

## Summary of Draft Legislation

1. FINDINGS - WIN/WIN/WIN
  - a. New plans
  - b. Lower premiums
  - c. Substantial savings
  - d. Employees out of pocket at current levels
  - e. Unique opportunity
  
2. Sections 2 AND 3:
  - a. Remove healthcare from the scope of bargaining of school boards
  - b. State bargains on behalf of school boards
  - c. State Labor relations Board and State Unfair Labor Practice provisions apply
  - d. Need statewide ratification
  
3. Section 4:
  - a. Secretary of Administration contracts on behalf of school boards for health insurance.
  - b. Covered employees include teachers and all other school employees; not all administrators are currently covered - question as to whether to include.
  - c. Commissioner of Finance and Management pays for State contract by offsetting cost of insurance provided to each district.
  - d. Every 5 years State advertises for bids.
  
4. Section 5:
  - a. \$26 million estimated VEHI RECAPTURE;
  - b. No use of savings permitted to increase salaries or school district expenses;
  - c. Some suggestions for allocation:
    - i. One third shall be allocated to the Vermont State Teachers Retirement Health Insurance Program;
    - ii. One third shall be allocated to the General Fund;
    - iii. One third shall be allocated to reduce residential and non-residential property tax rates.
  
5. Section 6:
  - a. Negotiations to begin immediately upon passage.