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NFIB-Maryland – 60 West St., Suite 101 – Annapolis, MD 21401 – [www.NFIB.com/Maryland](http://www.NFIB.com/Maryland)

TO: House Health and Government Operations Committee

FROM: NFIB – Maryland

DATE: February 15, 2024

RE: **SUPPORT HOUSE BILL 827** – Maryland Insurance Administration – Professional Employer Organizations - Study

Founded in 1943, NFIB is the voice of small business, advocating on behalf of America’s small and independent business owners, both in Washington, D.C., and in all 50 state capitals. With more than 250,000 members nationwide, and nearly 4,000 here in Maryland, we work to protect and promote the ability of our members to grow and operate their business.

On behalf of Maryland’s small businesses, NFIB supports House Bill 827 – legislation that asks the Maryland Insurance Administration (MIA) to conduct a study on professional employer organizations (PEOs) with a particular emphasis on access to health plans.

For nearly 40 years, NFIB members have identified the cost of health insurance as the number one long-term small business problem. The relationship between small businesses and health insurance has been a long-standing challenge for small business owners whether they offer or do not offer the benefit to their employees, and for owners’ own personal coverage.

This legislation allows MIA to delve into the possibility of offering small businesses an option to offer health insurance coverage to their employees through PEOs. The status quo is unsustainable, as 98% of small employers offering health insurance are concerned that the cost of providing health insurance to their employees will become unsustainable in the next 5-10 years.

For these reasons, **NFIB supports HB827** and requests a favorable committee report.