§1495-B. Disclosure to employers

1. Generally.

[PL 2003, c. 668, §3 (RP); PL 2003, c. 668, §12 (AFF).]

2. Exception.

[PL 2003, c. 668, §3 (RP); PL 2003, c. 668, §12 (AFF).]

3. Periodic reports to employers. On a regular basis not less frequently than quarterly, a payroll processor shall provide to each employer an accounting of:

A. Funds received from that employer; and [PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

B. The aggregate amounts disbursed for:

(1) Payroll;

(2) Each category of local, state and federal tax; and

(3) Unemployment compensation premiums. [PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

4. Disclosure of methods of verification. On a regular basis not less frequently than quarterly, a payroll processor shall clearly and conspicuously and in easily understood language disclose to each employer for which it provides payroll processing services the specific method or methods whereby each employer can contact state and federal tax and unemployment insurance authorities, including but not limited to Internet address and toll-free telephone number information, to verify that payments have been made and properly credited on behalf of the employer.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

5. Disclosure of limitations of surety bond. Whenever a payroll processor promotes, markets or advertises itself or its services and uses the phrase "bonded with the State" or "fully bonded" or other language that in the opinion of the administrator would lead an employer to believe that the bond coverage provides full compensation for potential losses should the payroll processor fail to make required payments or become insolvent, the payroll processor shall also include a clear and conspicuous disclaimer stating that use of the language referencing bonding does not signify or ensure that the bond will cover all potential claims if the payroll processor fails to comply with its responsibilities under this chapter. A payroll processor also shall provide this disclaimer to an employer before contracting for payroll processing services to that employer.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

6. Notices of nonpayment to be sent to employers. A payroll processor may not designate itself as the sole recipient of notices from state or federal authorities for nonpayment of taxes or unemployment insurance contributions. A payroll processor shall ensure that such notices are provided directly to the affected employers.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

7. Exception. A payroll processor that does not have the authority to access, control, direct, transfer or disburse a client's funds is not subject to this section.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

SECTION HISTORY

PL 1997, c. 495, §1 (NEW). PL 2003, c. 668, §§3,4 (AMD). PL 2003, c. 668, §12 (AFF).

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