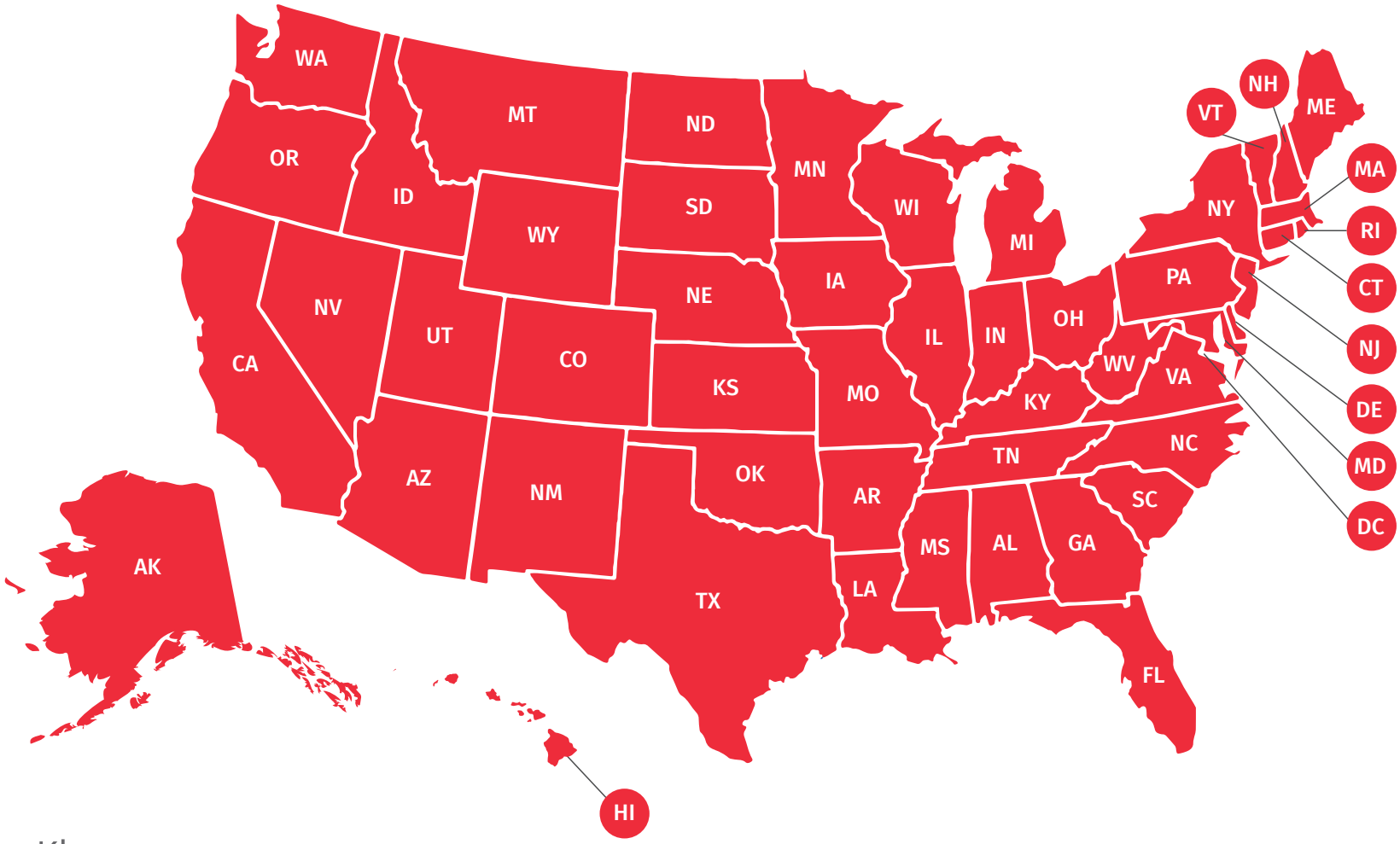
Professional employment and staffing licensing smart chart

from CT Corporation

To keep business running smoothly during a tight labor market, companies are turning to professional employment and staffing agencies and professional employer organizations (PEO). In order to start or maintain an employment and staffing business, you must be aware of licensing requirements in the state you plan to do business in. Many states require companies to be licensed in order to legally operate, regardless of whether or not the agency has a physical office in the state. Licenses typically need to be renewed every one to three years once obtained. The failure to maintain a license or registration may result in harsh penalties and fines, including a cease and desist order.

To get started, here is a general overview of the licensing requirements for professional employment and staffing agencies by state.

Click on a state name to view licensing requirements by state



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	Employment Agency	Staffing Agency	Professional Employer Organization (PEO)
	Employment agencies seek to place individuals in long term positions in return for a fee from the applicant or from the prospective employer. Employment agencies do not hire employees themselves or pay the people they place.	Staffing agencies, or Employee-Leasing Firms, mainly place temporary employees. Staffing agencies actually hire their employees and they, not the client company, are the employer of record. Staffing Agency/Employee Leasing services can sometimes overlap with PEO services, so be sure to check the definition of both when deciding whether this license is required.	A PEO, or professional employer organization, is a type of full-service human resource outsourcing known as co-employment. In this arrangement, the PEO performs various employee administration tasks, such as payroll and benefits administration, on behalf of a business. PEO services can sometimes overlap with Staffing Agency/Employee Leasing services, so be sure to check the definition of both when deciding whether this license is required.
State	**License name**	**License name**	**License name**
AK	Employment Agency License	No license requirement	No license requirement
AL	Employment Agency License	Professional Employer Organization Registration	Professional Employer Organization Registration
AR	Private Employment Agency License	Employee Leasing Firm License	Professional Employer Organization License
AZ	No license requirement		PEO Agreement
CA	No license required, but surety bond with CA SOS is required for Employment Agencies.	No license requirement	No license requirement
CO	No license requirement	Employee Leasing Company Certification	Employee Leasing Company Certification
CT	Private Employment Agency License	Professional Employer Organization Registration	Professional Employer Organization Registration
DC	Employment Services Business (Employer-Paid Personnel Service; Employment Agency; Employment Counseling Service)	No license requirement	No license requirement
DE	No license requirement	No license requirement	No license requirement
FL	No license requirement	Employee Leasing Company License	Employee Leasing Company License
GA	No license requirement	No license requirement; but surety bond requirement	No license requirement; but surety bond requirement
HI	Employment Agency License	No license requirement	Professional Employer Organization License
IA	Private Employment Agency License	No license requirement	No license requirement
ID	No license requirement	No license requirement	No license requirement

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	Employment Agency	Staffing Agency	Professional Employer Organization (PEO)
State	License name	License name	License name
IL	Private Employment Agency License	Employee Leasing Company (Lessor) Registration	No license requirement
IN	Employment Agency License	No license requirement	Professional Employer Organization Registration
KS	Private Employment Agency License	No license requirement	No license requirement
KY	No license requirement	PEO Registration	PEO Registration
LA	Private Employment Service License	No license requirement	Professional Employer Organization Registration
MA	Employment Agency License / Placement Agency License	Staffing Agency	
MD	No license requirement but bond requirement	No license requirement	
ME	No license requirement	Employee Leasing Company (PEO) Registration	Employee Leasing Company (PEO) Registration
MI	Personnel Agency	No license requirement	
MN	No license requirement	Employment Leasing Agency Registration	
MO	No license requirement	No license requirement	
MS	No license requirement	No license requirement	
MT	No license requirement	No license requirement	
NC	Private Personnel Services License	No license requirement	
ND	Employment Agency License	No license requirement	
NE	Private Employment Agency License	No license requirement	
NH	No license requirement	Employee Leasing Registration	Employee Leasing Registration
NJ	Employment Agency License	No license requirement	
NM	No license requirement	Employee Leasing Contractor Registration	
NV	Private Employment Agency License	Employee Leasing Company (PEO) Registration	Employee Leasing Company (PEO) Registration

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	Employment Agency	Staffing Agency	Professional Employer Organization (PEO)
State	License name	License name	License name
NY	Employment Agency License	No license requirement	
OH	No license requirement	No license requirement	
OK	No license requirement	No license requirement	
OR	No license requirement	Worker Leasing Company License (Full or Limited)	Worker Leasing Company License (Full or Limited)
PA	No license requirement	No license requirement	
RI	No license requirement	Employee Leasing License	
SC	Employment Agency/Private Personnel Placement Service License	No license requirement	
SD	No license requirement	No license requirement	
TN	No license requirement	Staff Leasing Company License	
TX	No license requirement	Staff Leasing Company/PEO License	Staff Leasing Company/PEO License
UT	No license requirement	No license requirement	Professional Employer Organization
VA	No license requirement	No license requirement	
VT	No license requirement	Employee Leasing Company License	No license requirement
WA	Employment Agency License	No license requirement	
WI	Employment Agency License	Professional Employer Organization License	Professional Employer Organization License
WV	Employment Agency Letter of Approval	No license requirement	
WY	Employment Agency License	Professional Employer Organization License	Professional Employer Organization License

Call 855.316.8948 or visit **wolterskluwer.com/en/solutions/ct-corporation** for expert assistance in getting and staying compliant.

This chart is not intended as legal advice and is accurate as of the publication date. State and local statute should be consulted for specific language and information.

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