

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2252

(Reference to printed bill)

1 Page 3, between lines 39 and 40, insert:

2 "Sec. 5. Section 23-575, Arizona Revised Statutes, is amended to
3 read:

4 23-575. Violations; classification; civil penalties; rules

5 ~~A. A person who offers to provide or actually provides professional~~
6 ~~employer services or uses the name professional employer organization,~~
7 ~~staff leasing, employee leasing or administrative employee or any other~~
8 ~~title representing a professional employer service without first~~
9 ~~registering with the secretary of state pursuant to section 23-563 is~~
10 ~~guilty of a class 1 misdemeanor.~~

11 ~~B. A person who knowingly provides false or fraudulent information~~
12 ~~to the secretary of state under this article is guilty of a class 1~~
13 ~~misdemeanor.~~

14 ~~C.~~ A. A person who is a controlling person of a professional
15 employer organization and who collects payments from a client representing
16 wages, taxes, benefit payments or insurance payments and fails to remit the
17 funds to the appropriate government or private entity within a reasonable
18 time is guilty of theft as provided in section 13-1802.

19 ~~D.~~ B. A person who is a controlling person of a client of a
20 professional employer organization and who fraudulently or falsely procures
21 or attempts to procure services or benefits from a ~~registered~~ professional
22 employer organization without having monies that are adequate to compensate
23 the professional employer organization is guilty of a class 4 felony.

1 ~~E.~~ C. If a person wilfully fails to comply with any requirement of
2 this article, knowingly makes a material misrepresentation to the secretary
3 of state, violates subsection A, ~~B or C~~ of this section or is guilty of an
4 offense relating to the operation of a professional employer organization,
5 the secretary of state:

6 ~~F.~~ Shall impose a civil penalty not to exceed one thousand dollars
7 against the person for each violation. The secretary of state shall
8 deposit, pursuant to sections 35-146 and 35-147, penalties collected
9 pursuant to this paragraph in the state general fund.

10 ~~2. May deny an application for registration.~~

11 ~~3. May revoke, restrict or refuse to renew a registration.~~

12 ~~4. May place a registrant on probation for a period of time~~
13 ~~determined by rules adopted by the secretary of state.~~

14 ~~F.~~ D. The secretary of state shall adopt rules for hearings and
15 penalties for violations of this article or rules adopted under this
16 article."

17 Page 3, line 41, strike "Sections 23-757 and" insert "Section"

18 Amend title to conform

JUSTIN WILMETH

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