

January 17, 2007

PROPOSED AMENDMENTS TO SENATE BILL NO. 2036

Page 5, line 15, after "e." insert "The date of the end of the applicant's fiscal year.

f."

Page 5, line 19, replace "f." with "g."

Page 5, line 22, replace "g." with "h."

Page 5, line 26, replace "h." with "i."

Page 6, line 9, after "4." insert "a."

Page 6, after line 11, insert:

- "b. For the purposes of a renewal application, the audited and verified financial statement may be based on the twelve months of operating history before the close of the fiscal year immediately preceding the renewal date of the license. A professional employer organization that is unable to obtain an audited and verified financial statement before the expiration of a license may submit with the application for renewal:
 - (1) A written request for an extension to submit the audited and verified financial statement by a specific date within six months after the license is renewed and a verified statement, signed by an individual authorized by the professional employer organization, affirming that the professional employer organization has continuously maintained sufficient working capital to meet the financial capacity requirements under this chapter; or
 - (2) A bond with a minimum value of one hundred thousand dollars to be held by the secretary of state to secure payment by the professional employer organization of any tax, wage, benefit, or other entitlement due to or with respect to a covered employee if the professional employer organization does not make the payment when due.
- c. The secretary of state shall suspend the license of a professional employer organization if the professional employer organization fails to submit the audited and verified financial statement by the extended date provided under subdivision b."

Page 9, line 19, replace "52-04-08.1, 52-04-08.2," with "52-04-24"

Renumber accordingly