



## **118th MAINE LEGISLATURE**

## **FIRST REGULAR SESSION-1997**

Legislative Document

No. 426

S.P. 147

In Senate, January 23, 1997

An Act to Amend the Employee Leasing Company Registration Process.

Submitted by the Department of Labor pursuant to Joint Rule 204. Reference to the Committee on Business and Economic Development suggested and ordered printed.

'Srien

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator CATHCART of Penobscot. Cosponsored by Representative: HATCH of Skowhegan.

## Be it enacted by the People of the State of Maine as follows:

Sec. 1. 32 MRSA §14053, as amended by PL 1995, c. 618, §20, 4 is further amended to read:

6 §14053. Registration process

2

18

22

30

36

8 1. Statement. Except as otherwise provided in this section, each employee leasing company required to be registered
 10 under section 14052 shall provide the commissioner superintendent with information required by the commissioner superintendent on
 12 forms that the commissioner superintendent specifies. At a minimum, employee leasing companies shall provide the following
 14 information:

- 16 A. The name or names under which the registrant conducts business;
- B. The address of the principal place of business of the
   20 employee leasing company and the address of each office it
   maintains in this State;
- C. The employee leasing company's taxpayer or employer identification number;
- D. A list by jurisdiction of each name under which the employee leasing company has operated in the preceding 5
  years, including any alternative names, names of predecessors and, if known, successor business entities;
- E. A list of all persons or entities that own a 5% or
  32 greater interest in the employee leasing company at the time of application and a list of persons who formerly owned a 5%
  34 or greater interest in the employee leasing company or its predecessors in the preceding 5 years; and

A list of the cancellations or nonrenewals of workers' F. 38 compensation insurance issued to the employee leasing company or its predecessors in the preceding 5 years. The 40 list must include the policy or certificate numbers, names of of insurers or other providers of coverage, dates cancellation and reasons for cancellation. If coverage has 42 not been canceled or has been renewed, the registration must include a sworn affidavit signed by the chief executive 44 officer of the employee leasing company attesting to that 46 fact.

48 2. Renewal. Prior to January 31st of each year or any other time fixed by the commissioner superintendent, each 50 registrant shall renew its registration by notifying the commissioner <u>superintendent</u> of any changes in the information previously provided pursuant to this section.

4

6

10

22

2

3. List. The commissioner <u>superintendent</u> shall maintain a list of employee leasing companies registered under this chapter.

Forms. The commissioner superintendent may prescribe
 forms necessary to promote the efficient administration of this section.

Sec. 2. 32 MRSA §14055, sub-§5, as amended by PL 1995, c. 618, 12 §22, is further amended to read:

14 5. Disclosure. The employee leasing company shall disclose to client companies services to be rendered, including costs, and 16 the respective rights and obligations of the parties prior to entering into or receiving a leasing arrangement. This 18 disclosure must include a statement that the client company may take complaints to the Department-of-Labor <u>Bureau of Insurance</u>. 20

## SUMMARY

24 This bill makes technical corrections to the employee leasing laws enacted in the Second Regular Session of the 117th 26 Legislature. The intent of those laws was to have the registration performed at the Department of Professional and 28 Financial Regulation, not the Department of Labor.