



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 477

Chairperson: Ray Aguilar
Committee: Government, Military and Veterans Affairs
Date of Hearing: February 28, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 477 would provide a limitation, and possible reduction, of the portion of the total cost of a public employee health benefit plan paid by the taxpayer, requiring the public employee to pay a greater percentage of the total cost of the health benefit plan whose options and coverage were chosen by that employee.

The bill provides for the graduated reduction in the percentage of public employee health insurance paid by the state from the current requirement of 79 percent to 75 percent by 2011.

LB 477 also reduces the amount of state aid to political subdivisions that contribute to employee health benefit plans at an amount greater than that provided for state employees, unless the political subdivisions also reduce the portion of insurance premium that is taxpayer-funded. So, the bill would reduce the state's cost share of health insurance provided for the local school or political subdivision to the extent that it exceeds the percentage of the taxpayer's funding of the health insurance for its own employees.

For purposes of this bill, political subdivision means a county, municipal county, city, village, natural resources district, community college and school district.

Principal Introducer: _____
Senator John Wightman