

SENATE BILL No. 691

August 22, 2007, Introduced by Senators SANBORN, JELINEK, GILBERT, CROPSEY and GARCIA and referred to the Committee on Local, Urban and State Affairs.

A bill to limit a public employer's portion of the cost of health insurance benefits; and to provide for exceptions.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "public employer health insurance contribution act".

3 Sec. 3. As used in this act:

4 (a) "Health insurance" means employee medical, dental, or
5 optical benefits.

6 (b) "Public employer" means the state; a county, township,
7 village, city, school district, or other political subdivision of
8 the state; an authority; a public institution of higher education;
9 or any other entity jointly created by 2 or more public employers.

10 Sec. 5. Except as provided in section 7, a public employer

1 that offers health insurance to its employees shall pay no more
2 than 85% of the premium or other cost of those benefits.

3 Sec. 7. If a collective bargaining agreement that is
4 inconsistent with section 5 is in effect for a group of employees
5 of a public employer on the effective date of this act, the
6 requirements of section 5 do not apply to that group of employees
7 until the collective bargaining agreement expires. The requirements
8 of section 5 apply to any extension or renewal of the agreement.

9 Sec. 9. The requirements of section 5 apply to all public
10 employees to the greatest extent consistent with constitutionally
11 allocated powers.

12 Enacting section 1. This act takes effect January 1, 2009.