

1 H.858

2 Introduced by Representatives Beck of St. Johnsbury and Willhoit of

3 St. Johnsbury

4 Referred to Committee on

5 Date:

6 Subject: Education; collective bargaining; health care benefits; school

7 employees

8 Statement of purpose of bill as introduced: This bill proposes to establish a  
9 process for the statewide negotiation of health care benefits for school  
10 employees and to establish transitional health care benefit terms for collective  
11 bargaining agreements with school employees that take effect on or after  
12 July 1, 2018 in order to ensure consistent school employee health care plans in  
13 advance of the statewide negotiation of health care benefits.

14 An act relating to establishing a process for the statewide negotiation of  
15 health care benefits for school employees

16 It is hereby enacted by the General Assembly of the State of Vermont:

17 Sec. 1. PURPOSE

18 (a) On December 18, 2017, the Vermont Educational Health Benefits  
19 Commission recommended that the State establish a statewide health care  
20 benefit to be negotiated between school employees and the State in order to

1 improve consistency and predictability in developing health care plans and  
2 rates and offer parity of benefits among all school employees. However, the  
3 Commission noted the need for additional work in developing the parameters  
4 of negotiations and issues of income sensitization.

5 (b) The General Assembly deems it to be in the best interests of the State to  
6 establish transitional health care benefit terms for collective bargaining  
7 agreements with school employees that take effect on or after July 1, 2018 in  
8 order to ensure consistent school employee health care plans in advance of  
9 statewide negotiations of health care benefits in 2022 and beyond.

10 Sec. 2. 16 V.S.A. § 2004 is amended to read:

11 § 2004. AGENDA

12 (a) The school board, through its negotiations council, shall, upon request,  
13 negotiate with representatives of the teachers' or administrators' organization  
14 negotiations council on matters of salary, related economic conditions of  
15 employment, the manner in which it will enforce an employee's obligation to  
16 pay the agency service fee, procedures for processing complaints and  
17 grievances relating to employment, and any mutually agreed-upon matters not  
18 in conflict with the statutes and laws of the State of Vermont.

19 (b) As used in this section, the terms "salary" and "related economic  
20 conditions of employment" shall not include health care benefits or coverage.  
21 Health care benefits and health coverage, including health reimbursement and

1 health savings accounts, shall not be subject to collective bargaining pursuant  
2 to this chapter.

3 Sec. 3. 21 V.S.A. § 1722 is amended to read:

4 § 1722. DEFINITIONS

5 As used in this chapter:

6 \* \* \*

7 (12) “Municipal employee” means any employee of a municipal  
8 employer, including a municipal school employee or a professional employee  
9 as defined in subdivision 1502(11) of this title, except:

10 \* \* \*

11 (17) “Wages, hours, and other conditions of employment” means any  
12 condition of employment directly affecting the economic circumstances,  
13 health, safety, or convenience of employees but excluding matters of  
14 managerial prerogative as defined in this section. For collective bargaining  
15 related to municipal school employees, “wages, hours, and other conditions of  
16 employment” shall not include health care benefits or coverage.

17 \* \* \*

18 (21) “Municipal school employee” means an employee of a supervisory  
19 district, supervisory union, or school district that is not otherwise subject to  
20 16 V.S.A. chapter 57 (labor relations for teachers and administrators).

1 Sec. 4. 21 V.S.A. § 1725 is amended to read:

2 § 1725. COLLECTIVE BARGAINING PROCEDURE

3 (a)(1) For the purpose of collective bargaining, the representatives of the  
4 municipal employer and the bargaining unit shall meet at any reasonable time  
5 and shall bargain in good faith with respect to wages, hours, and conditions of  
6 employment, and shall execute a written contract incorporating any agreement  
7 reached; provided, however, that neither party shall be compelled to agree to a  
8 proposal nor to make a concession, nor to bargain over any issue of managerial  
9 prerogative.

10 (2) For the purpose of collective bargaining related to municipal school  
11 employees, “wages, hours, and conditions of employment” shall not include  
12 health care benefits or coverage. Health care benefits and coverage, including  
13 health reimbursement and health savings accounts, shall not be subject to  
14 collective bargaining by municipal school employees pursuant to this chapter.

15 \* \* \*

16 Sec. 5. TRANSITIONAL HEALTH CARE BENEFIT TERMS

17 (a) The health care benefit and coverage provisions of a collective  
18 bargaining agreement between a supervisory union or school district and  
19 school employees that take effect on or after July 1, 2018 shall contain the  
20 following:

1           (1) a requirement that the supervisory union or school district provide a  
2           premium contribution in an amount equal to 80 percent of the premium for the  
3           VEHI Gold Consumer-Driven Health Plan (CDHP), with school employees  
4           responsible for the balance of the premium for the VEHI plan they select; and

5           (2) requirements that the supervisory union or school district contribute  
6           toward school employees' out-of-pocket expenses as follows:

7           (A) for each enrollee selecting a high-deductible VEHI plan that is  
8           eligible for a health savings account pursuant to 26 U.S.C. § 223, a  
9           requirement that the supervisory union or school district establish a health  
10          savings account to which it shall contribute \$2,100.00 for an individual plan,  
11          \$4,200.00 for a two-person or parent-child plan, or \$3,800.00 for a family  
12          plan; and

13          (B) for each enrollee selecting a VEHI plan that is not eligible for a  
14          health savings account pursuant to 26 U.S.C. § 223, a requirement that the  
15          supervisory union or school district establish a health reimbursement  
16          arrangement to which it shall contribute \$2,100.00 for an individual plan,  
17          \$4,200.00 for a two-person or parent-child plan, or \$3,800.00 for a family plan  
18          and for which the school employee shall bear first dollar responsibility for the  
19          full amount of the out-of-pocket expenses for which he or she is responsible.

20          (b) As used in this section:

1           (1) “School employee” means a teacher or administrator as defined in 16  
2           V.S.A. § 1981 and a municipal school employee as defined in 21 V.S.A.  
3           § 1722.

4           (2) “Supervisory union” and “school district” shall have the same  
5           meanings as set forth in 16 V.S.A. § 11.

6           Sec. 6. STUDY COMMITTEE ON STATEWIDE NEGOTIATION OF  
7           HEALTH CARE BENEFITS FOR SCHOOL EMPLOYEES

8           (a) The Study Committee on Statewide Negotiation of Health Care Benefits  
9           for School Employee (Committee) is created to determine how to transition to  
10           a single statewide health benefit plan for all school employees of supervisory  
11           unions and school districts.

12           (b)(1) The Committee shall comprise the following six members:

13           (A) three current members of the House of Representatives, not all  
14           from the same political party, who shall be appointed by the Speaker of the  
15           House of Representatives; and

16           (B) three current members of the Senate, not all from the same  
17           political party, who shall be appointed by the Committee on Committees.

18           (2) If a member of the Committee ceases to serve as a member of the  
19           General Assembly, a replacement appointee who is a member of the General  
20           Assembly shall be appointed in the same manner as the initial appointment.

1       (c) The Committee shall propose draft legislation that addresses the  
2       following matters concerning the transition to a single statewide health benefit  
3       plan for all school employees of supervisory unions and school districts:

4             (1) the structure and composition of parties to a statewide negotiation;

5             (2) a timeline for negotiations and impasse procedures;

6             (3) a process for statewide ratification of the agreement resulting from  
7       the statewide negotiation; and

8             (4) how income sensitization will be decided as part of the negotiations.

9       (d) The Committee's draft legislation shall include a requirement that any  
10       fact-finding required for impasse resolution shall give weight to:

11            (1) the financial capacity of the school district;

12            (2) the interest and welfare of the public and the financial ability of the  
13       school board to pay for increased costs of public services, including the cost of  
14       labor;

15            (3) comparisons of the wages, hours, and conditions of employment of  
16       the employees involved in the dispute with the wages, hours, and conditions of  
17       employment of State and municipal employees who are not employed by  
18       supervisory unions or school districts;

19            (4) the overall compensation currently received by the employees,  
20       including direct wages, fringe benefits, and continuity conditions and stability  
21       of employment, and all other benefits received; and

1           (5) the rate of growth of the economy of the State of Vermont for the  
2           year of negotiation as well as during the prior three-year period.

3           (e)(1) The Committee shall consult with the Secretary of Education and the  
4           Vermont Education Health Initiative as necessary.

5           (2) The Committee shall have the administrative, technical, and legal  
6           assistance of the Office of Legislative Council.

7           (f) On or before November 15, 2019, the Committee shall provide its  
8           proposed legislation to the House Committees on Education, on General,  
9           Housing, and Military Affairs, and on Ways and Means and the Senate  
10           Committees on Education, on Economic Development, Housing and General  
11           Affairs, and on Finance.

12           (g) The Speaker of the House shall call the first meeting of the Committee  
13           to occur on or before August 1, 2018. The Committee shall select a chair from  
14           among its members at the first meeting. A majority of the membership shall  
15           constitute a quorum. The Committee shall cease to exist on November 16,  
16           2019.

17           (h) For attendance at meetings during adjournment of the General  
18           Assembly, members of the Committee shall be entitled to per diem  
19           compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for  
20           not more than ten meetings.



1           (i) As used in this section, “supervisory union” and “school district” shall  
2           have the same meanings as set forth in 16 V.S.A. § 11.

3           Sec. 7. EFFECTIVE DATE

4           This act shall take effect on passage.