



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 579

Chairperson: Steve Lathrop
Committee: Business and Labor
Date of Hearing: February 2, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 579 would adopt the Professional Employer Organization Registration Act. It would recognize and define professional employer organizations. It would also define the relationship between the PEO and an employer, and between a PEO and an employee. It would require PEOs to register with the Department of Labor, providing required information to the department. PEOs would also have to maintain a certain level of net worth or post a bond for security. Professional employer agreements would have to include terms which would specify certain obligations and rights of the employer and the PEO. The bill requires that the agreement specify which party would have the obligation to purchase workers' compensation insurance and would extend the exclusive remedy protection to both. It would also address the types of insurance coverages available for use by PEO's.

Principal Introducer: _____
Senator Abbie Cornett