

## Chapter 797

**(Senate Bill 821)**

AN ACT concerning

**Maryland Insurance Administration – Professional Employer Organizations – Study**

FOR the purpose of requiring the Maryland Insurance Administration to study professional employer organizations in the State; and generally relating to health coverage and professional employer organizations.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That:

(a) The Maryland Insurance Administration shall study professional employer organizations in the State.

(b) In conducting the study, the Administration shall:

(1) identify and compare the regulation of professional employer organizations under federal and State law and in other states;

(2) review the history of professional employer organization activities in the State and elsewhere and changes to the professional employer organization industry over time;

(3) review professional employer organization health plans and plan benefit designs;

(4) review ~~membership and other~~ requirements that businesses must meet to participate in professional employer organization arrangements and to access professional employer organization health plans;

(5) examine the regulatory structures for health insurance and professional employer organizations in other states and under federal law that allow individuals who are co-employed through a professional employer organization arrangement and have a workplace employer that is a small employer to participate in the professional employer organization's large group plan; and

(6) ~~determine the~~ address any potential impact impacts of proposed statutory changes in the State relating to the offering of health coverage by professional employer organizations on the small group market in the State.

(c) On or before December 31, 2024, the Maryland Insurance Administration shall report its findings to the House Health and Government Operations Committee and

the Senate Finance Committee in accordance with § 2-1257 of the State Government Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

**Approved by the Governor, May 16, 2024.**