

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

SENATE BILL NO. 806

BY: ROZELL

AS INTRODUCED

AN ACT RELATING TO STATE GOVERNMENT; REQUIRING CERTAIN SERVICE PROVIDERS CONTRACTING WITH DEPARTMENT OF HUMAN SERVICES TO POST CERTAIN SURETY BONDS; STATING CERTAIN USE FOR SURETY BOND; AUTHORIZING THE OFFICE OF PUBLIC AFFAIRS TO PROMULGATE RULES GOVERNING SUCH BONDS; PROVIDING EXCEPTION; PROVIDING FOR CODIFICATION; AND PROVIDING AN 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 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.

43-2-1605

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