

ENGROSSED SENATE
BILL NO. 806

BY: ROZELL of the SENATE

and

ROACH of the HOUSE

[STATE GOVERNMENT - USE FOR SURETY BOND -
CODIFICATION -

EFFECTIVE DATE]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.70 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Each service provider contracting with the State of Oklahoma through the Department of Human Services and employing more than five full-time employees shall be required to post a surety bond which will provide for the payment of any and all wages owed by the provider to its employees in the event such service provider becomes insolvent or declares bankruptcy. The amount of the surety bond shall be determined by the Department of Human Services and shall be used solely for the purpose of providing compensation for services already provided by the employees of the service provider. The Office of Public Affairs shall promulgate rules for the establishment of such surety bonds.

B. The provisions of subsection A of this section shall not apply to any service provider who has contracted with the Department of Human Services prior to July 1, 1992. In addition the

requirements of this section may be waived by the Department of Human Services for any service provider who has previously contracted with the Department of Human Services for two (2) or more years and who demonstrates its financial stability to the satisfaction of the Department of Human Services.

SECTION 2. This act shall become effective September 1, 1992.

Passed the Senate the 3d day of March, 1992.

President of the Senate

Passed the House of Representatives the ____ day of _____, 1992.

Speaker of the House of Representatives