



1997 SENATE BILL 248

June 17, 1997 - Introduced by Senator GEORGE. Referred to Committee on Education.

1 **AN ACT to amend** 111.70 (4) (cm) 5s., 111.70 (4) (cm) 8p. and 119.04 (1); and **to**
2 **create** 118.245 (5) and 121.91 (4) (f) of the statutes; **relating to:** increasing the
3 revenue limit of a 1st class city school district and exempting a 1st class city
4 school district from the qualified economic offer provisions affecting salary and
5 fringe benefit costs for represented and nonrepresented school district
6 professional employes.

Analysis by the Legislative Reference Bureau

This bill does all of the following:

1. Current law generally limits the increase in the total amount of revenue that a school district may receive from general school aids and property taxes in a school year to \$206 per pupil.

Beginning in the 1998-99 school year, this bill increases the revenue limit of the Milwaukee public school district (MPS) in the current school year to an amount determined by multiplying the average number of MPS pupils in the current and the 2 preceding years by the highest per pupil revenue limit of all school districts in the previous school year.

2. Under current law, in local government employment other than law enforcement and fire fighting employment, if a dispute relating to the terms of a proposed collective bargaining agreement has not been settled after a reasonable period of negotiation and after mediation by the Wisconsin employment relations

SENATE BILL 248

commission (WERC), either party, or the parties jointly, may petition WERC to initiate compulsory, final and binding arbitration with respect to any dispute relating to wages, hours and conditions of employment. If WERC determines, after investigation, that an impasse exists and that arbitration is required, WERC must submit to the parties a list of 7 arbitrators, from which the parties alternately strike names until one arbitrator is left. As an alternative to a single arbitrator, WERC may provide for an arbitration panel that consists of one person selected by each party and one person selected by WERC. As a further alternative, WERC may also provide a process that allows for a random selection of a single arbitrator from a list of 7 names submitted by WERC. Under current law, an arbitrator or arbitration panel must adopt the final offer of one of the parties on all disputed issues, which is then incorporated into the collective bargaining agreement.

Under current law, however, this process does not apply to a dispute over economic issues involving a collective bargaining unit consisting of school district professional employees if WERC determines, subsequent to an investigation, that the employer has submitted a qualified economic offer. Under current law, a qualified economic offer consists of a proposal to maintain the percentage contribution by the employer to the employees' existing fringe benefit costs and the employees' existing fringe benefits and to generally provide, with certain exceptions, for an annual average salary increase having a cost to the employer at least equal to 2.1% of the existing total compensation and fringe benefit costs for the employees in the collective bargaining unit.

This bill provides that the qualified economic offer exception from the compulsory, final and binding arbitration process does not apply to school district professional employees of MPS.

3. Under current law, no school district may provide its nonrepresented professional employees, for any 12-month period ending on June 30, an average increase in compensation for all such employees that has an average cost per employee that exceeds the greater of: 1) 3.8% of the average total cost per employee of compensation and fringe benefits provided by the school district to its nonrepresented professional employees for the preceding 12-month period ending on June 30; or 2) the average total percentage increased cost per employee of compensation and fringe benefits provided to its represented professional employees for the preceding 12-month period ending on June 30.

This bill provides that the limitation on compensation increases that may be provided by school districts to their nonrepresented professional employees does not apply to nonrepresented professional employees of MPS.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 111.70 (4) (cm) 5s. of the statutes is amended to read:

SENATE BILL 248

1 111.70 (4) (cm) 5s. 'Issues subject to arbitration.' In a collective bargaining unit
2 consisting of school district professional employes, the municipal employer or the
3 labor organization may petition the commission to determine whether the municipal
4 employer has submitted a qualified economic offer. The commission shall appoint an
5 investigator for that purpose. If the investigator finds that the municipal employer
6 has submitted a qualified economic offer, the investigator shall determine whether
7 a deadlock exists between the parties with respect to all economic issues. If the
8 municipal employer submits a qualified economic offer applicable to any period
9 beginning on or after July 1, 1993, no economic issues are subject to interest
10 arbitration under subd. 6. for that period. In such a collective bargaining unit,
11 economic issues concerning the wages, hours or conditions of employment of the
12 school district professional employes in the unit for any period prior to July 1, 1993,
13 are subject to interest arbitration under subd. 6. for that period. In such a collective
14 bargaining unit, noneconomic issues applicable to any period on or after July 1, 1993,
15 are subject to interest arbitration after the parties have reached agreement and
16 stipulate to agreement on all economic issues concerning the wages, hours or
17 conditions of employment of the school district professional employes in the unit for
18 that period. In such a collective bargaining unit, if the commission's investigator
19 finds that the municipal employer has submitted a qualified economic offer and that
20 a deadlock exists between the parties with respect to all economic issues, the
21 municipal employer may implement the qualified economic offer. On the 90th day
22 prior to expiration of the period included within the qualified economic offer, if no
23 agreement exists on that day, the parties are deemed to have stipulated to the
24 inclusion in a new or revised collective bargaining agreement of all provisions of any
25 predecessor collective bargaining agreement concerning economic issues, or of all

SENATE BILL 248**SECTION 1**

1 provisions of any existing collective bargaining agreement concerning economic
2 issues if the parties have reopened negotiations under an existing agreement, as
3 modified by the terms of the qualified economic offer and as otherwise modified by
4 the parties. In such a collective bargaining unit, on and after that 90th day, a
5 municipal employer that refuses to bargain collectively with respect to the terms of
6 that stipulation, applicable to the 90-day period prior to expiration of the period
7 included within the qualified economic offer, does not violate sub. (3) (a) 4. Any such
8 unilateral implementation after August 11, 1993, during the 90-day period prior to
9 expiration of the period included within a qualified economic offer, operates as a full,
10 final and complete settlement of all economic issues between the parties for the
11 period included within the qualified economic offer. The failure of a labor
12 organization to recognize the validity of such a lawful qualified economic offer does
13 not affect the obligation of the municipal employer to submit economic issues to
14 arbitration under subd. 6. This subdivision does not apply to any collective
15 bargaining unit consisting of school district professional employees performing
16 services for a school district operating under ch. 119.

17 **SECTION 2.** 111.70 (4) (cm) 8p. of the statutes is amended to read:

18 111.70 (4) (cm) 8p. 'Professional school employe salaries.' In every collective
19 bargaining unit covering municipal employes who are school district professional
20 employes in which the municipal employe positions were, on July 29, 1995, assigned
21 to salary ranges with steps that determine the levels of progression within each
22 salary range, unless the parties otherwise agree, no new or modified collective
23 bargaining agreement may contain any provision altering the salary range
24 structure, the number of steps or the requirements for attaining a step or assignment
25 of a position to a salary range, except that if the cost of funding the attainment of a

SENATE BILL 248

1 step is greater than the amount required for the municipal employer to submit a
2 qualified economic offer, the agreement may contain a provision altering the
3 requirements for attaining a step to no greater extent than is required for the
4 municipal employer to submit a qualified economic offer at the minimum possible
5 cost to the municipal employer. This subdivision does not apply to any collective
6 bargaining unit consisting of school district professional employes performing
7 services for a school district operating under ch. 119.

8 **SECTION 3.** 118.245 (5) of the statutes is created to read:

9 118.245 (5) This section does not apply to nonrepresented professional
10 employes of a board of school directors under ch. 119.

11 **SECTION 4.** 119.04 (1) of the statutes is amended to read:

12 119.04 (1) Subchapters IV, V and VII of ch. 115, ch. 121 and ss. 66.03 (3) (c),
13 115.01 (1) and (2), 115.28, 115.31, 115.33, 115.34, 115.343, 115.345, 115.361, 115.38
14 (2), 115.40, 115.45, 118.001 to 118.04, 118.06, 118.07, 118.10, 118.12, 118.125 to
15 118.14, 118.15, 118.153, 118.16, 118.162, 118.163, 118.18, 118.19, 118.20, 118.24 (1),
16 (2) (c) to (f), (6) and (8), ~~118.245~~, 118.255, 118.258, 118.30 to 118.43, 120.12 (5) and
17 (15) to (24), 120.125, 120.13 (1), (2) (b) to (g), (3), (14), (17) to (19), (26), (34) and (35)
18 and 120.14 are applicable to a 1st class city school district and board.

19 **SECTION 5.** 121.91 (4) (f) of the statutes is created to read:

20 121.91 (4) (f) The limit otherwise applicable under sub. (2m) to the revenue of
21 a school district operating under ch. 119 in the current school year is increased to an
22 amount determined by multiplying the average of the number of pupils in the
23 current and the 2 preceding years by the highest amount under sub. (2m) (d) 3. of all
24 school districts in the previous school year.

25 **SECTION 6. Initial applicability.**

