

EXECUTIVE SUMMARY

Board of Employee Leasing Companies

Meeting Type: General Business/Committee Meeting
Meeting Date: October 18-19, 2005
Meeting Loc: Renaissance Hotel, Tampa

Board Members: Celeste Dockery (Chair), Kelly Lanza,
Frank Crum Jr., Ryan S. Moore

Members Absent: Carlos Rodriguez (Vice-Chair)
Mary Ellen Clark, (Board Counsel)

Department Staff: Eric Hurst, (Prosecuting Attorney)
John Knap, (Executive Director)
Krista Woodard, (Gov. Analyst II)

Other Attendees: Tom Barnhart, (Replacement Board Counsel)

Major Issues/Actions

- The Probable Cause Panel considered 17 Administrative Complaints, 6 cases PC found, 8 letters of guidance issued, 3 cases returned for additional investigation.
- The board reviewed 8 employee leasing company and controlling person applications. Total of 6 were approved, 1 was withdrawn, and 1 postponed to the November meeting.
- The board reviewed 2 applications for consideration of name change, all were approved.
- The board reviewed and considered 1 relinquishment of controlling person license, which was approved.
- The board did not consider any discipline cases during this meeting due to quorum problems.
- Review of the September, 2005 licensee population report for the Board of Employee Leasing Companies
- Fourth quarter 2004-2005 financial reports (June 30) presented by Executive Director. Discussion of balances in operating and unlicensed activity accounts.
- Unlicensed Activity – A detailed enforcement / unlicensed activity report through 9/30/05 was presented to the Board from the Division of Professions and Regulation.
- Prosecuting Attorney Report OGC – 71 cases currently open in various statuses, 19 are public and 52 confidential.

- Currently 2 vacancies (consumer members) existing on board. Staff was requested to inquire regarding status of board appointments.

Workers' Compensation Discussion

- Discussion of F.S. 468.529 Licensee's insurance; employment tax; benefit plans.— Are all employee leasing companies required to carry worker's compensation insurance coverage or can they be exempt under the provision that states "coverage must be provided pursuant to Chapter 440"? Chapter 440 provides an exemption for 4 or fewer employees.
The majority of members feel that all companies should be covered by a workers compensation policy regardless of the number of employees.
The board instructed counsel to draft rule changes to clarify the rules in this area.
- Revision of form EL4516 "Workers Compensation Liability Statement."
The board reviewed several draft revisions, but did not make a final decision on the final content of the form. Will reconsider at a future meeting.

Legislative Discussion

- Discussion regarding the proliferation of employee leasing brokers within the industry. After presentations from interested parties, it was the consensus of the members that this trend does not pose a threat to the public or the industry at this time that would require licensing by the Department.
- A presentation by Employer Services Assurance Corporation (ESAC) regarding possible amendment to F.S. 468 Part XI to authorize approval of an alternative means of licensing compliance in the areas of compliance reporting/monitoring and financial assurance. The board was receptive to the concept; however concerns regarding cost and applicability to Florida companies must be resolved.
- Discussion of proposed committee bill SPB 7062 by the Committee on Banking and Insurance.

Legislation/Rule Promulgation

Board counsel provided a Rules Report.

- 61G7-10.002 adopted 10/03/05 effective 10/23/05

No other rule changes currently in process.

Next Meeting: November 8, 2005 Orlando

John T. Knap
Executive Director November 17, 2005