

The Value of NAPEO Membership



Barron L. Guss 2019 NAPEO Chair President & Chief Executive Officer SimplicityHR By ALTRES Honolulu. Hawaii

I have been a NAPEO member for more than 20 years. Like most, I sometimes questioned the purpose of the organization, its leadership, and, most importantly, where my dues monies went.

Over the years, I've had numerous discussions with believers and non-believers about the value of membership. I was raised to be a disciple of the concept "for the greater good of all," but even I tend to test the veracity of that idea when I am asked to give in good faith.

In my role as chair, I have a new perspective and appreciation of what it takes to maintain NAPEO from a fiscal point of view and, most importantly, to deliver value to our membership. You might say I drank the Kool-Aid.

In last my last column, I shared with you that in the District of Columbia, legislation was introduced that threatened the ability for PEOs to provide health benefits coverage to their clients via their large group plans. As you can imagine, if passed, this law would have been precedent-setting and possibly lead to similar legislative efforts across our nation.

The good news is that NAPEO, along with some of its larger members, seamlessly worked together and employed lobbyists to inform and educate D.C. City Council members about the virtues of the PEO industry. In short, because of their unified efforts, we received confirmation from Chairman Vincent Gray that the council would reconsider its position regarding PEOs. This kind of outcome would have not been possible without a unifying entity such as NAPEO. There would have been no government affairs budget and likely no forum for the members with previous working relationships to call upon.

Some might say, "This doesn't affect me because I don't operate in D.C." My hope is that none of us is that naïve to think this kind of thing cannot be pervasive.

For more than 20 years, NAPEO and my predecessor Board of Directors colleagues worked tirelessly to get federal authority to do what we do. Hence, today we have Certified PEO (CPEO) status via the IRS. Some have said that effort placed too much financial and physical stress on the limited resources of our organization, as we had been operating for years without it. How many PEOs, when queried about our authority to remit taxes or indemnify our clients of our actions, will cite the IRS granting authority to PEOs via CPEO status? I know first-hand of a 30,000-WSE non-NAPEO member who stated that NAPEO provided no benefit to his company, yet he is currently awaiting his "no value" CPEO certification from the IRS! In fact, this PEO was recently sold to a private equity firm, and you can be sure that the firm's investment in that company was heavily predicated on the federal certainty of PEO.

As our industry evolves, so does NAPEO's value proposition. Recently, the western states have been devastated by wild fires. I have witnessed our members reaching out to their fellow members to offer assistance not only to the immediate employees of the PEOs, but offering to provide assistance to the communities they serve as well.

By the time you read this, you will have received your membership renewal packet for 2019. Please be assured that your NAPEO Board of Directors takes your support seriously and is committed to making our industry and the communities we serve stronger. I encourage you to reach out to non-NAPEO members and share with them the value of membership and tell them that you are committed to the "greater good of all." \bullet



Volume 22, Number 10

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PEO Insider® (USPS 024-492)(ISSN 1520-894X) is published monthly except June/July and December/January, which are combined, by the National Association of Professional Employer Organizations 707 North Saint Asaph Street, Alexandria. VA 22314-1911. \$150 of each member's dues goes towards his/her annual subscription to PEO Insider.® The annual subscription rate for non-members is \$150. Periodicals Postage paid at Alexandria, Virginia, and additional mailing offices, POSTMASTER: Send address changes to PEO Insider,® 707 North Saint Asaph Street, Alexandria, VA 22314-1911. Opinions expressed in this publication are those of the individuals who have contributed articles and are not necessarily those of NAPFO its officers directors, or employees. No part of this publication may be reproduced or distributed without the written permission of NAPEO.

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