

March 7, 2007

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2036

Page 2, line 28, replace "under which at least a majority of the employees" with an underscored period

Page 2, remove line 29

Page 3, remove lines 20 through 23

Page 3, line 24, replace "4." with "3."

Page 3, line 27, replace "5." with "4."

Page 4, line 1, replace "6." with "5."

Page 4, line 5, replace "7." with "6."

Page 4, line 17, replace "8." with "7."

Page 5, line 27, remove "audited and" and replace "an independent" with "a"

Page 8, replace lines 21 through 30 with:

- "b. (1) A statement that provides that:
- (a) The professional employer organization shall pay wages to any covered employee and shall withhold, collect, report, and remit payroll-related and unemployment taxes on wages paid to the covered employee by the professional employer organization;
 - (b) The client shall accurately report all wages of a covered employee to the professional employer organization; and
 - (c) The professional employer organization shall make payments for employee benefits for covered employees to the extent the professional employer organization has assumed responsibility in the professional employer agreement.
- (2) As used in this subdivision, the term "wages" means all remuneration for services to the professional employer organization and the client, regardless of source, including a commission or bonus and the cash value of any remuneration in a medium other than cash. Any gratuity customarily received by an individual in the course of the individual's service from

any source other than the client or the professional employer organization must be treated as wages received from the individual's coemployers."

Page 9, remove lines 1 and 2

Renumber accordingly