

## 2007 DRAFTING REQUEST

### Bill

Received: **10/24/2006**

Received By: **chanaman**

Wanted: **As time permits**

Identical to LRB:

For: **Alberta Darling (608) 266-5830**

By/Representing: **Tom Petri**

This file may be shown to any legislator: **NO**

Drafter: **chanaman**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - collective bargain  
Employ Pub - employee benefits  
Insurance - health**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Darling@legis.wisconsin.gov**

Carbon copy (CC:) to:

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### Pre Topic:

No specific pre topic given

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### Topic:

Municipal employees and health care coverage

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### Instructions:

See Attached

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### Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	chanaman 10/24/2006	wjackson 10/27/2006		_____			S&L
/1	chanaman 02/01/2007	wjackson 02/03/2007	pgreensl 10/27/2006	_____	mbarman 10/27/2006		S&L
/2			jfrantze 02/06/2007	_____	sbasford 02/06/2007	cduerst 02/08/2007	

FE Sent For: "1/2" @ intro.  
2-15-2007

<END>

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FE Sent For:

**<END>**

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/1		12 wj 2/3	pgreensl 10/27/2006	_____	mbarman 10/27/2006		

FE Sent For:

*J. J. Seib*  
*2/6*  
<END>

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/?	chanaman	1 WLJ 10/26	10/27 PG	10/27 PG/NN			

FE Sent For:

<END>

## 2005 SENATE BILL 242

LPS: Please  
proof  
amended  
stats. w/Folio.

June 15, 2005 - Introduced by Senators DARLING, GROTHMAN, STEPP and BROWN, cosponsored by Representatives MCCORMIEK, HINES, HONADEL, WOOD, VAN ROY, F. LASEE and VOS. Referred to Committee on Agriculture and Insurance.

→ general

1 AN ACT *to amend* 111.70 (1) (a); and *to create* 111.70 (4) (n), 111.70 (4) (o) and  
2 601.41 (12) of the statutes; **relating to:** collective bargaining over health care  
3 coverage for municipal employees and allowing municipal employers to change  
4 health care coverage plan providers

and requiring the exercise of rule-making authority

### ***Analysis by the Legislative Reference Bureau***

Under the Municipal Employment Relations Act (MERA), all matters relating to wages, hours, and conditions of employment are subject to collective bargaining. This bill prohibits bargaining over the selection of a health care coverage plan if the employer offers to enroll its employees in a plan provided to local government employers by the Group Insurance Board or in a plan that is substantially similar to the plan offered by the Group Insurance Board. Under the bill, the Office of the Commissioner of Insurance must promulgate rules that set out standardized benefits under health care coverage plans and that may be used for determining whether any health care coverage plan is similar to the plan offered by the Group Insurance Board.

In addition, the bill provides that under MERA any employer may unilaterally change its employees' health care coverage plan provider if the benefits remain substantially the same and if either the actual providers of the health care are the same or cost savings will result from changing the health care coverage plan provider. The bill requires, however, that any employer savings that result from changing the health care coverage plan provider must be used to increase salaries paid to the employees affected by the change.

**SENATE BILL 242**

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 (1) (a) of the statutes is amended to read:

2           111.70 **(1)** (a) "Collective bargaining" means the performance of the mutual  
3 obligation of a municipal employer, through its officers and agents, and the  
4 representative of its municipal employees in a collective bargaining unit, to meet and  
5 confer at reasonable times, in good faith, with the intention of reaching an  
6 agreement, or to resolve questions arising under such an agreement, with respect to  
7 wages, hours, and conditions of employment, and with respect to a requirement of  
8 the municipal employer for a municipal employee to perform law enforcement and  
9 fire fighting services under s. 61.66, except as provided in sub. (4) (m), (n), and (o) and  
10 s. 40.81 (3) and except that a municipal employer shall not meet and confer with  
11 respect to any proposal to diminish or abridge the rights guaranteed to municipal  
12 employees under ch. 164. The duty to bargain, however, does not compel either party  
13 to agree to a proposal or require the making of a concession. Collective bargaining  
14 includes the reduction of any agreement reached to a written and signed document.  
15 The municipal employer shall not be required to bargain on subjects reserved to  
16 management and direction of the governmental unit except insofar as the manner  
17 of exercise of such functions affects the wages, hours, and conditions of employment  
18 of the municipal employees in a collective bargaining unit. In creating this  
19 subchapter the legislature recognizes that the municipal employer must exercise its  
20 powers and responsibilities to act for the government and good order of the  
21 jurisdiction which it serves, its commercial benefit, and the health, safety and



**SENATE BILL 242**

1 welfare of the public to assure orderly operations and functions within its  
2 jurisdiction, subject to those rights secured to municipal employees by the  
3 constitutions of this state and of the United States and by this subchapter.

4 **SECTION 2.** 111.70 (4) (n) of the statutes is created to read:

5 111.70 (4) (n) *Municipal employer-initiated change in health care coverage*  
6 *plan provider.* 1. Notwithstanding the terms of a collective bargaining agreement,  
7 a municipal employer may unilaterally change its employees' health care coverage  
8 plan provider without the consent of any affected employee in the collective  
9 bargaining unit if the benefits provided by the new health care coverage plan  
10 provider are substantially similar to those provided by the former health care  
11 coverage plan provider and if either the persons who provide health care coverage  
12 under the new plan are the same as under the former plan or cost savings will result  
13 from changing the health care coverage plan provider. Any such unilateral change  
14 in health care coverage plan provider is not a violation of a collective bargaining  
15 agreement or a prohibited practice under sub. (3) (a) and, for purposes of a qualified  
16 economic offer, satisfies the requirement to maintain fringe benefits under sub. (1)  
17 (nc).

18 2. Any moneys saved by a municipal employer as a result of a change in health  
19 care coverage plan provider under subd. 1. shall be used to increase the wages paid  
20 to the affected employees during the period covered by their collective bargaining  
21 agreement and wage-related costs resulting from the increase in wages. Any such  
22 increase in wages and wage-related costs by the municipal employer is not a  
23 prohibited practice under sub. (3) (a).

24 **SECTION 3.** 111.70 (4) (o) of the statutes is created to read:

## SENATE BILL 242

1           111.70 (4) (o) *Prohibited subject of collective bargaining.* A municipal employer  
2 is prohibited from bargaining collectively with respect to the employer's selection of  
3 a health care coverage plan if the municipal employer offers to enroll the employees  
4 in a health care coverage plan under s. 40.51 (7) or in a health care coverage plan that  
5 is substantially similar to a plan offered under s. 40.51 (7). The commission shall use  
6 the criteria in rules promulgated by the commissioner of insurance under s. 601.41  
7 (12) to determine if health care coverage plans are substantially similar.

8           **SECTION 4.** 601.41 (12) of the statutes is created to read:

9           601.41 (12) SUBSTANTIALLY SIMILAR HEALTH CARE COVERAGE PLAN. The  
10 commissioner shall promulgate rules that set out a standardized summary of  
11 benefits provided under health care coverage plans, including plans offered under  
12 s. 40.51 (7), for use in determining whether a health care coverage plan is  
13 substantially similar to a plan offered under s. 40.51 (7).

14           **SECTION 5. Initial applicability.**

15           (1) The treatment of section 111.70 (1) (a) and (4) (n) and (o) of the statutes first  
16 applies to collective bargaining agreements entered into, extended, modified, or  
17 renewed, whichever occurs first, on the effective date of this subsection.

18           (END)



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRB-0570/1  
CMH&PJK:wlj:pg

↑  
Stays

2007 BILL

*refer*

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18                           **(END)**

**Duerst, Christina**

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**From:** Risch, Jay  
**Sent:** Thursday, February 08, 2007 9:26 AM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB 07-0570/2 Topic: Municipal employees and health care coverage

Please Jacket LRB 07-0570/2 for the SENATE.