



March 19, 2026

Legislative Position: Favorable
House Bill 1472
Better Small Business Employee Benefit Act of 2026
House Health Committee

Dear Chair Bagnall and members of the committee:

Founded in 1969, the Howard Chamber of Commerce is dedicated to helping businesses—from sole proprietors to large international firms—grow and succeed. With the power of 700 members that encompass more than 170,000 employees, the Howard County Chamber is an effective partner with elected officials and advocates for the interests of the county’s business community.

I write to express our support for House Bill 1472 – Better Small Business Employee Benefit Act of 2026. This legislation represents an important step toward expanding access to affordable health coverage options for Maryland’s small business community.

Small businesses consistently cite the cost of providing employee health insurance as one of the most significant challenges they face. Rising premiums and limited purchasing power often leave smaller employers at a disadvantage compared to larger organizations that can leverage broader risk pools and economies of scale when purchasing coverage.

House Bill 1472 helps address this challenge by allowing small businesses that work with professional employer organizations (PEOs) to access health benefit plans that are treated as large group coverage rather than small group plans under Maryland law. By exempting these plans from certain requirements tied to the small group market and the Maryland Health Benefit Exchange, the bill would provide small employers with additional flexibility when selecting health coverage options for their employees.

Importantly, this policy approach could enable small businesses to participate in larger insurance pools through PEO arrangements, which may help stabilize risk and potentially reduce the cost of premiums. Expanding the number of available coverage options gives employers the opportunity to select plans that best meet the needs of their workforce while maintaining financial sustainability. According to the Department of Legislative Services, the proposal would have a **meaningful positive impact on small businesses** by expanding access to these alternative insurance structures.

In addition to expanding access, the bill includes important transparency provisions by requiring PEOs to provide written disclosures to participating small businesses regarding the health plans offered through these arrangements. These safeguards help ensure that employers clearly understand the benefits, responsibilities, and structure of the coverage being provided.



Howard County is home to thousands of small and mid-sized businesses that form the backbone of our local economy. Policies that support their ability to recruit and retain employees, particularly through competitive health benefits, are essential to maintaining a strong workforce and a vibrant business climate.

House Bill 1472 offers a practical, market-driven solution that increases choice, encourages innovation in the health insurance market, and helps level the playing field for small employers.

For these reasons, the Howard County Chamber of Commerce respectfully urges the committee to give **House Bill 1472 a favorable report.**

Sincerely,

Kristi Simon
President & CEO
Howard County Chamber of Commerce