employment agency or its agents or employees shall 11 engage in any practice that discriminates against any person on the basis of 12 race, color, sex, age, religion, or national origin; 13 (16) Under no eircumstances shall more than one (1) fee for any 14 one (1) placement be charged any applicant; 15 (17) No contracts, forms, or schedules used by employment 16 agencies shall contain any provisions in conflict with the provisions of this 17 subchapter; and 18 (18) All refunds due shall be made by the agency by eash, check, or money order promptly when due. 19 20 21 11-11-226. Designation of manager required. 22 (a) Every employment agency shall designate an agency manager at each 23 office location of that agency, who shall be responsible for the general 24 management, administration, and operation of that office location. 25 (b) The agency manager must comply with the licensing requirements of 26 $\frac{11-11-210}{11-11-212}, \frac{11-11-214}{11-11-217}, \frac{11-11-218}{11-11-220(a)(1)}$ 27 and (b), and 11-11-226. 28 (c) Every employment agency must maintain an agency manager at each of its office locations. 29 30 31 11-11-227. Fee restrictions and requirements. 32 (a) When employment lasts less than ninety (90) calendar days, 33 regardless of the reason, no employment agency may charge an employee a fee 34 of more than one-ninetieth (1/90th) of the permanent placement fee for each 35 calendar day of the employment. Under no circumstances shall the fee exceed 36 twenty percent (20%) of an employee's actual gross earnings if employment

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1	lasts less than thirty (30) days or forty percent (40%) of an employee's
2	actual gross earnings if employment lasts more than thirty (30) days but less
3	than ninety (90) days.
4	(b)(1) When a promissory note is used by the agency, it shall be
5	clearly identified as such and shall not be executed until the placement is
6	made.
7	(2) The defense of no or insufficient consideration shall be
8	good as against a holder of any such employment agency fee note.
9	(c)(1) When a dispute concerning a fee exists, the Division of Labor
10	may conduct an investigation to determine all of the facts concerning the
11	dispute. Thereafter, the Director of the Division of Labor shall issue a
12	decision and order resolving the dispute.
13	(2) Any person aggrieved by this decision and order may obtain
14	review of this decision and order pursuant to § 11-11-222.
15	(d)(l) Any schedule of fees to be charged by an employment agency for
16	its services shall be furnished to all applicants upon making application
17	with the agency.
18	(2)(A) The forms, fee schedules, and contracts utilized by an
19	employment agency shall contain no ambiguous, false, or misleading
20	information.
21	(B) No contract or fee schedule shall contain smaller than
22	eight-point type.
23	(e)(l) All fee schedules used in the business of an employment agency
24	must be furnished to job applicants and fee paying employers and shall state
25	in dollars and cents the amount of any fee charged by the agency for its
26	services.
27	(2) Percentages shall not be used by agencies in schedules of
28	fees to be charged for their services, except when the annual salary for a
29	job is twelve thousand dollars (\$12,000) or more.
30	(f) It shall be unlawful for any employment agency to impose, enforce,
31	collect, or receive a fee for performance of any service for a job applicant,
32	or for a prospective employer, unless the agency makes every reasonable
33	effort to disclose the exact dollar amount of the fee to the applicant or
34	prospective employer prior to commencement of employment of an applicant by
35	an employer.
36	(g) Nothing in this section or this subchapter shall be construed to

1	prohibit an employment agency from contracting with an employer on a fee-paid
2	basis to pay the fee for the placement services for an employee without an
3	actual job placement or to prohibit an agency from charging a fee to an
4	employer for a retained services contract to search for applicants for an
5	employer without an actual job placement.
6	
7	11-11-228. Filing of fee schedule, forms, and contracts required.
8	(a) It shall be the duty of every employment agency to file with the
9	Division of Labor a schedule of all fees, charges, and commissions that the
10	agency expects to charge and collect for its service, together with a copy of
11	all forms and contracts to be used in dealings with the public in the
12	operation of its business.
13	(b) The fee schedules, contracts, and forms shall be filed with the
14	division on the date of the agency's application for initial or renewal
15	licensing under this subchapter.
16	(c) Any amendments or supplements to fee schedules, contracts, or
17	forms filed with the division must be filed at least fifteen (15) days before
18	the amendment or supplement is to become effective.
19	(d) It shall be unlawful for any employment agency to charge, demand,
20	collect, or receive a greater compensation for any service performed by the
21	agency than is specified in fee schedules filed with the division or than is
22	specified by this subchapter.
23	
24	11-11-229. Records required.
25	(a) It shall be the duty of every employment agency to keep a complete
26	record of all orders for employees that are received from prospective
27	employers. This record shall contain the date when the order was received,
28	the name and address of the employer seeking the services of an employee, the
29	name of the individual placing the order, the duties of the position to be
30	filled, the qualifications required of the employee, the salary or wages to
31	be paid, and the probable duration of the job.
32	(b) It shall be the duty of every employment agency to keep a complete
33	record of each applicant who is referred by the agency to an employer for a
34	job interview. This record shall contain the date when the applicant was
35	referred to a prospective employer for a job or interview, the name of the
36	applicant, and the name of the firm to whom the applicant is referred.

1 (c)(1) It shall be the duty of every employment agency to keep a 2 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 3 4 the employer, the starting date of the position, the starting salary, the 5 amount of the fee charged, and the remarks column. 6 (2) The remarks column will state the amount of any adjustment 7 or refund made. (d)(1) Prior to referral of any person to a job or interview or prior 8 9 to placement of any job advertisement, an employment agency must have a 10 current bona fide job order. 11 (2) It shall be the duty of every employment agency to maintain 12 a copy of any job advertisement and the job order pertaining to any advertisement in a readily available record. 13 14 (e) All of the records listed in this section shall be kept in the 15 employment agency office and shall be open during office hours to inspection by the Division of Labor and its duly authorized agents. 16 17 (f) No employment agent or his or her employee shall knowingly make 18 any false entry or omission in the records. 19 20 SECTION 2. Arkansas Code § 19-6-201(17), concerning the enumeration of 21 general revenues of the state, is repealed. 22 (17) Employment agency licenses, as enacted by Acts 1975, No. 493, known as the "Arkansas Private Employment Agency Act of 1975", and all 23 24 laws amendatory thereto, § 11-11-201 et seq.; 25 26 27 28 29 30 31 32 33 34 35 36