



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2007 Assembly Bill 110

Assembly Amendments 1 and 2

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Under *current law*, the Municipal Employment Relations Act governs collective bargaining by municipal employees for wages, hours, and conditions of employment.

2007 Assembly Bill 110 provides that a municipal employer may unilaterally change its employees' health care coverage plan provider if the benefits provided by the new plan provider are substantially similar to those provided by the former plan provider and if either the actual providers of health care are the same or cost savings will result from changing plan providers. In addition, the bill prohibits a municipal employer from bargaining collectively about its selection of a health care coverage plan if the employer offers to enroll its employees in a plan offered by the Group Insurance Board ("Board") or in a plan substantially similar to a plan offered by the Board. The bill requires that the Commissioner of Insurance promulgate rules that set out a standardized summary of benefits provided under health care coverage plans, including plans offered by the Board, to use in determining whether a plan is substantially similar to a plan offered by the Board.

Assembly Amendment 1 provides that if a school district unilaterally changes its employees' health care coverage plan provider under the bill, any cost savings realized because of the change may not be included in the calculation of fringe benefit savings.

Assembly Amendment 2 changes the effective date to the first day of the 13th month beginning after publication.

Legislative History

Assembly Amendment 1 was offered by Representatives Kramer and Vukmir, and Assembly Amendment 2 was offered by Representative Vukmir. On November 28, 2007, the Assembly Committee on Labor and Industry recommended adoption of the amendments and passage of the bill, as amended, on votes of Ayes, 5; Noes, 3; and Absent, 1.

JK:jb;wu