

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	10 - 0 - 0
Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	3/27, 4/15, 4/17

WHAT THE MEASURE DOES: Prohibits employer client of temporary service provider (TSP) from paying employee through TSP and paying employee directly for work performed in the same pay period. Requires TSP inform employee of this prohibition at time of hire and requires employee to acknowledge in writing of being informed. Requires signed, written agreement between TSP and each employer client. Specifies content of written agreement. Instructs Director of Department of Consumer and Business Services to report certain information to Department of Revenue and Employment Department.

ISSUES DISCUSSED:

- Problems inherent when employee being paid simultaneously by temporary service agency and client
- Difficulty of requiring employee to give written acknowledgement of hours to be worked in each pay period
- Role of Workers' Compensation Division in determining who is responsible for providing coverage
- Client has opportunity to permanently hire a worker provided by temporary service agency

EFFECT OF COMMITTEE AMENDMENT: Replaces the original measure.

BACKGROUND: A temporary service provider is a person who provides workers, by contract and for a fee, to a client on a temporary basis. "Temporary basis" is defined as providing workers to cover a client's special situations such as employee absences, employee leaves, professional skill shortages, seasonal workloads and special assignments and projects. The term also includes workers provided as probationary new hires. Temporary service providers are not to be confused with worker leasing companies, which provide workers, by contract or fee, to work for clients on a non-temporary basis.