§ 921. Minimum net worth, bonding and reporting. 1. Every initial registration and subsequent annual reporting shall be accompanied by a reviewed or an audited financial statement of the professional employer organization's most recent fiscal year end and prepared within one hundred eighty days prior to the date of application or renewal by an independent certified public accountant in accordance with generally accepted accounting principles, which statement shall show a minimum net worth of seventy-five thousand dollars, and shall be accompanied by a cover letter from the independent certified public accountant that the professional employer organization has satisfied the requirements of this section. A professional employer organization group may submit combined or consolidated audited or reviewed financial statements to meet the requirements of this section. Where the group or the group's parent submits a combined or consolidated statement, the statement shall include supplemental consolidating or combining schedules covering each professional employer organization registered under the group.

2. As a substitute for the requirement set forth in subdivision one of this section, the department may require that the professional employer organization deposit in a depository designated by the department a bond or securities with a minimum market value of seventy-five thousand dollars. The securities so deposited shall include authorizations to the department to sell those securities in an amount sufficient to pay any taxes, wages, benefits or other entitlement due a worksite employee, if the professional employer organization does not make those payments when due. Any bond or securities deposited under this subdivision shall not be included for the purpose of calculation of net worth required by subdivision one of this section.

3. Every professional employer organization shall submit to the department, within sixty days after the end of each calendar quarter, a statement by an independent certified public accountant that all applicable federal and state payroll taxes have been paid on a timely basis for that quarter.

4. All records, reports and other information obtained from a professional employer organization under this article, except to the

extent necessary for the proper administration by the department of this article and all applicable labor laws, shall be confidential and shall not be published or open to public inspection other than to public employees in the performance of their public duties.

5. The department may rescind, suspend or revoke a registration for failure to comply with this article. Should a registrant wish to contest an action of the department, the department may require such additional financial assurances or bond required to protect the interests of the state and its citizens during the course of the appeal. Two or more violations by a professional employer organization, of any kind, of this article within any five year period shall be grounds for revocation of a registration and no new registration shall be granted for a period of two years to such professional employer organization or to any person who was or should have been listed by such professional employer organization at the time of registration in compliance with paragraph (e) of subdivision one of section nine hundred nineteen of this article.