

2010 -- S 2386

LC00546

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- EMPLOYMENT AGENCIES

Introduced By: Senators Ruggerio, McBurney, Doyle, Tassoni, and Walaska

Date Introduced: February 11, 2010

Referred To: Senate Labor

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 5-7-3 of the General Laws in Chapter 5-7 entitled "Employment  
2 Agencies" is hereby amended to read as follows:  
3           **5-7-3. Bond to payroll and other taxes.** -- It is unlawful for anyone to establish or keep  
4 an intelligence or employment office pursuant to this chapter without giving a bond to the  
5 department of ~~administration's division of taxation~~ labor and training in the amount of ~~fifty~~  
6 ~~thousand dollars (\$50,000)~~ one hundred thousand dollars (\$100,000) with surety for payroll and  
7 other taxes. Any temporary employment service, defined for the purposes of this chapter as an  
8 organization that hires its own employees and assigns them to clients to support or supplement  
9 the client's work force in work situations including, but not limited to, employee absences,  
10 temporary skill shortages, seasonal workloads and special assignments and projects, ~~that have~~  
11 ~~been certified by the division of taxation for at least two (2) years as of July 8, 1997, shall be~~  
12 ~~exempt from the bonding requirements of this section.~~ The provisions of this section only apply  
13 to those employment service organizations that generate a payroll, and do not apply to so called  
14 "permanent" employment agencies and provided further that this requirement shall apply to all  
15 intelligence or employment offices regardless of how long they have been in business, and any  
16 temporary employment service that does not have proof of a bond shall not be allowed to stay in  
17 business. The department of labor and training shall keep a record of the employment services  
18 that have bonds and the name of the bonding company and the information shall be available for  
19 public inspection upon request.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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1           This act would increase the bonding requirements for intelligence and employment  
2 agencies and would require that the bond shall be provided to the department of labor and  
3 training.

4           This act would take effect upon passage.

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