

**SUBSTITUTE FOR  
HOUSE BILL NO. 5097**

A bill to amend 1947 PA 336, entitled

"An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,"

by amending section 15b (MCL 423.215b), as added by 2011 PA 54.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 15b. (1) Except as otherwise provided in this section,  
2   after the expiration date of a collective bargaining agreement and  
3   until a successor collective bargaining agreement is in place, a  
4   public employer shall pay and provide wages and benefits at levels  
5   and amounts that are no greater than those in effect on the  
6   expiration date of the collective bargaining agreement. The  
7   prohibition in this subsection includes increases that would result

1 from wage step increases. Employees who receive health, dental,  
2 vision, prescription, or other insurance benefits under a  
3 collective bargaining agreement shall bear any increased ~~cost~~**COSTS**  
4 of maintaining those benefits that ~~occurs~~**OCCUR** after the  
5 expiration date. The public employer ~~is authorized to~~**MAY** make  
6 payroll deductions necessary to pay the increased costs of  
7 maintaining those benefits.

8 (2) Except as provided in subsection (3) **OR (4)**, the parties  
9 to a collective bargaining agreement shall not agree to, and an  
10 arbitration panel shall not order, any retroactive wage or benefit  
11 levels or amounts that are greater than those in effect on the  
12 expiration date of the collective bargaining agreement.

13 (3) For a collective bargaining agreement that expired before  
14 ~~the effective date of this section,~~**JUNE 8, 2011**, the requirements  
15 of this section apply to limit wages and benefits to the levels and  
16 amounts in effect on ~~the effective date of this section.~~**JUNE 8,**  
17 **2011.**

18 (4) **ALL OF THE FOLLOWING APPLY TO A PUBLIC EMPLOYEE ELIGIBLE**  
19 **TO SUBMIT LABOR DISPUTES TO COMPULSORY ARBITRATION UNDER 1969 PA**  
20 **312, MCL 423.231 TO 423.247:**

21 (A) **SUBSECTION (1) DOES NOT PROHIBIT WAGE OR BENEFIT**  
22 **INCREASES, INCLUDING STEP INCREASES, EXPRESSLY AUTHORIZED UNDER THE**  
23 **EXPIRED COLLECTIVE BARGAINING AGREEMENT.**

24 (B) **THE INCREASE IN EMPLOYEE COSTS FOR MAINTAINING HEALTH,**  
25 **DENTAL, VISION, PRESCRIPTION, OR OTHER INSURANCE BENEFITS AFTER THE**  
26 **COLLECTIVE BARGAINING CONTRACT EXPIRATION DATE THAT THE EMPLOYEE IS**  
27 **REQUIRED TO BEAR UNDER SUBSECTION (1) SHALL NOT CAUSE THE TOTAL**

1 EMPLOYEE COSTS FOR THOSE BENEFITS TO EXCEED THE AMOUNT OF THE  
2 EMPLOYEE'S SHARE UNDER THE PUBLICLY FUNDED HEALTH INSURANCE  
3 CONTRIBUTION ACT, 2011 PA 152, MCL 15.561 TO 15.269. IF THE PUBLIC  
4 EMPLOYER IS EXEMPT FROM THE LIMITATIONS OF THAT ACT, THE TOTAL  
5 EMPLOYEE COSTS FOR THOSE BENEFITS SHALL NOT EXCEED THE HIGHER OF  
6 THE MINIMUM REQUIRED EMPLOYEE SHARE UNDER SECTION 3 OR 4 OF THE  
7 PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT, 2011 PA 152, MCL  
8 15.563 AND 15.264, CALCULATED AS IF THE PUBLIC EMPLOYER WERE  
9 SUBJECT TO THAT ACT.

10 (C) SUBSECTION (2) DOES NOT PROHIBIT RETROACTIVE APPLICATION  
11 OF A WAGE OR BENEFIT INCREASE IF THE INCREASE IS AWARDED IN THE  
12 DECISION OF THE ARBITRATION PANEL UNDER 1969 PA 312, MCL 423.231 TO  
13 423.247, OR INCLUDED IN A NEGOTIATED BARGAINING AGREEMENT.

14 (5) ~~(4)~~—As used in this section:

15 (a) "Expiration date" means the expiration date set forth in a  
16 collective bargaining agreement without regard to any agreement of  
17 the parties to extend or honor the collective bargaining agreement  
18 during pending negotiations for a successor collective bargaining  
19 agreement.

20 (b) "Increased ~~cost~~—**COSTS**" in regard to insurance benefits  
21 means the difference in premiums or illustrated rates between the  
22 prior year and the current coverage year. The difference shall be  
23 calculated based on changes in ~~cost~~—**COSTS** by category of coverage  
24 and not on changes in individual employee marital or dependent  
25 status.