June 24, 2019

Mr. Steve Peters Administrator Wisconsin Workers' Compensation Division 201 East Washington Avenue, Room C100 Madison, Wisconsin

Re: PEO Reform - 2019 Management Proposal for Agreed-Bill

Dear Mr. Peters:

Wisconsin Independent Businesses (WIB) was formed in 1977 to provide small, independent business owners with an effective voice in the legislative and regulatory activities of state government. More than forty years later, WIB has become one of Wisconsin's largest small business advocacy organizations.

Compliance with government-mandated programs, such as workers' compensation, is challenging for small, independent business owners. Retaining a Professional Employer Organization (PEO) to assist in these duties is a viable and cost-effective option for them.

Currently, there are 45 states which allow for client-sponsored workers' compensation coverage within a PEO agreement. A proposal before the Workers' Compensation Advisory Council (WCAC) would add Wisconsin to this list.

Allowing small employers to keep their incumbent worker's compensation insurance carrier regardless of their relationship with a PEO is a meaningful and beneficial change to Wisconsin's Workers' Compensation law. We respectfully ask the WCAC to include this proposal in the 2019-2020 agreed-bill.

Respectfully,

Brian Da

Legislative Director

Wisconsin Independent Businesses