

REP. TERESE BERCEAU
PRESS RELEASE



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**Rep. Berceau Introduces
Bill to Force Big Box Stores to Reimburse the State for
Health Care**

Everyday Low Prices on Big Box Health Care – at Wisconsin Taxpayer’s Expense!

MADISON—State Rep. Terese Berceau (D-Madison) introduced a bill today that would force big box stores in Wisconsin, such as Wal-Mart, to reimburse the state for providing the health care needs of their under-paid and under-insured employees.

The bill would place a graduated 1% to 2% gross receipts tax on any store that exceeds \$20 million in a taxable year, and that allocates less than 10% of its payroll to health insurance for its employees. The bill applies only if the retailer fails to pay full-time, entry-level employees at least \$22,000 a year; or if more than 25% of the retailer’s workforce is part-time. The revenue would go into the state’s Medical Assistance trust fund.

“Wisconsin taxpayers are picking up the health care tab for the largest and one of the most profitable corporations in the world, Wal-Mart,” said Rep. Berceau. “While Wal-Mart is banking about \$7 billion a year in pure profit, Wisconsin taxpayers are paying \$4.75 million a year (through state and federal taxes) to care for **1,175** Wal-Mart employees and relatives in state BadgerCare, and **1,952** in Medicaid,” she added.

“Wal-Mart and other big box stores get rich by outsourcing their health care costs to the taxpayer,” Berceau said. “Wal-Mart has been taxing Wisconsin to the tune of \$1.8 million a year. It’s time we asked for our money back,” added Berceau. “My bill sends a clear message to the big box retailers: either pay a fair share of your employee’s health care, or reimburse the state for the cost. But, don’t expect the state to subsidize your already bloated profits by picking up health care costs that you are entirely capable of paying,” said Berceau

While big box stores like Wal-Mart, do offer a semblance of health care plans, frequently their employees, who average \$10-an-hour (in Wisconsin), cannot afford them. Moreover, Wal-Mart has increased obstacles for its workers to get health care through high co-payments, high deductibles, longer waiting periods for enrollment, and re-defining part-time status to exclude more workers from earlier coverage.

Moreover, Wal-Mart continues to shift more of its health care cost onto its employees. Wal-Mart employees paid 42% of their health care costs in 2001, compared to 16% for other large-firm employees.

In Wisconsin, Wal-Mart fails to cover about half of its 26,000 employees.

“Because big box workers can’t afford the questionable company health plans, many turn to public assistance, or simply go uninsured,” said Berceau. “A PBS report discovered that Wal-Mart personnel offices actually encourage their employees to apply for public assistance.” (Now with Bill Moyers, PBS News, 12/19/03)

“Medicare and BadgerCare were never intended to be the health care plan of choice for big box retailers,” added Berceau.