

2014 -- S 2020

=====
LC003241
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- PROFESSIONAL EMPLOYER
ORGANIZATION ACT OF 2004

Introduced By: Senators Walaska, and Lombardo

Date Introduced: January 09, 2014

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 5-75-6 of the General Laws in Chapter 5-75 entitled "Professional
2 Employer Organizations Act of 2004" is hereby amended to read as follows:

3 **5-75-6. Financial capability -- Net worth and bonding.** -- Each PEO shall maintain a
4 bond or securities with a minimum market value of fifty thousand dollars (\$50,000) held by a
5 depository designated by the department securing payment by the PEO of all taxes, wages,
6 benefits or other entitlement due to or with respect to covered employees, if the PEO does not
7 make such payments when due. ~~A PEO registered under this chapter and certified by the division~~
8 ~~of taxation for at least two (2) years shall be exempt from the bonding requirements of this~~
9 ~~section.~~

10 SECTION 2. This act shall take effect upon passage.

=====
LC003241
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- PROFESSIONAL EMPLOYER
ORGANIZATION ACT OF 2004

1 This act would eliminate the exemption from bonding requirements for professional
2 employer organizations that have been certified by the division of taxation for at least two (2)
3 years.

4 This act would take effect upon passage.

=====
LC003241
=====