

OCCUPATIONAL CODE (EXCERPT)
Act 299 of 1980

339.1006 Surety or cash bond; amount; filing; conditions; irresponsibility of surety; new bond; suspension of license; renewal.

Sec. 1006.

(1) A personnel agency shall file with the department, on a form provided by the department, a surety or cash bond in the amount of \$10,000.00. The bond shall be conditioned on all of the following:

(a) That the licensee or the person applying for the license shall comply with the terms of any contract entered into between the personnel agency and a client.

(b) That money paid by the client shall be refunded to the client, if the refund is required pursuant to this article.

(c) That an action on a bond due to an act which occurred before the expiration or cancellation of the bond may be commenced not later than 1 year after the expiration or cancellation date of the bond.

(d) That the revocation or suspension of a license shall not affect the coverage provided by the bond as to an act that occurred before the date of revocation or suspension.

(e) That the surety shall notify the department if the bond is canceled or terminated by the surety or personnel agency.

(2) If, in the opinion of the department, the surety becomes irresponsible, the personnel agency, upon notice given by the department, shall give a new bond as described in this section. The failure to give a new bond within 30 days after notice from the department shall operate as an automatic suspension of the personnel agency license.

(3) The department shall not renew a license issued under this article if the department has been notified by the person issuing the bond that the bond required under this section has been canceled or terminated.

History: 1980, Act 299, Imd. Eff. Oct. 21, 1980 ;-- Am. 1992, Act 253, Imd. Eff. Nov. 19, 1992

Popular Name: Act 299