

Original sponsor: Rules Committee by request
of the Governor

Offered: 3/24/77
Referred: Rules

1 IN THE HOUSE

BY THE LABOR AND
MANAGEMENT COMMITTEE

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CS FOR HOUSE BILL NO. 138

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to private employment agencies."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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* Section 1. AS 23.15.340 is amended to read:

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Sec. 23.15.340. PERMIT. (a) In order to operate an employment agency, or resume service agency, a person shall obtain a permit from the department. The permit shall be posted in a conspicuous place in the premises of the [EMPLOYMENT] agency.

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(b) A person wanting to operate more than one kind of agency shall obtain a separate permit for each agency or service to be operated.

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(c) A person desiring to operate a branch office of an agency shall obtain a branch office permit for each branch office of an agency to be operated.

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* Sec. 2. AS 23.15.350 is amended to read:

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Sec. 23.15.350. APPLICATION. To obtain a permit to operate an employment agency or resume service agency, a person shall apply to the department on forms prescribed by the department. The application shall include

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(1) the name and address of the applicant and the street and number of the building or place where the business of the [EMPLOYMENT] agency is to be conducted;

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(2) the businesses or occupations engaged in by the applicant for at least two years immediately preceding the date of application; and

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(3) the [THE] names and addresses of all persons financially

1 interested in the operation of the agency.

2 * Sec. 3. AS 23.15.360 is amended to read:

3 Sec. 23.15.360. BOND. (a) The department may not issue a permit
4 until the applicant furnishes a bond to the department in the amount and
5 with surety which the department considers necessary. In the case of
6 employment agencies the [THE] amount of the bond may not be less than
7 \$1,000 nor more than \$10,000. In the case of resume service agencies
8 the amount of the bond shall be \$50,000 but this amount may be reduced
9 by the department to \$10,000 after the agency has been in operation for
10 three years. The bond shall be conditioned on the applicant's full
11 compliance with the provisions and requirements imposed by secs. 330 -
12 520 of this chapter and the payment of all judgments recovered against
13 the applicant for violation of secs. 330 - 520 of this chapter, [AND]
14 any judgment and costs recovered against him by a laborer, worker or
15 applicant for a position or by a purchaser of resume services due to
16 wilful misrepresentation or wilful deceit of a laborer or applicant for
17 a position or of a purchaser of resume services, and any judgment and
18 costs recovered against him by an employee of the applicant for wages
19 owing.

20 (b) A separate bond must be furnished to the department for each
21 kind of agency for which a permit is sought. No additional bonds are
22 required for branch office permits.

23 * Sec. 4. AS 23.15.390 is repealed and re-enacted to read:

24 Sec. 23.15.390. FEES. (a) Applicants for agency permits shall
25 pay fees according to the following schedule:

26 (1) if the applicant has neither a resume service agency
27 permit nor an employment agency permit, the fee is \$100 for the initial
28 permit and \$50 for each subsequent renewal permit;

29 (2) if the applicant has either a resume service agency

1 permit or an employment agency permit and applies for the type of permit
2 which he does not have, the fee is \$50 for the initial permit and \$25
3 for each subsequent renewal permit;

4 (3) if the applicant has either a resume service agency per-
5 mit or an employment agency permit and applies for a branch office
6 permit, the fee is \$50 for the initial permit and \$25 for each subse-
7 quent renewal permit;

8 (4) if the applicant has both a resume service agency permit
9 and an employment agency permit as well as a branch office permit for
10 one of the types of agencies and applies for a branch office permit for
11 the other type of agency, the fee is \$25 for the initial permit and
12 \$12.50 for each subsequent renewal permit.

13 (b) All fees shall be deposited in the general fund. In addition
14 to paying these fees, all persons operating an agency must comply with
15 the provisions of the Alaska Business License Act (AS 43.70).

16 * Sec. 5. AS 23.15.400 is repealed and re-enacted to read:

17 Sec. 23.15.400. RENEWAL OF PERMIT. (a) Permits are effective for
18 up to one year and expire on December 31 of each year. Renewal applica-
19 tions must be filed with the department no later than December 1 and
20 must contain all the information requested in the original application,
21 brought up to date.

22 (b) A person who fails to file a renewal application on or before
23 December 1 shall pay the filing fees applicable to the filing of initial
24 permit applications.

25 * Sec. 6. AS 23.15.420 is amended to read:

26 Sec. 23.15.420. LIMITATIONS ON CONDUCT OF [EMPLOYMENT] AGENCIES.
27 The department may not issue a permit to conduct an [EMPLOYMENT] agency

28 (1) in rooms used for living purposes;

29 (2) in connection with a pool hall, bar or intoxicating

1 liquor dispensary, or recreation center operated for profit;

2 (3) to a person whose permit has been revoked within three
3 years from the date of application;

4 (4) to a person who has more than a 10 per cent financial
5 interest [IS FINANCIALLY INTERESTED] in a travel agency or in a company
6 that deals directly in the sale of transportation services [WHO IN ANY
7 WAY BENEFITS FINANCIALLY FROM THE SALE OF AIR, STEAMSHIP OR BUS TRANS-
8 PORTATION].

9 * Sec. 7. AS 23.15 is amended by adding a new section to read:

10 Sec. 23.15.425. RESUME SERVICE AGENCY TO MAINTAIN REGISTER. A
11 resume service agency shall keep a register containing the name and
12 address of each applicant or purchaser of resume services, the date
13 registered, and the amount of fee received. The register shall also
14 contain a list of the names and addresses of employers who solicit the
15 services of the agencies. The list of employers shall be open for in-
16 spection by the department.

17 * Sec. 8. AS 23.15.430 is amended to read:

18 Sec. 23.15.430. EMPLOYMENT AGENCY TO MAINTAIN REGISTER. An em-
19 ployment agency shall keep a register containing the name and address of
20 each applicant, the date registered and the amount of fee received. The
21 employment agency shall also maintain a record of sequentially numbered
22 job orders from employers showing referrals made to the employers. The
23 records required under this section shall be open for inspection by the
24 department.

25 * Sec. 9. AS 23.15 is amended by adding a new section to read:

26 Sec. 23.15.455. COPY OF CONTRACT TO CLIENT. An employment agency
27 or resume service agency shall provide each applicant or purchaser of
28 resume services with a copy of the contract between the applicant or
29 purchaser and the agency. The contract shall include a conspicuous

1 notice on its face including the following language: "NOTICE: You may
2 not be charged a fee before placement with an employer in excess of the
3 maximum registration fee prescribed by law. This agency is regulated
4 by the Department of Labor. If you have any questions, contact the
5 Department of Labor."

6 * Sec. 10. AS 23.15.460 is amended to read:

7 Sec. 23.15.460. SCHEDULE OF FEES. (a) A person conducting an
8 [EMPLOYMENT] agency shall file a schedule of its fees with the depart-
9 ment. The agency may change the fee schedule, but no change becomes
10 effective until seven days after it is filed with the department and
11 until it is posted for not less than seven days in a conspicuous place
12 in the agency. The agency shall also post a copy of the fee schedule in
13 the agency in a conspicuous place frequented by applicants for help or
14 employment or resume services.

15 (b) The department shall establish a maximum registration fee
16 which shall not exceed \$10. No employment agency or resume service
17 agency may charge or collect a registration fee in excess of the amount
18 established by the department.

19 (c) No employment agency or resume service agency may charge or
20 collect any fee, deposit or other consideration in advance of placement
21 in a position of employment from an applicant for employment or resume
22 services except for the registration fee provided in (b) of this sec-
23 tion.

24 * Sec. 11. AS 23.15.470 is amended to read:

25 Sec. 23.15.470. MAXIMUM FEES. After notice and hearing the
26 department shall set a [MAXIMUM] schedule of maximum placement fees.
27 The department may review the schedule every two years after giving
28 notice and hearing. This section does not apply to an employment
29 agency so long as the fee for services is employer-paid and the indivi-

1 duals identified, appraised, referred or recommended as candidates for
2 positions are not charged any deposit, retainer or placement fee by that
3 agency, either directly or indirectly, on account of any service per-
4 formed by it.

5 * Sec. 12. AS 23.15.490 is amended to read:

6 Sec. 23.15.490. PROHIBITED ACTS. No [EMPLOYMENT] agency may

- 7 (1) send out an applicant for employment without having a
8 bona fide request from an employer;
- 9 (2) send a person to an employer for the purpose of assisting
10 or conducting an illegitimate business or practice;
- 11 (3) place a child in employment in violation of the child
12 labor laws;
- 13 (4) divide or offer to divide a fee with an employer;
- 14 (5) make a charge which does not conform with the schedule of
15 fees;
- 16 (6) falsify a record of the agency;
- 17 (7) write, publish, or have published false, fraudulent, or
18 misleading information, representation, notice or advertisement concern-
19 ing a job opportunity or the agency's services;
- 20 (8) send an applicant for employment to a place where a
21 strike or lockout exists without informing the applicant of the exist-
22 ence of the strike or lockout;
- 23 (9) provide an applicant for employment or resume services
24 with the name and address of a potential employer without having ob-
25 tained a current authorization from the employer to have that informa-
26 tion provided to the agency's applicants for employment or resume ser-
27 vices. Resume service agencies shall obtain such authorization in
28 writing.

29 * Sec. 13. AS 23.15.510 is amended to read:

1 Sec. 23.15.510. VIOLATIONS. (a) A person who wilfully operates
2 an agency without obtaining the appropriate permit from the department
3 as required by sec. 340 of this chapter is guilty of a misdemeanor, and
4 upon conviction is punishable by a fine of not less than \$1,000 or more
5 than \$10,000, or by imprisonment for not more than one year, or by both.

6 (b) A person who wilfully violates any other provision of secs.
7 330 - 520 of this chapter is guilty of a misdemeanor, and upon convic-
8 tion is punishable by a fine of not more than \$10,000 [\$1,000], or by
9 imprisonment for not more than one year [SIX MONTHS], or by both.

10 * Sec. 14. AS 23.15.520 is amended to read:

11 Sec. 23.15.520. DEFINITIONS. In secs. 330 - 520 of this chapter,
12 unless the context requires otherwise,

13 (1) "employment agency" includes executive or professional
14 search agencies and [OR "AGENCY"] means a person engaged in the business
15 of furnishing employment or help, or giving information as to where
16 employment or help may be obtained, or furnishing information regarding
17 employment, or displaying an employment sign or bulletin, or, through
18 the medium of a card, circular or pamphlet, or otherwise offering to
19 obtain employment or help, or a person who offers employment information
20 through communications media, including, but not limited to, radio,
21 television, newspapers, but does not include resume service agencies;

22 (2) "fee" means money or other valuable consideration re-
23 ceived by a person, paid or promised to be paid for services given or to
24 be given by a person conducting an [EMPLOYMENT] agency;

25 (3) "registration fee" means a charge made or attempted to be
26 made for registering or listing an applicant for employment, or for the
27 furnishing of employment services [INFORMATION] as set out in this
28 section;

29 * Sec. 15. AS 23.15.520 is amended by adding new paragraphs to read:

1 (4) "agency" includes employment agencies and resume service
2 agencies;

3 (5) "placement fee" means the fee payable to an agency for
4 its services after employment has been secured;

5 (6) "resume service agency" means a person engaged in the
6 business of preparing for a fee a summary of an individual's previous
7 employment experience, education, qualifications and applicable personal
8 history and providing, directly or indirectly, to the individual con-
9 tacts or lists of prospective employers for the purpose of assisting the
10 individual in seeking employment opportunities.

11 * Sec. 16. AS 23.15.450 and 23.15.480 are repealed.
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