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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

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

Introduced By: Senator William A. Walaska

Date Introduced: February 11, 2015

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.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

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

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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.

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