

HB 2400 -- PROFESSIONAL EMPLOYER ORGANIZATIONS (Houx)

COMMITTEE OF ORIGIN: Standing Committee on Pensions

This bill provides that both a client and a registered professional employer organization (PEO) shall each be deemed an employer for purposes of sponsoring retirement and welfare benefits plans for covered employees.

A fully insured welfare benefit plan sponsored by a registered PEO for the benefit of its covered employees shall be treated for the purposes of state law as a single employer welfare benefit plan.

For purposes of sponsoring welfare benefit plans for its eligible covered employees, a registered PEO shall be considered the employer of all of its eligible covered employees, and all eligible covered employees of one or more clients participating in a health benefit plan sponsored by a registered PEO shall be considered employees of such registered PEO.

This bill is similar to SB 904 (2022).