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Details:

(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2007-08

(session year)

Senate

(Assembly, Senate or Joint)

Committee on ... Labor, Elections and Urban Affairs (SC-LEUA)

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Senate

Record of Committee Proceedings

Committee on Labor, Elections and Urban Affairs

Senate Bill 46

Relating to: collective bargaining over health care coverage for municipal employees, allowing municipal employers to change health care coverage plan providers, and requiring the exercise of rule-making authority.

By Senators Darling, Kanavas, Grothman, Harsdorf and Leibham; cosponsored by Representatives Vukmir, Nygren, Pridemore, Jeskewitz, Zipperer, Gottlieb, Hahn, F. Lasee, Vos, Townsend, Honadel, Kramer, Mursau, Albers, Wood, Gunderson, Roth and LeMahieu.

February 15, 2007 Referred to Committee on Labor, Elections and Urban Affairs.

March 13, 2008 Failed to pass pursuant to Senate Joint Resolution 1.

Adam Plotkin
Committee Clerk





SCHOOL DISTRICT OF KETTLE MORAINÉ

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May 8, 2007

Senator Spencer Coggs
Room 123 South
Capitol Building
P O Box 8953
Madison, WI 53708

Dear Honorable Coggs:

At our regular meeting last Tuesday, April 24th, we, the members of the Kettle Moraine School Board, unanimously resolved to support companion bills AB110 and SB 46. These bills allow school boards to select the health care provider for their employees if certain conditions are met. The school board must offer 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. In addition, the Office of the Commissioner of Insurance must develop rules that set out standardized benefits in order to determine whether any health care coverage plan is similar to the plan offered by the Group Insurance Board.

Actual health care benefits would remain an item for negotiation between school board and employee groups. Yet, these bills, if passed, have the potential to save both school districts and their employees dollars currently used toward health insurance coverage. Currently the implementation of a qualified economic offer (QEO) requires an employer to maintain existing benefits, including the health insurance provider. Unfortunately current efforts on the part of school districts to change health insurance providers have met great resistance at the bargaining table as a result of strong ties between WEAC and WEA.

The cost of early retirement benefits is not included in the Qualified Economic Offer. Passage of these bills would allow our school district to bid out health insurance coverage and select the carrier that offers substantially similar coverage at a competitive price. Specifically the Kettle Moraine School District offers an early retirement benefit for teachers that includes 7-1/2 years of paid health insurance coverage using the same plan and insurer as that of the current teachers. Conservative estimates indicate that the district could achieve an 11% reduction in health insurance costs, which would save \$168,000 annually on retirees alone. If the school board could choose the less costly insurer, the money could be used to provide programs, reduce class size or even provide tax relief.


Teachers would also benefit financially from the passage of these bills. In the Kettle Moraine School District this year alone, using the same comparison of WEA and an alternate health insurance provider, an additional \$444,000 would be available for salary increases under the QEO. In total, the School District of Kettle Moraine is unnecessarily spending \$612,000 taxpayer dollars annually, simply because the current system essentially prohibits a school district from making these much needed changes.

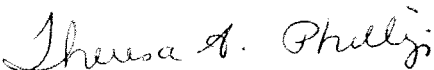
As you can see by these examples, these bills have the potential to benefit both school districts and their employees financially, while at the same time, retaining the benefit of the QEO legislation for both parties. SB 46 has been referred to the Labor, Elections, and Urban Affairs Committee. There is currently no hearing scheduled for it.


We would like you to consider supporting SB 46. After you've considered this, we would appreciate your thoughts, including what more we can do to support passage of this bill. We are also sending letters to Senator Coggs and Senator Wirch, committee Chairperson and Vice-Chairperson, respectively, explaining our support and requesting a hearing on the senate version of the bill.


Thank you for your attention to this matter. We look forward to hearing from you.

Sincerely,



Dennis Krueger
School Board President



Theresa A. Phillips
Terri Phillips
School Board Vice President


Andrew Greene
School Board Treasurer


Colin J. Butler
School Board Clerk


Kristi Davis
Board Member


Gary Vose
Board Member


David J. Zeier
Board Member



SL - This bill is in our committee.

2007 - 2008 LEGISLATURE

Date?

LRB-0570/2
CMH&PJK:wlj:pg

- 1) ALL Gov sponsors
- 2) Opposed by AFGCME Council II & WEAC

2007 SENATE BILL 46

I assume Grothman will push for a hearing. We can put it off for a while cause it needs a fiscal estimate and we don't have one yet. After that, we'll just have to put him off I guess.

February 15, 2007 - Introduced by Senators DARLING, KANAVAS, GROTHMAN, HARSDORF and LEIBHAM, cosponsored by Representatives VUKMIR, NYGREN, PRIDEMORE, JESKEWITZ, ZIPPERER, GOTTLIEB, HAHN, F. LASEE, VOS, TOWNSEND, HONADEL, KRAMER, MURSAU, ALBERS, WOOD, GUNDERSON, ROTH and LEMAHIEU. Referred to Committee on Labor, Elections and Urban Affairs.

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, allowing municipal employers to change
 4 health care coverage plan providers, and requiring the exercise of rule-making
 5 authority.

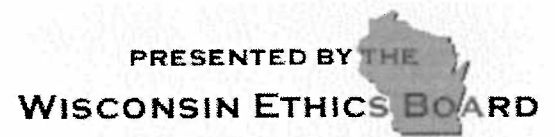
Analysis by the Legislative Reference Bureau

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.



- ▶ Home
- ▶ Lobbying in Wisconsin
- ▶ Organizations employing lobbyists
- ▶ Lobbyists



as of Monday, February 19, 2007

2007-2008 legislative session

Legislative bills and resolutions

(search for another legislative bill or resolution at the bottom of this page)

- Text, Sponsors and Analysis
- Status and Fiscal Estimate
- Lobbying Effort on this item

Senate Bill 46

collective bargaining over health care coverage for municipal employees, allowing municipal employers to change health care coverage plan providers, and requiring the exercise of rule-making authority. (FE)

| Organization | | These organizations have reported lobbying on this proposal: | Place pointer on icon to display comments, click icon to display prior comments | | |
|--------------|-----------|--|---|----------|----------|
| Profile | Interests | | Date Notified | Position | Comments |
| ● | ● | AFSCME Council 11 | 2/16/2007 | ↓ | |
| ● | ● | Wisconsin Association of School Boards Inc | 2/19/2007 | ↑ | |
| ● | ● | Wisconsin Education Association Council | 2/19/2007 | ↓ | |
| ● | ● | Wisconsin Physicians Service Insurance Corporation (WPS) | 2/19/2007 | ? | |

Select a legislative proposal and click "go"

House Senate

Proposal Type Bill Joint Resolution Resolution

Proposal Number (enter proposal number)

Legislative Session



AB 110 (REG Session)

SB 46 (REG Session)

Nickname Health Care QEO

Bill Description Allows local governments to avoid collective bargaining on health care plans if they offer one similar to the Group Insurance Board

Supporting Arguments *Would save local governments money by offering a cheaper, group plan
*eliminate the process of collective bargaining, often with multiple unions
*reduce health costs by having a larger pool of people

Opposing Arguments *eliminates collective bargaining
*allows local governments to offer only bare minimum health care coverage
*bill has provision to allow munis to change providers almost at will
*removes major advantage of unionized muni employees

Important Amendments

Governor's Public Possition None

Vocal Legislative Support:

Issues

| Issue Name | Issue Effect |
|-------------------|---------------------|
| Labor | Unfavorable Effect |

Interest Groups

| Interest Group | Support |
|-----------------------|----------------|
| Labor | Opposed |
| WEAC | Opposed |