

House Bill 397

By: Representatives Werkheiser of the 157<sup>th</sup>, Kirby of the 114<sup>th</sup>, McClain of the 100<sup>th</sup>, and Marin of the 96<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 34-7-6 of the Official Code of Georgia Annotated, relating to  
2 professional employer organizations and rights, powers, and responsibilities, so as to require  
3 specific allocation between a professional employer organization and a coemployer client as  
4 to the responsibility to obtain workers' compensation coverage for the employees of the  
5 coemployer; to provide for related matters; to provide for an effective date; to repeal  
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 34-7-6 of the Official Code of Georgia Annotated, relating to professional  
10 employer organizations and rights, powers, and responsibilities, is amended by revising  
11 subsection (d) and adding a new subsection to read as follows:

12 "(d) It is the intent of this Code section that professional employer organizations shall be  
13 considered to be employers under this title and are required to comply with the provisions  
14 of Code Sections 34-8-32, 34-8-34, and 34-8-172. ~~Professional employer organizations~~  
15 ~~and their coemployer clients are entitled to exclusive remedy under Code Section 34-9-11.~~

H. B. 397

16 (e) Professional employer organizations and their coemployer clients are entitled to  
17 exclusive remedy under Code Section 34-9-11. The responsibility to obtain workers'  
18 compensation coverage for the employees of the coemployer in compliance with all  
19 applicable laws shall be agreed to in writing and shall be specifically allocated to either the  
20 coemployer client or the professional employer organization. Unless otherwise agreed in  
21 writing, a coemployer client shall be solely responsible for any claims arising from injuries  
22 with respect to any employees not covered by the agreement between the professional  
23 employer organization and its coemployer client."

24 **SECTION 2.**

25 This Act shall become effective upon its approval by the Governor or upon its becoming law  
26 without such approval.

27 **SECTION 3**

28 All laws and parts of laws in conflict with this Act are repealed.