

Act No. 322  
Public Acts of 2014  
Approved by the Governor  
October 15, 2014  
Filed with the Secretary of State  
October 15, 2014  
EFFECTIVE DATE: October 15, 2014

**STATE OF MICHIGAN  
97TH LEGISLATURE  
REGULAR SESSION OF 2014**

**Introduced by Reps. Walsh, Lyons, Schmidt, Outman, Foster, Daley, Kurtz, Zorn, Lori, Kowall, Jenkins, Pettalia, Somerville, LaFontaine, Dillon, Clemente, Crawford, McCreedy, Farrington, Cotter, Goike, Barnett, Yanez and Greimel**

# **ENROLLED HOUSE BILL No. 5097**

AN ACT 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:*

Sec. 15b. (1) Except as otherwise provided in this section, after the expiration date of a collective bargaining agreement and until a successor collective bargaining agreement is in place, a public employer shall pay and provide wages and benefits at levels and amounts that are no greater than those in effect on the expiration date of the collective bargaining agreement. The prohibition in this subsection includes increases that would result from wage step increases. Employees who receive health, dental, vision, prescription, or other insurance benefits under a collective bargaining agreement shall bear any increased costs of maintaining those benefits that occur after the expiration date. The public employer may make payroll deductions necessary to pay the increased costs of maintaining those benefits.

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

(3) For a collective bargaining agreement that expired before June 8, 2011, the requirements of this section apply to limit wages and benefits to the levels and amounts in effect on June 8, 2011.

(4) All of the following apply to a public employee eligible to submit labor disputes to compulsory arbitration under 1969 PA 312, MCL 423.231 to 423.247:

(a) Subsection (1) does not prohibit wage or benefit increases, including step increases, expressly authorized under the expired collective bargaining agreement.

(b) The increase in employee costs for maintaining health, dental, vision, prescription, or other insurance benefits after the collective bargaining contract expiration date that the employee is required to bear under subsection (1) shall not cause the total employee costs for those benefits to exceed the amount of the employee's share under the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.561 to 15.269. If the public employer is exempt from the limitations of that act, the total employee costs for those benefits shall not exceed the higher of the minimum required employee share under section 3 or 4 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.563 and 15.264, calculated as if the public employer were subject to that act.

(c) Subsection (2) does not prohibit retroactive application of a wage or benefit increase if the increase is awarded in the decision of the arbitration panel under 1969 PA 312, MCL 423.231 to 423.247, or included in a negotiated bargaining agreement.

(5) As used in this section:

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

(b) "Increased costs" in regard to insurance benefits means the difference in premiums or illustrated rates between the prior year and the current coverage year. The difference shall be calculated based on changes in costs by category of coverage and not on changes in individual employee marital or dependent status.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor