



National Association  
of Professional Employer Organizations

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**Written Testimony in Support of House Bill 2800  
Before the House Committee on Labor and Workplace Standards  
Hannah Walker, Senior Director of State Government Affairs  
National Association of Professional Employer Organizations  
February 3, 2025**

Chairwoman Grayber and Members of the Committee:

On behalf of the National Association of Professional Employer Organizations (NAPEO), I am providing testimony in support of House Bill 2800, which would modernize the Oregon Revised Statute to reflect industry practices in the 21st century. It does not change the responsibilities of the PEO or client in providing Workers Compensation Coverage.

NAPEO is the largest trade association for the PEO industry, which provides comprehensive HR solutions for small and mid-size businesses. NAPEO represents *approximately 500 PEOs in the United States providing services to more than 200,000 small and mid-size businesses, employing approximately 4.5 million people. The PEO industry's 200,000 clients represent 17 percent of all employers with 10 to 99 employees.* **In Oregon, NAPEO serves more than 3,000 small businesses employing over 31,000 employees.**

PEOs are champions for their small business clients and their employees. By providing payroll, benefits, and HR services - and assisting with compliance issues under state and federal law - PEOs allow small businesses to improve productivity and profitability, to focus on their core mission, and to grow. Through a PEO, the employees of small businesses gain access to big business employee benefits such as: 401(k) plans; health, dental, life, and other insurance; and other benefits they might not typically receive as employees of a small company.

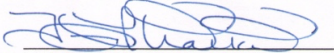
Although commonly referred to as “PEOs” or “professional employer organizations”, industry participants in Oregon have long been termed “worker leasing companies” and are subject to licensure pursuant to ORS 656.850.

With regard to HB 2800, we have been in close communication with the Worker’s Compensation Division during the drafting process and we feel comfortable with the language in the bill. We appreciate the Department’s thoughtful consideration and collaboration with NAPEO to address some of the definition / amendment suggestions provided by our membership.

HB 2800 will modernize the Oregon Revised Statute to reflect industry practices in the 21st century. It does not change the responsibilities of the PEO or client in providing Workers Compensation Coverage. The language in HB 2800 is based on NAPEO’s model act and updates outdated statutory language.

For these reasons, we support HB 2800 and respectfully request your support. If you have any questions or if I can provide additional information, please do not hesitate to contact me. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Hannah Walker", is written over a horizontal line. The signature is stylized and cursive.

Hannah Walker, Esq  
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