



# REPORT



## Increase Public Employee Health Care Benefit Costs

On August 23, the Conference Committee signed an agreement on **Senate Bill 7 (Jansen, R-Gaines Township)** combining the *hard cap and 80% cap* concepts for public employee health care. On August 24 the Senate (25-13) and House (59-48) approved this new version. The bill now travels to the Governor for his signature. (See attached vote.)

The “Publicly Funded Health Insurance Contribution Act” *includes public school districts; public school academies; intermediate school districts; community colleges, junior colleges; and public institutions of higher education;* as well as state, city, village, township, county, intergovernmental, metropolitan, local department, agency, authority, or other local political subdivision. (For the requirements in SB 7 to apply to universities, the constitutional amendment contained in SJRC would have to be adopted by a 2/3 vote, followed by a ballot proposal vote.)

The "Public Employer Health Insurance Cap Act" contains the following requirement:

- A public employer that offers or contributes to a medical benefit plan to its employees shall **pay no more** of the annual costs or illustrative rate and any payments for reimbursement of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts, or similar accounts used for health care costs, **than a total of \$5,500 for single-person coverage, \$11,000 for individual and spouse coverage, or \$15,000 for family coverage beginning January 1, 2012.** A public employer may allocate its payments for medical benefit plan costs among its employees “as it sees fit.”
- By October 1 of each year after 2011, the State Treasurer shall adjust the maximum payment permitted for each coverage category for medical benefit plan coverage years beginning the succeeding calendar year, based on the change in **the medical care component of the U.S. Consumer Price Index** for the most recent 12-month period for which data were available from the U.S. Department of Labor, Bureau of Labor Statistics. (Annual increases range from 2% - 5%)
- Beginning on or after January 1, 2012, by **majority vote of its governing body**, a public employer may elect to choose **to pay not more than 80%** of the total annual cost of all medical benefit plans it offers or contributes to for its employees. The public employer may allocate the employees’ share of total annual costs of the medical benefit plans among the employees “as it sees fit.”

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# HOW DID YOUR REPRESENTATIVE VOTE?

Senate Bill 7

Roll Call No. 316

August 24, 2011

AFT MICHIGAN. POSITION "NO"

## Yeas—59

Agema	Haines	Lund	Price
Bolger	Haveman	Lyons	Pscholka
Bumstead	Heise	MacGregor	Rendon
Callton	Hooker	MacMaster	Rogers
Cotter	Horn	McMillin	Schmidt, W.
Crawford	Hughes	Melton	Scott
Daley	Huuki	Moss	Shaughnessy
Damrow	Jacobsen	Muxlow	Shirkey
Denby	Jenkins	Nesbitt	Somerville
Farrington	Johnson	Olson	Stamas
Forlini	Knollenberg	Opsommer	Tyler
Franz	Kowall	Ouimet	Walsh
Genetski	Kurtz	Outman	Yonker
Gilbert	LaFontaine	Poleski	Zorn
Glardon	Lori	Potvin	

## Nays—48

Ananich	Durhal	Lane	Rutledge
Barnett	Foster	LeBlanc	Santana
Bauer	Geiss	Lindberg	Schmidt, R.
Bledsoe	Goike	Lipton	Segal
Brown	Hammel	Liss	Slavens
Brunner	Haugh	McBroom	Stallworth
Byrum	Hobbs	McCann	Stanley
Cavanagh	Hovey-Wright	Nathan	Stapleton
Clemente	Howze	O'Brien	Switalski
Constan	Irwin	Oakes	Tlaib
Darany	Jackson	Olumba	Townsend
Dillon	Kandrevas	Pettalia	Womack

## Michigan Department of Education Grants

The AFT Michigan website has been updated to include allocations to our locals from federal and state grants distributed by the Michigan Department of Education. Please check out the website at <http://www.aftmichigan.org/files/MDEgrants.pdf> to see if your school qualified for any these grants.

**Proposed Legislation of Interest  
Introduced from May 19 through August 31, 2011**

<b>BILL</b>	<b>DESCRIPTION</b>	<b>STATUS</b>
SB 385	<b>COLLEGE DEGREE INCENTIVE</b> - Provides for tax credit of between \$5,000 and \$50,000 for college degrees obtained within the past 10 years. <i>(Johnson, D-Highland Park)</i>	Senate Finance
SB 400	<b>SCHOOL HEALTH INSURANCE</b> - Requires school district to be policyholder for group insurance benefit provided for employees. <i>(Pavlov, R-St. Clair)</i>	HOUSE EDUCATION
SB 407	<b>HEALTH SAVINGS ACCOUNTS</b> - Amends the Health Care Funding Act to accommodate creation of individual health reimbursement accounts for state employees. <i>(Kahn, R-Saginaw)</i>	Senate Appropriations
SB 408	<b>STATE EMPLOYEES HEALTH CARE</b> - Provides option to remain in Tier 1 defined benefits system and make contributions and provides for health reimbursement account transfers in lieu of health coverage premiums for Tier 2 defined contribution participants. <i>(Kahn, R-Saginaw)</i>	Senate Appropriations
SB 413	<b>RETURN AFTER RETIREMENT</b> - Removes prohibition on state employees receiving retirement allowance if retired state employees return to state services for certain child welfare employees. <i>(Jansen, R-Grand Rapids)</i>	Senate Appropriations
SB 426	<b>SCHOOL ELECTIONS</b> - Requires school elections to be held in November of even-numbered years. <i>(Colbeck, R-Canton)</i>	Senate Local Government & Elections
SB 427	<b>SCHOOL ELECTIONS</b> - Provides for technical amendments to Revised School Code concerning school board elections. <i>(Colbeck, R-Canton)</i>	Senate Local Government & Elections
SB 431	<b>YOUTH EMPLOYMENT</b> - Revises maximum number of hours a minor may work. <i>(Meekhof, R-West Olive)</i>	Senate Economic Development
SB 446	<b>PUBLIC SCHOOL HEALTH INSURANCE</b> - Clarifies and expands claims data provided to policyholder of school district's health insurance plans. <i>(Pavlov, R-St. Clair)</i>	PUBLIC ACT 93, 2011
SB 493 Sub. H-4	<b>LOCAL GOVERNMENT CONSOLIDATION</b> - Exempts decision by local governments to consolidate services from other public employees from collective bargaining. <i>(Meekhof, R-West Olive)</i>	Substitute H-4 Returned to Senate
SB 503	<b>TEACHER TENURE</b> - Modifies teacher tenure hearing and appeal process. <i>(Kahn, R-Saginaw)</i>	Senate Education

SB 518	<b>COLLEGE STUDENT RELIGION</b> - Prohibits discrimination against students for sincerely held religions beliefs. <i>(Hunter, D-Detroit)</i>	Senate Education
SB 575	<b>BUSING SCHOOL CHILDREN</b> - Allows public transit buses transporting school children to and from school to have warnings lights and stop signs. <i>(Walker, R- Traverse City)</i>	Senate Transportation
SB 576	<b>BUSING SCHOOL CHILDREN</b> - Requires drivers of vehicles approaching certain transit buses to stop if red lights are flashing. <i>(Walker, R- Traverse City)</i>	Senate Transportation
HB 4671	<b>SCHOOL ADMINISTRATOR CERTIFICATE</b> - Revises standards for school administrator certificate; prohibits district superintendent salary from exceeding that of the state superintendent of public instruction. <i>(Heise, R-Plymouth)</i>	House Education
HB 4690	<b>TEACHER TENURE</b> - Eliminates the Teacher Tenure Commission and has Board of Education perform functions. <i>(Heise, R-Plymouth)</i>	House Education
HB 4692	<b>BUS TRANSPORTATION</b> - Allows school district option to charge a fee for bus transportation. <i>(Heise, R-Plymouth)</i>	House Education
HB 4693	<b>HEALTH CARE COMPACT</b> - Provides for a interstate health care compact. <i>(McMillin, Rochester Hills)</i>	House Health Policy
HB 4696	<b>TEACHING CERTIFICATES</b> - Modifies interim teaching certificates for participants in alternative teaching programs. <i>(Melton, D-Auburn Hills)</i>	House Education
HB 4700	<b>GROUP INSURANCE</b> - Requires school districts to be policy holder for group insurance benefit provided for employees. <i>(Shaughnessy, R-Grand Ledge)</i>	PUBLIC ACT 95, 2011
HB 4705	<b>INCARCERATED PUPILS</b> - Allows schools to exclude information about incarcerated pupils from accreditation data and annual education reports. <i>(Genetski, R-Saugatuck)</i>	House Education
HB 4727	<b>YOUTH WORKER</b> - Provides for waiver of work permit for minor performing work as unpaid volunteer for an agricultural fair or exhibition. <i>(Goike, R-Ray Township)</i>	PUBLIC ACT 80, 2011
HB 4729	<b>PHYSICAL EDUCATION</b> - Allows students participating in high school sanctioned sports to receive physical education credit. <i>(Genetski, R-Saugatuck)</i>	House Education
HB 4732	<b>MINOR LABOR</b> - Revises maximum number of hours a minor may work. <i>(Stamas, R-Midland)</i>	Third Reading in House

HB 4738	<b>SCHOOL FUNDS</b> - Prohibits school districts from using school funds to purchase alcoholic beverages, jewelry, gifts, fees for golf, or any illegal items. <i>(Knollenberg, R-Troy)</i>	House Education
HB 4752	<b>SCHOOL EMPLOYEE HEALTH INSURANCE</b> - Clarify claims data provided to policy holder of school district's health insurance plans. <i>(Shaughnessy, R-Grand Ledge)</i>	PASSED HOUSE SENATE EDUCATION
HB 4771 Sub. H-1	<b>COLLECTIVE BARGAINING</b> - Makes domestic partner benefits a prohibited subject of collective bargaining. <i>(Agema, R-Grandville)</i>	Sub. H-1 Second Reading in House
HB 4777	<b>CONSOLIDATION</b> - Exempts the decision to consolidate services with other public employers from the collective bargaining requirements. <i>(Opsommer, R-DeWitt)</i>	Second Reading in House
HB 4796	<b>PERFORMANCE EVALUATION</b> - Provides for standards for employee performance evaluations. <i>(Melton, D-Auburn Hills)</i>	House Education
HB 4800	<b>I.S.D. PROPERTY TAX</b> - Modifies timing and manner for submitting regional enhancement property tax questions to the intermediate school electors in certain large intermediate school districts. <i>(Walsh, R-Livonia)</i>	House Redistricting and Elections
HB 4807	<b>SEX EDUCATION</b> - Provides for age appropriate, medically accurate and objective sexuality education. <i>(Irwin, D-Ann Arbor)</i>	House Health Policy
HB 4869	<b>POLITICAL ACTIVITIES</b> - Requires adoption of local policy concerning political activities by employees that includes prohibiting use of school resources or students for lobbying. <i>(Horn, R-Frankenmuth)</i>	House Oversight, Reform and Ethics
HB 4876	<b>SCHOOL ATTENDANCE</b> - Revises penalties for non-compliance of parental enforcement of compulsory school attendance. <i>(Cotter, R-Mt. Pleasant)</i>	House Education Re-referred to Government Operations
HB 4877	<b>EARNED INCOME TAX CREDIT</b> - Modifies the earned income tax credit eligibility. <i>(Scott, R-Grand Blanc)</i>	House Education
HB 4878	<b>SCHOOL ATTENDANCE</b> - Requires services of financial assistance eligibility for individuals with school-aged children to be based on child's school attendance. <i>(Shaughnessy, R-Grand Ledge)</i>	House Education Re-referred to Government Operations
HB 4879	<b>LABOR RULES</b> - Creates privilege for information obtained by agent of a labor organization in course of representing union member. <i>(LeBlanc, D-Westland)</i>	House Judiciary