

Introduced: 2/12/79
Referred: Commerce

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 135

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

8 * Section 1. AS 23.15.340 is amended to read:

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

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

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

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

20 Sec. 23.15.350. APPLICATION. To obtain a permit to operate an
21 employment agency, professional or executive search agency or resume
22 service agency, a person shall apply to the department on forms pre-
23 scribed by the department. The application shall include:

24 (1) the name and address of the applicant and the street
25 and number of the building or place where the business of the [EMPLOY-
26 MENT] agency is to be conducted;

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

1 (3) the [THE] names and addresses of all persons financially
2 interested in the operation of the agency.

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

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

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

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

22 Sec. 23.15.390. FEES. (a) The fee for filing an application
23 for one type of agency permit is \$100 for the initial permit and \$50
24 for each subsequent renewal permit. The fee for filing an application
25 for each additional type of agency permit is \$50 for the initial
26 permit and \$25 for each subsequent renewal permit.

27 (b) The fee for filing an application for a branch office permit
28 for one type of agency is \$50 for the initial permit and \$25 for each
29 subsequent renewal permit. The fee for filing an application for a

1 branch office permit for each additional type of agency to be operated
2 in the same office is \$25 for the initial permit and \$12.50 for each
3 subsequent renewal permit.

4 (c) All fees shall be deposited in the general fund. In ad-
5 dition to paying these fees, all persons operating an agency must
6 comply with the provisions of the Alaska Business License Act (AS
7 43.70).

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

9 Sec. 23.15.400. RENEWAL OF PERMIT. (a) Permits are effective
10 for up to one year and expire on December 31 of each year. Renewal
11 applications must be filed with the department no later than December
12 1 and must contain all the information requested in the original
13 application, brought up to date.

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

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

18 Sec. 23.15.420. LIMITATIONS ON CONDUCT OF [EMPLOYMENT] AGENCIES.
19 The department may not issue a permit to conduct an [EMPLOYMENT]
20 agency:

21 (1) in rooms used for living purposes;

22 (2) in connection with a pool hall, bar or intoxicating
23 liquor dispensary, or recreation center operated for profit;

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

26 (4) to a person who is financially interested in a travel
27 agency or who in any way benefits financially from the sale of air,
28 steamship or bus transportation.

29 * Sec. 7. AS 23.15.430 is amended to read:

1 Sec. 23.15.430. AGENCY TO MAINTAIN REGISTER. An [EMPLOYMENT]
2 agency shall keep a register containing the name and address of each
3 applicant or purchaser of resume services, the date registered, and
4 the amount of fee received.

5 * Sec. 8. AS 23.15.450 is amended to read:

6 Sec. 23.15.450. APPLICANT'S RECEIPT. An agency shall give to an
7 applicant for employment or purchaser of resume services, from whom a
8 fee is to be received, a receipt. The receipt shall contain:

9 (1) the name, address and telephone number of the [EMPLOY-
10 MENT] agency;

11 (2) the name of the applicant;

12 (3) the name and address of the person to whom the appli-
13 cant is sent for employment, and the address to which the applicant is
14 to report for work;

15 (4) the amount of the fee charged and collected from the
16 applicant or purchaser of resume services;

17 (5) the kind of work to be performed, the wages or salary,
18 and other conditions of employment.

19 * Sec. 9. AS 23.15.460 is amended to read:

20 Sec. 23.15.460. SCHEDULE OF FEES. A person conducting an [EM-
21 PLOYMENT] agency shall file a schedule of its fees with the depart-
22 ment. The agency may change the fee schedule, but no change becomes
23 effective until seven days after it is filed with the department and
24 until it is posted for not less than seven days in a conspicuous place
25 in the agency. The agency shall also post a copy of the fee schedule
26 in the agency in a conspicuous place frequented by applicants for help
27 or employment or resume services.

28 * Sec. 10. AS 23.15.470 is amended to read:

29 Sec. 23.15.470. MAXIMUM FEES. After notice and hearing the

1 department shall set a maximum schedule of fees. The department may
2 review the schedule every two years after giving notice and hearing.
3 This section does not apply to a professional or executive search
4 agency so long as:

5 (1) the compensation for positions for which that agency
6 seeks candidates is not less than \$20,000 per year;

7 (2) the individuals identified, appraised, referred or
8 recommended as candidates for positions are not charged any deposit,
9 retainer or fee by that agency, either directly or indirectly, on
10 account of any service performed by it; and

11 (3) that agency does not advertise positions for which the
12 annual compensation is less than \$20,000.

13 * Sec. 11. AS 23.15.490 is amended to read:

14 Sec. 23.15.490. PROHIBITED ACTS. No [EMPLOYMENT] agency may:

15 (1) send out an applicant for employment without having a
16 bona fide request from an employer;

17 (2) send a person to an employer for the purpose of as-
18 sisting or conducting an illegitimate business or practice;

19 (3) place a child in employment in violation of the child
20 labor laws;

21 (4) divide or offer to divide a fee with an employer;

22 (5) make a charge which does not conform with the schedule
23 of fees;

24 (6) falsify a record of the agency;

25 (7) write, publish, or have published false, fraudulent, or
26 misleading information, representation, notice or advertisement concern-
27 ing a job opportunity or the agency's services;

28 (8) send an applicant for employment to a place where a
29 strike or lockout exists without informing the applicant of the exist-

1 ence of the strike or lockout;

2 (9) request or accept an assignment of wages from an appli-
3 cant for employment or resume services;

4 (10) provide an applicant for employment or resume services
5 with the name and address of a potential employer without having
6 obtained a current authorization, in writing, from the employer to
7 have that information provided to the agency's applicants for employ-
8 ment or resume services.

9 * Sec. 12. AS 23.15.510 is amended to read:

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

16 (b) A person who wilfully violates any other provision of secs.
17 330 - 520 of this chapter is guilty of a misdemeanor, and upon convic-
18 tion is punishable by a fine of not more than \$10,000 [\$1,000], or by
19 imprisonment for not more than one year [SIX MONTHS], or by both.

20 * Sec. 13. AS 23.15.520 is amended to read:

21 Sec. 23.15.520. DEFINITIONS. In secs. 330 - 520 of this chapter,
22 unless the context requires otherwise:

23 (1) "agency" includes employment agencies, professional or
24 executive search agencies and resume service agencies;

25 (2) [(1)] "employment agency" [OR "AGENCY"] means a person
26 engaged in the business of furnishing employment or help, or giving
27 information as to where employment or help may be obtained, or furnish-
28 ing information regarding employment, or displaying an employment sign
29 or bulletin, or, through the medium of a card, circular or pamphlet,

1 or otherwise offering to obtain employment or help, or a person who
2 offers employment information through communications media, including,
3 but not limited to, radio, television, newspapers, but does not include
4 professional or executive search agencies or resume service agencies;

5 (3) [(2)] "fee" means money or other valuable consideration
6 received by a person, paid or promised to be paid for services given
or to be given by a person conducting an [EMPLOYMENT] agency;

8 (4) "professional or executive search agency" means a
9 person engaged in the business of identifying, appraising, recommending
10 or referring to employers candidates or potential candidates for
11 employment and whose fees are paid by employers;

12 (5) [(3)] "registration fee" means a charge made or attempted
13 to be made for registering or listing an applicant for employment, or
14 for the furnishing of employment services [INFORMATION] as set out in
15 this section;

16 (6) "resume service agency" means a person engaged in the
17 business of preparing for a fee a summary of an individual's previous
18 employment experience, education, qualifications and applicable per-
19 sonal history and providing, directly or indirectly, to the individual
20 contacts or lists of prospective employers for the purpose of assisting
21 the individual in seeking employment opportunities.