



State of Wisconsin  
1997 - 1998 LEGISLATURE

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**SENATE SUBSTITUTE AMENDMENT 1,  
TO 1997 SENATE BILL 318**

January 7, 1998 – Offered by Senator C. POTTER.

1     **AN ACT to repeal** 111.70 (1) (nc) 1. b., 111.70 (1) (nc) 1. c., 111.70 (1) (nc) 2., 111.70  
2           (4) (cm) 7. and 111.70 (4) (cm) 7g.; **to renumber** 111.70 (1) (nc) 1. a.; **to**  
3           **renumber and amend** 111.70 (1) (nc) 1. (intro.); **to amend** 111.70 (4) (cm) 5.  
4           and 111.70 (4) (cm) 5s.; and **to create** 111.70 (1) (nc) 2m., 111.70 (1) (nd), 111.70  
5           (4) (cm) 7m., 111.70 (4) (cm) 8t. and 121.91 (4) (g) of the statutes; **relating to:**  
6           qualified economic offers under the municipal employment relations act and  
7           the calculation of school district revenue limits.

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

8           **SECTION 1.** 111.70 (1) (nc) 1. (intro.) of the statutes is renumbered 111.70 (1) (nc)  
9           (intro.) and amended to read:

10           111.70 (1) (nc) (intro.) “Qualified economic offer” means an offer made to a labor  
11           organization by a municipal employer that includes all of the following, ~~except as~~  
12           ~~provided in subd. 2.:~~

1           **SECTION 2.** 111.70 (1) (nc) 1. a. of the statutes is renumbered 111.70 (1) (nc) 1.

2           **SECTION 3.** 111.70 (1) (nc) 1. b. of the statutes is repealed.

3           **SECTION 4.** 111.70 (1) (nc) 1. c. of the statutes is repealed.

4           **SECTION 5.** 111.70 (1) (nc) 2. of the statutes is repealed.

5           **SECTION 6.** 111.70 (1) (nc) 2m. of the statutes is created to read:

6           111.70 (1) (nc) 2m. a. In any collective bargaining unit in which the municipal  
7           employe positions are assigned to salary ranges with steps that determine the levels  
8           of progression within each salary range during a 12-month period, a proposal to  
9           provide for an increase in the minimum and maximum amounts of the salary range  
10          and an increase in the amounts of the steps within the salary range at least  
11          equivalent to 2.1% or the rate of inflation, whichever is greater, for each 12-month  
12          period covered by the proposed collective bargaining agreement, beginning with the  
13          expiration date of any previous collective bargaining agreement.

14          b. In any collective bargaining unit not subject to subd. 2m. a., a proposal to  
15          provide for a salary increase for each 12-month period covered by the proposed  
16          collective bargaining agreement, beginning with the expiration date of any previous  
17          collective bargaining agreement, for each municipal employe in the collective  
18          bargaining unit for each 12-month period covered by the proposed collective  
19          bargaining agreement at least equivalent to 2.1% or the rate of inflation, whichever  
20          is greater.

21          **SECTION 7.** 111.70 (1) (nd) of the statutes is created to read:

22          111.70 (1) (nd) "Rate of inflation" means a percentage equal to the average  
23          annual percentage change in the U.S. consumer price index for all urban consumers,  
24          U.S. city average, as determined by the U.S. department of labor, for the 12-month  
25          period ending on the last day of the 3rd month preceding the first day of the first

1 month of any 12-month period covered by a proposed collective bargaining  
2 agreement.

3 **SECTION 8.** 111.70 (4) (cm) 5. of the statutes is amended to read:

4 111.70 (4) (cm) 5. 'Voluntary impasse resolution procedures.' In addition to the  
5 other impasse resolution procedures provided in this paragraph, a municipal  
6 employer and labor organization may at any time, as a permissive subject of  
7 bargaining, agree in writing to a dispute settlement procedure, including  
8 authorization for a strike by municipal employees or binding interest arbitration,  
9 which is acceptable to the parties for resolving an impasse over terms of any  
10 collective bargaining agreement under this subchapter. A copy of such agreement  
11 shall be filed by the parties with the commission. If the parties agree to any form of  
12 binding interest arbitration, the arbitrator shall give weight to the factors  
13 enumerated under subds. ~~7., 7g.~~ 7m. and 7r.

14 **SECTION 9.** 111.70 (4) (cm) 5s. of the statutes is amended to read:

15 111.70 (4) (cm) 5s. 'Issues subject to arbitration.' In a collective bargaining unit  
16 consisting of school district professional employees, the municipal employer or the  
17 labor organization may petition the commission to determine whether the municipal  
18 employer has submitted a qualified economic offer. The commission shall appoint an  
19 investigator for that purpose. If the investigator, using the methodology prescribed  
20 under subd. 8t., finds that the municipal employer has submitted a qualified  
21 economic offer, the investigator shall determine whether a deadlock exists between  
22 the parties with respect to all economic issues. If the municipal employer submits  
23 a qualified economic offer applicable to any period beginning on or after July 1, 1993,  
24 no economic issues are subject to interest arbitration under subd. 6. for that period.  
25 In such a collective bargaining unit, economic issues concerning the wages, hours or

1 conditions of employment of the school district professional employees in the unit for  
2 any period prior to July 1, 1993, are subject to interest arbitration under subd. 6. for  
3 that period. In such a collective bargaining unit, noneconomic issues applicable to  
4 any period on or after July 1, 1993, are subject to interest arbitration after the parties  
5 have reached agreement and stipulate to agreement on all economic issues  
6 concerning the wages, hours or conditions of employment of the school district  
7 professional employees in the unit for that period. In such a collective bargaining  
8 unit, if the commission's investigator finds that the municipal employer has  
9 submitted a qualified economic offer and that a deadlock exists between the parties  
10 with respect to all economic issues, the municipal employer may implement the  
11 qualified economic offer. On the 90th day prior to expiration of the period included  
12 within the qualified economic offer, if no agreement exists on that day, the parties are  
13 deemed to have stipulated to the inclusion in a new or revised collective bargaining  
14 agreement of all provisions of any predecessor collective bargaining agreement  
15 concerning economic issues, or of all provisions of any existing collective bargaining  
16 agreement concerning economic issues if the parties have reopened negotiations  
17 under an existing agreement, as modified by the terms of the qualified economic offer  
18 and as otherwise modified by the parties. In such a collective bargaining unit, on and  
19 after that 90th day, a municipal employer that refuses to bargain collectively with  
20 respect to the terms of that stipulation, applicable to the 90-day period prior to  
21 expiration of the period included within the qualified economic offer, does not violate  
22 sub. (3) (a) 4. Any such unilateral implementation after August 11, 1993, during the  
23 90-day period prior to expiration of the period included within a qualified economic  
24 offer, operates as a full, final and complete settlement of all economic issues between  
25 the parties for the period included within the qualified economic offer. The failure

1 of a labor organization to recognize the validity of such a lawful qualified economic  
2 offer does not affect the obligation of the municipal employer to submit economic  
3 issues to arbitration under subd. 6.

4 **SECTION 10.** 111.70 (4) (cm) 7. of the statutes is repealed.

5 **SECTION 11.** 111.70 (4) (cm) 7g. of the statutes is repealed.

6 **SECTION 12.** 111.70 (4) (cm) 7m. of the statutes is created to read:

7 111.70 (4) (cm) 7m. 'Factors given greater weight.' In making any decision  
8 under the arbitration procedures authorized by this paragraph, the arbitrator or  
9 arbitration panel shall consider and shall give greater weight to both of the following  
10 than to any of the factors specified in subd. 7r:

11 a. Any state law or directive lawfully issued by a state legislative or  
12 administrative officer, body or agency which places limitations on expenditures that  
13 may be made or revenues that may be collected by a municipal employer.

14 b. Economic conditions in the jurisdiction of the municipal employer.

15 **SECTION 13.** 111.70 (4) (cm) 8t. of the statutes is created to read:

16 111.70 (4) (cm) 8t. 'Methodology for determining qualified economic offers.' The  
17 commission shall prescribe by rule a methodology to be used in determining whether  
18 a collective bargaining proposal submitted by a municipal employer to a labor  
19 organization constitutes a qualified economic offer.

20 **SECTION 14.** 121.91 (4) (g) of the statutes is created to read:

21 121.91 (4) (g) 1. In this paragraph, "school district professional employees" has  
22 the meaning given in s. 111.70 (1) (ne).

23 2. The limit otherwise applicable to a school district's revenue in the current  
24 school year under sub. (2m) is increased by the amount necessary to cover the cost  
25 of the salary increase for school district professional employees under s. 111.70 (1) (nc)

1 2m. and to cover any increased cost required to maintain the percentage contribution  
2 to existing fringe benefit costs and to maintain all fringe benefits under s. 111.70 (1)  
3 (nc) 1.

4 **SECTION 15. Initial applicability.**

5 (1) **QUALIFIED ECONOMIC OFFERS.** The treatment of section 111.70 (1) (nc) 1.  
6 (intro.), a., b. and c., 2. and 2m. and (nd) and (4) (cm) 5s., 7., 7g., 7m. and 8t. of the  
7 statutes first applies to petitions for arbitration filed under section 111.70 (4) (cm)  
8 6. of the statutes relating to collective bargaining agreements that cover periods of  
9 time beginning after June 30, 1998.

10 (2) **SCHOOL DISTRICT REVENUE LIMIT.** The treatment of section 121.91 (4) (g) of  
11 the statutes first applies to the calculation of a school district's revenue limit for the  
12 1998-99 school year.

13 **(END)**