(SUBSTITUTED FOR - SEE 2ND SUB)

Declares an intent through establishment of a small employer health insurance partnership program, to remove economic barriers to health insurance coverage for low-wage employees of small employers by building on the private sector health benefit plan system and encouraging employer and employee participation in employer-sponsored health benefit plan coverage.

Requires the administrator to report biennially to the relevant policy and fiscal committees of the legislature on the effectiveness and efficiency of the small employer health insurance partnership program, including the services and benefits covered under the purchased health benefit plans, consumer satisfaction, and other program operational issues.

Appropriates the sum of one million dollars, or as much thereof as may be necessary, for the fiscal year ending June 30, 2007, from the health services account to the health care authority for the small employer health insurance partnership program.

Provides that, contingent upon the appropriation of funds under this act, the sum of eighteen million three hundred thousand dollars, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2007, from the health services account to the health care authority to fund additional subsidized enrollment of up to ten thousand enrollees in the basic health plan.