

**BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF  
CERTIFIED HR SERVICES**

**A.I.D. NO. 2005-042**

**CEASE AND DESIST ORDER  
& ORDER TO SHOW CAUSE**

Now on this day the matter CERTIFIED HR SERVICES is taken under consideration by Julie Benafield Bowman, Insurance Commissioner for the State of Arkansas ("Commissioner"), as presented by Mr. Booth Rand, Associate Counsel, Legal Division of the Arkansas Insurance Department ("Department"). From the facts, matters and other information before the Commissioner, she finds as follows:

1. From information presented to the Commissioner and Legal Division of the Department, Certified HR Services ("Respondent") is a company which holds itself out as a professional employer organization ("PEO") to provide human resource and insurance services for employers.

2. That the Commissioner has jurisdiction over the activities of professional employer organizations conducting business in this state under Ark. Code Ann. §23-61-103, Ark. Code Ann. §23-92-404, Ark. Code Ann. §23-92-410, and Ark. Code Ann. §23-92-412, under the Arkansas' Professional Employer Organization Recognition and Licensing Act (Ark. Code Ann. §23-92-401, et seq.). The Commissioner has authority to issue emergency cease and desist orders and orders to show cause for unauthorized or prohibited activities under the insurance code pursuant to Ark. Code Ann. §23-65-101(b)(1)(A) which states that the Commissioner may summarily order a person or entity to cease and desist from an act or practice when the Commissioner has reason to

believe that the person or entity has not complied with the requirements of any provision of the Arkansas Insurance Code.

3. From information presented to the Commissioner and Legal Division of the Department, it is alleged that Respondent has provided professional employer services to the following employers located in Arkansas:

- a. Potter Forestry Services, 10848 Chula Road m Plainview, Arkansas 72857;
- b. Two Men and a Truck, 3702 Century Drive, Ste C, Fort Smith, Arkansas 72903;
- c. George Spence Construction, 2605 Hwy 135 N, Paragould, Arkansas 72450;

4. Respondent is not licensed as a professional employer organization, in violation of Ark. Code Ann. § 23-92-305(a)(1)(repealed July 16, 2003) and Ark. Code Ann. § 23-92-404(a) (effective July 16, 2003).

THEREFORE, pursuant to the provisions of Ark. Code Ann. § 23-65-101(b), as amended by Act 516 of 2003, and having determined that it would be in the best interest of the people of the State of Arkansas, the Commissioner hereby orders:

- A. Respondent shall immediately cease and desist the writing of any new employee leasing activities in this state pending a promptly scheduled hearing. Current employee leasing business in Arkansas may be maintained for thirty (30) days from the date of this Order to allow Arkansas clients to obtain the services of a licensed PEO.
- B. Respondent shall cease and desist all marketing activities in the State of Arkansas pending a promptly scheduled hearing.
- C. Within ten (10) business days from the date of this Order, Respondent shall provide the names, addresses, and phone numbers of all employee leasing clients they currently have in the State of Arkansas.

D. Respondent shall show cause why Respondent should not be permanently prohibited from conducting further activities at a promptly scheduled hearing.

IT IS SO ORDERED THIS 8<sup>th</sup> DAY OF AUGUST, 2005.

  
JULIE BENAFIELD BOWMAN  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS