



March 2, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

Dear Madame Chair:

On behalf of Barrett Business Services, Inc. (NASDAQ: BBSI), we appreciate the opportunity to submit comments in support of House Bill 1472, *the Better Small Business Employee Benefit Act of 2026*.

Founded in Baltimore, Maryland in 1951 as a staffing and employment services company, BBSI has grown over the past seventy-five years into one of the nation's largest professional employer organizations (PEOs), providing business management solutions to more than 8,200 businesses and supporting over 138,000 employees nationwide in 2025. In Maryland alone, BBSI partners with more than 500 businesses and supports approximately 10,000 employees.

BBSI and other PEOs provide small and mid-sized businesses with comprehensive human resources support, risk management services, payroll administration, tax remittance, and guidance on state and federal regulatory compliance. In addition, PEOs enable small employers to access high-quality employee benefits—such as 401(k) retirement plans, health, dental, and life insurance coverage—that are often unavailable or cost-prohibitive.

However, under current Maryland law, PEOs are restricted from providing access to large-group health benefits to businesses with fewer than 50 employees. As a result, many Maryland small employers are unable to leverage the purchasing power and administrative efficiencies that PEO partnerships provide.

House Bill 1472 would address this limitation by allowing small businesses with fewer than 50 employees to access these critical benefits through a PEO structure—an approach already permitted in 47 other states. At a time when health insurance premiums continue to rise year over year, expanding access to large-group health options could help hundreds of Maryland business owners and their employees secure comprehensive coverage at more sustainable rates.

Thank you for your consideration of this important legislation. We respectfully urge your support for House Bill 1472 and stand ready to serve as a resource to the Committee if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Potts", is written over a horizontal line.

James Potts, General Counsel