

HB 1535 -- STATE EMPLOYEE CAFETERIA PLAN FEES

SPONSOR: Deeken

COMMITTEE ACTION: Voted "do pass" by the Committee on Insurance Policy by a vote of 10 to 0.

This bill allows a deduction for cafeteria plan administrative fees from a state employee's compensation except when the employee affirmatively elects not to participate in the plan.

FISCAL NOTE: Estimated Income on General Revenue Fund of \$150,000 in FY 2009, \$300,000 in FY 2010, and \$300,000 in FY 2011. No impact on Other State Funds in FY 2009, FY 2010, and FY 2011.

PROPOSERS: Supporters say that the bill will allow state employees to be enrolled in the cafeteria plan automatically instead of having to opt into the plan. Currently, 21,000 state employees do not have their premiums taken out of pre-tax income. This will save the state and state employees money.

Testifying for the bill were Representative Deeken; and Office of Administration.

OPPOSERS: There was no opposition voiced to the committee.