



Cal-SARA
CALIFORNIA STAFFING AGENCY
REFORM ASSOCIATION

(Attachment 1)

Cal-SARA Code of Conduct

Mission

To work with industry stakeholders to create and maintain a fair and compliant California Staffing Agency Marketplace.

Purpose

The purpose of Cal-SARA is to promote legal and regulatory compliance in the sale of workers' compensation insurance and to promote the common business interest of members in recognizing and eliminating workers compensation fraud in the temporary staffing/staffing/recruiting industries.

Core Functions

Education, Assistance, and Taking Action

- Provide **education and awareness** to stakeholders relevant to the Cal-SARA purpose and mission
- **Provide assistance** to regulators and insurers relevant to the Cal-SARA purpose and mission
- **Take action** to protect Cal-SARA members from illegal/unethical activity

Member Code of Conduct

- Staffing agencies
 - Must have and maintain valid workers compensation coverage
 - Must report all their payroll to their insurance carrier
 - Must not pay claims under the table
- Brokers
 - Must be licensed (if giving advice on work comp)
 - Must not sell Employer of Record services as a workers' compensation insurance replacement
 - Must understand the risks of insuring a staffing agency
- Insurers and PEOS
 - Must enforce payroll reporting by staffing agencies
 - Must not engage in Experience Modification Rating evasion
 - Must enforce claims reporting
- Associate
 - Must subscribe to industry best practices¹ and support the purpose and mission of Cal-SARA¹

¹ As defined by the American Staffing Association <https://americanstaffing.net>