LC 0342

INTRODUCED BY Marks Halvasson Ach Now 1 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A CAREER 4 5 SERVICE SYSTEM FOR MONTANA STATE EMPLOYEES: INCREASE MEMBERSHIP IN THE MERIT SYSTEM COUNCIL: AUTHORIZING THE 6 7 MERIT SYSTEM COUNCIL TO ADMINISTER THE ACT: AMENDING 8 SECTIONS 82A-206, 82A-1014 AND 59-903, R.C.M. 1947." 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 10 11 Section 1. Short title. This act may be cited as "The 12 Montana Career Service Act". 13 Section 2. Purpose. The purpose of the act is to 14 establish a system of career service personnel management 15 for the executive branch of state government based on merit 16 principles and scientific methods governing appointment, 17 promotion, compensation, removal, and transfer of employees 18 and other matters related to personnel management. 19 Section 3. Definitions. As used in this act: (1) "Appointing authority" means the authority to 20 appoint to positions in the classified service and is 21 22 reserved to elected officials and heads of departments and 23 agencies within state government. (2) "Certify" means forwarding to a requesting agency 24 25 names of eligible applicants. INTRODUCED BILL

(3) "Career service" means positions in the executive
 branch of state government to which this act applies.

3 (4) "Employee" means any person working in the 4 executive branch of state government, paid by the state of 5 Montana, or remunerated by other funds raised, appropriated 6 or otherwise generated by the state.

7 (5) "Officer" means an employee of state government
8 who is appointed and serves at the pleasure of a public
9 official, board or commission.

10 (6) "Public official" means a member of state
11 government elected by popular vote.

12 (7) "Personnel administrator" means the administrator
13 appointed by and serving at the pleasure of the merit system
14 council to administer the career service.

15 (8) "Position" means a collection of duties and
16 responsibilities assigned by the appointing authority to one
17 individual.

18 (9) "Eligible applicant" means a position applicant
19 who meets the minimum qualification requirements for a
20 respective position.

21 Section 4. Section 82A-206, R.C.M. 1947, is amended to 22 read as follows:

23 "82A-206. Merit system council--allocated--composition.

24 (1) There is a merit system council.

25 (2) The council is allocated to the dependent -2-HB5573

<u>department</u> for administrative purposes only as prescribed in
 section 82A-108. However, the council may hire its own
 personnel, and section 82A-108 (2) (d) does not apply.
 (3) The council is composed of three-(3) five (5)

5 members, appointed by the governor for six (6) year 6 overlapping terms. The governor shall appoint the members 7 upon the recommendation of the agencies which participate in 8 the joint merit system, and in accordance with federal 9 requirements.

10 (4) Members shall be compensated and reimbursed as are 11 members of advisory councils in section 82A-110 (5)."

12 Section 5. Duties at department of administration 13 transferred. The duties at the department of administration 14 under Title 59, chapter 9 are transferred to the merit 15 system council.

16 Section 6. Section 59-903, R.C.M. 1947, is amended to 17 read as follows:

18 *59-903. Definitions. For the purposes of this act:

(1) "Agency" means any department, board, commission,
office, bureau, institution or unit of state government
recognized in the state budget.

22 (2) "Department" means the department----of
23 administration merit system council.

24 (3) "Program" means a combination of planned efforts25 to provide a service.

(4)----Position--means--a--collection--of--dutics---and 1 responsibilities---currently---assigned---or---delegated--by 2 competent-authority-requiring-the-full-timey--part-time--or 3 4 intermittent-employment-of-one-person" Section 7. Section 82A-1014, R.C.M. 1947, is amended 5 6 to read as follows: *82A-1014. Board of personnel appeals created. (1) 7 8 There is created a board of personnel appeals. (2) The board is allocated to the department of labor 9 10 and industry for administrative purposes only as prescribed 11 in section 82A-108. 12 (3) The board consists of five (5) members appointed 13 by the governor. Two (2) members shall represent 14 management, two (2) members shall represent employees or employee organizations of the state, and one (1) member 15 16 shall represent a neutral position. 17 (4)--Any-employee-or-his-representative-affected-by-the operation--of--this-act-is-entitled-to-file-a-complaint-with 18 19 the-board-and--to--be--heardy--under--the--provisions--of--a grievance-procedure-to-be-prescribed-by-the-boardy-The-board 20 21 may--instruct--the-department-to-take-corrective-action-that 22 may-be-necessary-to-resolve-grievances-that-are-found-to--be 23 legitimater 24 (5)--(a) (4) The board is designated a quasi-judicial

-4-

board for purposes of section 82A-112."

25

-3-

1

Section 8. Application of act. This act shall apply 1 to all positions in the career service except: 2 (1) Elected officials and their chief deputy and 3 4 executive secretary; (2) Officers and employees of the legislative branch; 5 (3) Judges and employees of the judicial branch; 6 (4) Members of boards and commissions appointed by the 7 8 covernor, appointed by the legislature or appointed by other 9 elected state officials: 10 (5) Officers or members of the militia; 11 (6) Agency heads appointed by the governor; 12 (7) Academic and professional administrative personnel with individual contracts under the authority of the board 13 14 of regents of higher education; (8) Personal staff of the elected officials enumerated 15 in Article VI, section 1, of the constitution of Montana; 16 (9) Persons employed in a professional or scientific 17 capacity as consultants or to conduct a temporary and 18 special inquiry, investigation, or examination for the 19 20 legislature or a department or agency of state government; (10) State employees who are serving an apprenticeship 21 or are journeymen craftsmen within their trade; 22 (11) Positions deemed to be inappropriate to the 23

24 career service due to the special nature of the position as 25 determined by the council. Section 9. Council duties. The council shall:

2 (1) Help foster and assure a career service personnel 3 system for all state employees. In carrying out this 4 function the council, shall review and hear comments from 5 any concerned individual, department, agency, or their 6 representative on any personnel rule or modification thereof 7 adopted by the council.

§ (2) Review any personnel action of any agency that is
9 alleged by an affected party, or an authorized
10 representative of an affected party, to be arbitrary or
11 contrary to law or rule, and shall set aside that action if
12 it finds those allegations to be correct.

(3) Adopt procedural rules and hold hearings it finds
necessary to properly perform the duties, functions, and
powers imposed on or vested in it by law.

16 (4) Select and appoint under this act a qualified
17 personnel administrator and those employees, experts, and
18 special assistants necessary to carry out effectively the
19 provisions of this act.

20 (5) Establish and maintain a roster of all state 21 employees in which there shall be set forth, as to each 22 employee, the classification title of the position occupied, 23 the salary or pay, change in classification title, status, 24 and any other relevant personnel data that the council deems 25 necessary. -6- HR 573

-5-

1 (6) Recruit employees for state service.

LC 0342

2 (7) Maintain a personnel classification plan and a pay
3 plan as required by Chapter 9, Title 59, R.C.M. 1947.

4 (8) Prepare in accordance with the provisions of this
5 act and rules adopted thereunder, appropriate selection
6 procedures, rating of candidates for appointment, and
7 eligibility lists.

8 (9) Establish and maintain a descriptive listing of9 all positions under this act.

10 (10) Certify persons as eligible for appointment 11 within the career service in accordance with the provisions 12 of this act and rules adopted thereunder.

13 (11) Devise plans for and cooperate with persons with 14 appointing authority and other supervisors in the conduct of 15 employee training programs so that the quality of service 16 rendered by state employees may be continually improved.

17 (12) Investigate from time to time the operation and
18 effect of this act and the rules thereunder, and make
19 reports and recommendations to the governor and legislature
20 as requested or required by law.

(13) Assure that all lists and classifications are
cross-referenced and set up to promote a system of quick and
efficient information retrieval.

Section 10. Appeal of grievances -- Administrative
Procedure Act. If a grievance remains unresolved after

-7-

exhaustion of departmental grievance procedures an employee may demand a hearing before the council as provided for contested cases in the Montana Administrative Procedures Act and proceedings shall be held as provided therein. Any final action or decision of the council is subject to further appeal under the Montana Administrative Procedures Act.

8 Section 11. Agencies to furnish records. All 9 departments and agencies covered by the career service 10 personnel system shall furnish any related records or 11 information which the council requests for any purpose of 12 this act except records made confidential by statute or the 13 state constitution.

14 Section 12. Records open to public inspection. The 15 records of the council, except those records made 16 confidential by statute or the state constitution, are 17 public records and are open to public inspection, subject to 18 regulations as to the time and manner of inspection 19 prescribed by the council.

20 Section 13. Examiners. The council may select certain 21 state employees to act as examiners in the preparation and 22 rating of tests. A person with appointing authority shall 23 excuse an employee in his department or agency from his 24 regular duties for the time required for his work as an 25 examiner. Officers and employees are not entitled to extra

-8-

pay for their service as examiners, but are entitled to
 their regular pay and reimbursement for necessary traveling
 and other expenses as authorized by law.

4 Section 14. Departmental personnel officers. Each 5 department of state government shall designate a staff 6 employee to serve as personnel officer for that agency or 7 department to administer personnel responsibilities 8 specified in this act by the council.

9 Section 15. Non-discrimination. The council, the 10 personnel administrator and all employees shall comply with 11 the following rules:

12 (1) Discrimination on the basis of political13 affiliation is prohibited.

(2) Discrimination on the basis of age between ages 18
and 65 or physical disability is prohibited except where
specific age or physical requirements constitute
demonstrated and bona fide occupational qualifications
necessary for effective work performance.

19 Section 16. Federal rule to prevail. Whenever the 20 provisions of any law, rule, order, or regulation of any 21 federal agency or authority providing or administering 22 federal funds for use in Montana, either directly, or 23 indirectly, or as a grant-in-aid, or to be matched, or 24 otherwise requiring federal standards or classification 25 other than that required by the provisions of these rules, then the provisions of that law, rule, order, or regulation
 shall prevail and shall govern the class of employment and
 employees affected thereby.

Section 17. Criteria for personnel management actions.
All personnel management actions taken under the provisions
of this act shall be in compliance with sound personnel
principles as follows:

8 (1) Recruiting, selecting and advancing employees on 9 the basis of, including but not limited to, relative 10 ability, knowledge and skills and open consideration of 11 qualified applicants for initial appointments and 12 promotions;

13 (2) Providing equitable compensation;

14 (3) Training employees to assure high quality 15 performance;

16 (4) Retraining employees when necessary, correcting
17 inadequate performance and separating employees whose
18 performance cannot be improved;

19 (5) Assuring fair treatment without regard to age,
20 political affiliation, race, color, national origin, sex or
21 religious creed;

22 (6) Protecting employees against forced involvement in23 partisan political activities.

24 Section 18. Other council duties. The council shall 25 adopt rules in the areas of recruitment, selection, -10-HB573

-9-

procedure, promotion and other personnel procedures for all state employees.

3 Section 19. Person shall be certified. No person
4 shall be appointed or promoted to a position in the career
5 service unless certified as eligible by the council.

6 Section 20. Final selection of eligible applicant for 7 a position. Persons with appointing authority have exclusive 8 authority to make the final selection of employees in their 9 respective departments, divisions, bureaus, or agencies from 10 lists of eligible applicants prepared by the council under 11 rules promulgated by the council.

Section 21. Character of entrance and promotion procedures -- confidentiality. (1) Entrance and promotion selection procedures shall be of a character to determine the qualifications, fitness, and ability of the persons determined best qualified to perform the duties of the applicable position classification.

18 (2) Selection procedures may include the following 19 devices:

- 20 (a) work-sample and performance tests;
- 21 (b) practical written tests;
- 22 (c) individual and group oral examinations;
- 23 (d) ratings of training and experience;
- 24 (e) physical examinations; and
- 25 (f) background and reference inquiries.

1 (3) All written examinations, performance tests and 2 other selection procedures shall be held confidential unless 3 utilized or released through legal order. Once the 4 confidentiality of a selection device has been compromised, 5 that device shall be invalidated and a new device 6 constructed.

7 Section 22. Limitation on contents of application 8 form. No question in any form of application or in any 9 selection procedure shall be framed to elicit any 10 information concerning the political or religious opinions 11 or affiliations of any applicant. nor shall any inquiry be 12 made concerning those opinions or affiliations. No 13 discrimination shall be exercised, threatened, or promised 14 by any person in the employ of any agency in state 15 government or of the department against or in favor of any 16 applicant, eligible, or employee because of his age. 17 political affiliation, race, color, national origin, sex or 18 religious creed.

19 Section 23. Public notice of vacancies. The council 20 shall give public notice of all vacancies or expected 21 vacancies in the career service in the manner specified by 22 rules adopted by the council.

23 Section 24. Notice to applicant. The council shall
24 send to each person competing in any selection process
25 written notice of his final eligibility status or of his

-12-

-11-

failure to obtain eligibility, within thirty (30) calendar
 days after the receipt of his application.

3 Section 25. Preferential treatment for veterans. 4 Preferential treatment for veterans and their spouses under 5 this personnel system shall be determined in accordance with 6 the provisions of applicable state law and regulations.

7 Section 26. Certification to requesting agency of 8 eligible persons. Upon written notice from a person with 9 appointing authority that a position in the career service 10 is to be filled, the council shall certify the names of a 11 limited number, not less than three (3), of the highest 12 qualified eligible applicants, who are willing to accept 13 appointment, from lists for the classification to which the 14 position is allocated or a comparable classification.

15 Section 27. Certification procedure. (1) The names 16 certified from promotional and open employment lists shall 17 consist of a limited number of the highest eligible 18 applicants.

19 (2) The detailed conditions and provisions for
20 certification and removal from eligibility shall be
21 prescribed by rules of the council.

(3) If the appropriate lists do not contain the names
of a sufficient number of eligible applicants willing to
accept appointment to make possible the certification
provided for in this section, the names of all eligible

persons on lists for comparable classifications, who are
 willing to accept appointment, shall be certified.

3 Section 28. Appointment limitation. No person shall 4 be appointed to or employed in a position in the career 5 service under a classification title which has not been 6 approved by the council as appropriate to the duties to be 7 performed.

8 Section 29. Employee evaluation. In cooperation with 9 persons with appointing authority, the council shall 10 establish a system of employee performance evaluation for 11 employees in the career service. This evaluation shall take 12 place annually or more frequently if necessary.

13 Section 30. Prohibitions. (1) No person shall make 14 any false statement, certificate, mark, rating, or report 15 with regard to any test, certification, or appointment made 16 under this act, or in any manner commit or attempt to commit 17 any fraud preventing the impartial execution of this act and 18 the rules adopted hereunder.

(2) No person shall, directly or indirectly, give,
render, pay, offer, solicit, or accept any money, service,
or other valuable consideration for or on account of any
appointment, proposed appointment, promotion, or proposed
promotion to, or any advantage in, a position in the career
service.

25 (3) No employee of the council, or other person shall -14- |-| B 573

-13-

1 defeat, deceive, or obstruct any person in this right to
2 examination, eligibility, certification, or appointment
3 under this act, or furnish any person any special or secret
4 information for the purpose of affecting the rules or
5 prospects of any person with respect to employment in the
6 career service.

7 (4) Any person who knowingly and deliberately violates 8 any provision of this act is ineligible for appointment to, 9 or employment in, a position in the state career service for 10 up to five years and if that person is an officer or 11 employee of the state, he is guilty of misconduct in office 12 and shall forfeit that office or position.

13 (5) The council has the responsibility of enforcing
14 this section and is granted power and authority necessary to
15 carry out this section.

Section 31. Current state employees not affected. 16 17 Employees of the state, and the federally aided agencies 18 served by the present merit system council, at the effective date of this act, do not lose any rights accrued at that 19 time. Those employees who have gained permanent status are 20 21 not subject to further examination except when they wish to 22 qualify for promotion. Those employee's rights as permanent 23 employees are continuous within the provisions of this act. Section 32. Apportionment of costs. The council shall 24 maintain accurate records identifying the cost of 25

-15-

1 administering the provisions of this act. At the close of 2 each quarter year period it shall summarize the cost and 3 shall bill each department, division, bureau, section, unit 4 or agency, for a pro rata share of the administrative cost 5 based on a quarterly average number of employees in the 6 career service of all the departments, divisions, bureaus, 7 sections, units or agencies for their appropriated calendar 8 quarter.

9 All department, division, bureaus, sections, units and 10 agencies which receive support from the federal government 11 or non-general fund sources shall include in their budget 12 sufficient amounts to meet their pro rata share of the cost 13 of administering this act and shall remit those shares 14 quarterly to the state treasury in the manner prescribed by 15 the council.

16 The council is authorized and directed to accept on 17 behalf of the state any grant or contribution, federal or 18 otherwise, made to assist in meeting the cost of carrying 19 out the purposes of this act.

20 Section 33. State agencies to assist. All state 21 agencies shall adhere to and assist the council in 22 administering the provisions of this act.

23 Section 34. Collective bargaining not affected.
24 Nothing in this act shall be considered to restrict the
25 career service employees' right to negotiate on questions of

-16-

1 wages, hours, fringe benefits, and other conditions of 2 employment as provided in Title 59, chapter 16, R.C.M. 1947. 3 Section 35. Penalty -- willful violation. Any person 4 who willfully violates any provision of this law, or the 5 policies of this act is guilty of a misdemeanor, and upon conviction shall be punished by a fine not to exceed one 6 thousand five hundred dollars (\$1,500) or imprisonment in 7 the county jail not exceeding one (1) year or both. 8

LC 0342

9 Section 36. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications. that are severable from the invalid applications.

-Enà-

HB 573

STATE OF MONTANA

FISCAL NOTE

REQUEST NO. 213-75

Form BD-15

In compliance with a written request received <u>February 11</u>, 19 <u>75</u>, there is hereby submitted a Fiscal Note for <u>House Bill 573</u> pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 573 would provide for a statewide career system for Montana state employees, expand the membership on the Merit System Council from 3 members to 5 members, and authorize the Merit System Council to administer the act.

ASSUMPTIONS:

1. Adding Merit System coverage for all State employees except those specifically exempted would create additional administrative costs to implement and maintain a career service.

2. The number of positions under the Merit System Bureau would be increased by 48 F.T.E.

FISCAL IMPACT:

Total expenditures under proposed law	881,140	865,265
Expenditures under current law	156,893	179,261
Increased expenditures under proposed law	\$ 724,247	\$ 686,004

CONCLUSION:

Implementation of House Bill 573 would increase State General Fund expenditure by approximately \$1.4 million in the 1975-77 Biennium.

a char all BUDGET DIRECTOR

Office of Budget and Program Planning Date: February 14, 1975 LC 0342

Objection Raised to Adverse Committee Report

2/2000 BILL, NO. 573 1 INTRODUCED BY 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH A CAREER 4 SERVICE SYSTEM FOR MONTANA STATE EMPLOYEES; INCREASE 5 MEMBERSHIP IN THE MERIT SYSTEM COUNCIL; AUTHORIZING THE б MERIT SYSTEM COUNCIL TO ADMINISTER THE ACT: AMENDING 7 8 SECTIONS 82A-206, 82A-1014 AND 59-903, R.C.M. 1947." 9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Short title. This act may be cited as "The
 Montana Career Service Act".

13 Section 2. Purpose. The purpose of the act is to 14 establish a system of career service personnel management 15 for the executive branch of state government based on merit 16 principles and scientific methods governing appointment, 17 promotion, compensation, removal, and transfer of employees 18 and other matters related to personnel management.

19 Section 3. Definitions. As used in this act:

20 (1) "Appointing authority" means the authority to 21 appoint to positions in the classified service and is 22 reserved to elected officials and heads of departments and 23 agencies within state government.

24 (2) "Certify" means forwarding to a requesting agency
 25 names of eligible applicants.
 SFCOND READING

(3) "Career service" means positions in the executive
 branch of state government to which this act applies.

3 (4) "Employee" means any person working in the 4 executive branch of state government, paid by the state of 5 Montana, or remunerated by other funds raised, appropriated 6 or otherwise generated by the state.

7 (5) "Officer" means an employee of state government
8 who is appointed and serves at the pleasure of a public
9 official, board or commission.

10 (6) "Public official" means a member of state
11 government elected by popular vote.

12 (7) "Personnel administrator" means the administrator
13 appointed by and serving at the pleasure of the merit system
14 council to administer the career service.

15 (8) "Position" means a collection of duties and
16 responsibilities assigned by the appointing authority to one
17 individual.

18 (9) "Eligible applicant" means a position applicant
19 who meets the minimum gualification requirements for a
20 respective position.

21 Section 4. Section 82A-206, R.C.M. 1947, is amended to 22 read as follows:

23 "82A-206. Merit system council--allocated--composition.

24 (1) There is a merit system council.

25 (2) The council is allocated to the dependent -2- HB 573 <u>department</u> for administrative purposes only as prescribed in
 section 82A-108. However, the council may hire its own
 personnel, and section 82A-108 (2) (d) does not apply.

4 (3) The council is composed of three-(3) five (5) 5 members, appointed by the governor for six (6) year 6 overlapping terms. The governor shall appoint the members 7 upon the recommendation of the agencies which participate in 8 the joint merit system, and in accordance with federal 9 requirements.

10 (4) Members shall be compensated and reimbursed as are 11 members of advisory councils in section 82A-110 (5)."

Section 5. Duties at department of administration transferred. The duties at the department of administration under Title 59, chapter 9 are transferred to the merit system council.

16 Section 6. Section 59-903, R.C.M. 1947, is amended to 17 read as follows:

18 "59-903. Definitions. For the purposes of this act:

19 (1) "Agency" means any department, board, commission,
20 office, bureau, institution or unit of state government
21 recognized in the state budget.

22 (2) "Department" means the department----ef
23 administration merit system council.

24 (3) "Program" means a combination of planned efforts25 to provide a service.

(4)--- Posttion -- means -- a-- collection -- of -- duties --- and 1 responsibilities---currently---assigned---or---delegated--by 2 competent-nuthority-requiring-the-full-time--part-time--or 3 intermittent-employment-of-one-personr" 4 Section 7. Section 82A-1014, R.C.M. 1947, is amended 5 6 to read as follows: "82A-1014, Board of personnel appeals created, (1) 7 8 There is created a board of personnel appeals. 9 (2) The board is allocated to the department of labor and industry for administrative purposes only as prescribed 10 11 in section 82A-108. (3) The board consists of five (5) members appointed 12 13 by the governor. Two (2) members shall represent management, two (2) members shall represent employees or 14 employee organizations of the state, and one (1) member 15 16 shall represent a neutral position. 17 (4)--Any-employee-or-his-representative-affected-by-the 18 operation--of--this-act-is-entitled-to-file-a-complaint-with 19 the-board-and--to--be--heardy--under--the--provisions--of--a 20 grievance-procedure-to-be-prescribed-by-the-board.-The-board 21 may--instruct--the-department-to-take-corrective-action-that 22 may-be-necessary-to-resolve-grievances-that-are-found-to--be 23 legitimater 24 (4) The board is designated a quasi-judicial 25 board for purposes of section 82A-112."

-4-

-3-

Section 8. Application of act. This act shall apply
 to all positions in the career service except:
 (1) Elected officials and their chief deputy and

4 executive secretary;

5 (2) Officers and employees of the legislative branch;

6 (3) Judges and employees of the judicial branch;

7 (4) Members of boards and commissions appointed by the 8 governor, appointed by the legislature or appointed by other 9 elected state officials:

10 (5) Officers or members of the militia;

11 (6) Agency heads appointed by the governor;

12 (7) Academic and professional administrative personnel
13 with individual contracts under the authority of the board
14 of regents of higher education;

15 (8) Personal staff of the elected officials enumerated
16 in Article VI, section 1, of the constitution of Montana;

17 (9) Persons employed in a professional or scientific 18 capacity as consultants or to conduct a temporary and 19 special inquiry, investigation, or examination for the 20 legislature or a department or agency of state government;

(10) State employees who are serving an apprenticeship
or are journeymen craftsmen within their trade;

(11) Positions deemed to be inappropriate to the
career service due to the special nature of the position as
determined by the council.

1 Section 9. Council duties. The council shall:

2 (1) Help foster and assure a career service personnel 3 system for all state employees. In carrying out this 4 function the council, shall review and hear comments from 5 any concerned individual, department, agency, or their 6 representative on any personnel rule or modification thereof 7 adopted by the council.

8 (2) Review any personnel action of any agency that is 9 alleged by an affected party, or an authorized 10 representative of an affected party, to be arbitrary or 11 contrary to law or rule, and shall set aside that action if 12 it finds those allegations to be correct.

13 (3) Adopt procedural rules and hold hearings it finds
14 necessary to properly perform the duties, functions, and
15 powers imposed on or vested in it by law.

16 (4) Select and appoint under this act a qualified
17 personnel administrator and those employees, experts, and
18 special assistants necessary to carry out effectively the
19 provisions of this act.

20 (5) Establish and maintain a roster of all state 21 employees in which there shall be set forth, as to each 22 employee, the classification title of the position occupied, 23 the salary or pay, change in classification title, status, 24 and any other relevant personnel data that the council deems 25 necessary. -6- HB 573

-5-

1 (6) Recruit employees for state service.

2 (7) Maintain a personnel classification plan and a pay
3 plan as required by Chapter 9, Title 59, R.C.M. 1947.

4 (8) Prepare in accordance with the provisions of this 5 act and rules adopted thereunder, appropriate selection 6 procedures, rating of candidates for appointment, and 7 eligibility lists.

8 (9) Establish and maintain a descriptive listing of
9 all positions under this act.

10 (10) Certify persons as eligible for appointment 11 within the career service in accordance with the provisions 12 of this act and rules adopted thereunder.

(11) Devise plans for and cooperate with persons with
appointing authority and other supervisors in the conduct of
employee training programs so that the quality of service
rendered by state employees may be continually improved.

17 (12) Investigate from time to time the operation and 18 effect of this act and the rules thereunder, and make 19 reports and recommendations to the governor and legislature 20 as requested or required by law.

21 (13) Assure that all lists and classifications are 22 cross-referenced and set up to promote a system of quick and 23 efficient information retrieval.

Section 10. Appeal of grievances -- Administrative
 Procedure Act. If a grievance remains unresolved after

exhaustion of departmental grievance procedures an employee may demand a hearing before the council as provided for contested cases in the Montana Administrative Procedures Act and proceedings shall be held as provided therein. Any final action or decision of the council is subject to further appeal under the Montana Administrative Procedures Act.

8 Section 11. Agencies to furnish records. All 9 departments and agencies covered by the career service 10 personnel system shall furnish any related records or 11 information which the council requests for any purpose of 12 this act except records made confidential by statute or the 13 state constitution.

14 Section 12. Records open to public inspection. The 15 records of the council, except those records made 16 confidential by statute or the state constitution, are 17 public records and are open to public inspection, subject to 18 regulations as to the time and manner of inspection 19 prescribed by the council.

20 Section 13. Examiners. The council may select certain 21 state employees to act as examiners in the preparation and 22 rating of tests. A person with appointing authority shall 23 excuse an employee in his department or agency from his 24 regular duties for the time required for his work as an 25 examiner. Officers and employees are not entitled to extra pay for their service as examiners, but are entitled to
 their regular pay and reimbursement for necessary traveling
 and other expenses as authorized by law.

4 Section 14. Departmental personnel officers. Each 5 department of state government shall designate a staff 6 employee to serve as personnel officer for that agency or 7 department to administer personnel responsibilities 8 specified in this act by the council.

9 Section 15. Non-discrimination. The council, the 10 personnel administrator and all employees shall comply with 11 the following rules:

12 (1) Discrimination on the basis of political13 affiliation is prohibited.

14 (2) Discrimination on the basis of age between ages 18
15 and 65 or physical disability is prohibited except where
16 specific age or physical requirements constitute
17 demonstrated and bona fide occupational qualifications
18 necessary for effective work performance.

19 Section 16. Federal rule to prevail. Whenever the 20 provisions of any law, rule, order, or regulation of any 21 federal agency or authority providing or administering 22 federal funds for use in Montana, either directly, or 23 indirectly, or as a grant-in-aid, or to be matched, or 24 otherwise requiring federal standards or classification 25 other than that required by the provisions of these rules, then the provisions of that law, rule, order, or regulation
 shall prevail and shall govern the class of employment and
 employees affected thereby.

Section 17. Criteria for personnel management actions.
All personnel management actions taken under the provisions
of this act shall be in compliance with sound personnel
principles as follows:

8 (1) Recruiting, selecting and advancing employees on 9 the basis of, including but not limited to, relative 10 ability, knowledge and skills and open consideration of 11 qualified applicants for initial appointments and 12 promotions;

13 (2) Providing equitable compensation;

14 (3) Training employees to assure high quality 15 performance;

16 (4) Retraining employees when necessary, correcting
17 inadequate performance and separating employees whose
18 performance cannot be improved;

19 (5) Assuring fair treatment without regard to age,
20 political affiliation, race, color, national origin, sex or
21 religious creed;

22 (6) Protecting employees against forced involvement in23 partisan political activities.

24 Section 18. Other council duties. The council shall
25 adopt rules in the areas of recruitment, selection,
-10-11573

-9-

procedure, promotion and other personnel procedures for all
 state employees.

3 Section 19. Person shall be certified. No person
4 shall be appointed or promoted to a position in the career
5 service unless certified as eligible by the council.

6 Section 20. Final selection of eligible applicant for 7 a position. Persons with appointing authority have exclusive 8 authority to make the final selection of employees in their 9 respective departments, divisions, bureaus, or agencies from 10 lists of eligible applicants prepared by the council under 11 rules promulgated by the council.

12 Section 21. Character of entrance and promotion 13 procedures -- confidentiality. (1) Entrance and promotion 14 selection procedures shall be of a character to determine 15 the qualifications, fitness, and ability of the persons 16 determined best qualified to perform the duties of the 17 applicable position classification.

18 (2) Selection procedures may include the following 19 devices:

20 (a) work-sample and performance tests;

21 (b) practical written tests;

22 (c) individual and group oral examinations;

23 (d) ratings of training and experience;

24 (e) physical examinations; and

25 (f) background and reference inquiries.

1 (3) All written examinations, performance tests and 2 other selection procedures shall be held confidential unless 3 utilized or released through legal order. Once the 4 confidentiality of a selection device has been compromised, 5 that device shall be invalidated and a new device 6 constructed.

7 Section 22. Limitation on contents of application form. No question in any form of application or in any 8 selection procedure shall be framed to elicit any 9 10 information concerning the political or religious opinions or affiliations of any applicant, nor shall any inquiry be 11 12 made concerning those opinions or affiliations. No discrimination shall be exercised, threatened, or promised 13 by any person in the employ of any agency in state 14 15 government or of the department against or in favor of any 16 applicant, eligible, or employee because of his age, 17 political affiliation, race, color, national origin, sex or 18 religious creed.

19 Section 23. Public notice of vacancies. The council 20 shall give public notice of all vacancies or expected 21 vacancies in the career service in the manner specified by 22 rules adopted by the council.

23 Section 24. Notice to applicant. The council shall
24 send to each person competing in any selection process
25 written notice of his final eligibility status or of his
-12-

-11-

failure to obtain eligibility, within thirty (30) calendar
 days after the receipt of his application.

3 Section 25. Preferential treatment for veterans. 4 Preferential treatment for veterans and their spouses under 5 this personnel system shall be determined in accordance with 6 the provisions of applicable state law and regulations.

7 Section 26. Certification to requesting agency of 8 eligible persons. Upon written notice from a person with ę appointing authority that a position in the career service 10 is to be filled, the council shall certify the names of a limited number, not less than three (3), of the highest 11 12 qualified eligible applicants, who are willing to accept 13 appointment, from lists for the classification to which the 14 position is allocated or a comparable classification.

15 Section 27. Certification procedure. (1) The names 16 certified from promotional and open employment lists shall 17 consist of a limited number of the highest eligible 18 applicants.

19 (2) The detailed conditions and provisions for
20 certification and removal from eligibility shall be
21 prescribed by rules of the council.

22 (3) If the appropriate lists do not contain the names 23 of a sufficient number of eligible applicants willing to 24 accept appointment to make possible the certification 25 provided for in this section, the names of all eligible

-13-

persons on lists for comparable classifications, who are
 willing to accept appointment, shall be certified.

3 Section 28. Appointment limitation. No person shall 4 be appointed to or employed in a position in the career 5 service under a classification title which has not been 6 approved by the council as appropriate to the duties to be 7 performed.

8 Section 29. Employee evaluation. In cooperation with 9 persons with appointing authority, the council shall 10 establish a system of employee performance evaluation for 11 employees in the career service. This evaluation shall take 12 place annually or more frequently if necessary.

13 Section 30. Prohibitions. (1) No person shall make 14 any false statement, certificate, mark, rating, or report 15 with regard to any test, certification, or appointment made 16 under this act, or in any manner commit or attempt to commit 17 any fraud preventing the impartial execution of this act and 18 the rules adopted hereunder.

19 (2) No person shall, directly or indirectly, give,
20 render, pay, offer, solicit, or accept any money, service,
21 or other valuable consideration for or on account of any
22 appointment, proposed appointment, promotion, or proposed
23 promotion to, or any advantage in, a position in the career
24 service.

(3) No employee of the council, or other person shall -14-14557

25

1 defeat, deceive, or obstruct any person in this right to
2 examination, eligibility, certification, or appointment
3 under this act, or furnish any person any special or secret
4 information for the purpose of affecting the rules or
5 prospects of any person with respect to employment in the
6 career service.

7 (4) Any person who knowingly and deliberately violates 8 any provision of this act is ineligible for appointment to, 9 or employment in, a position in the state career service for 10 up to five years and if that person is an officer or 11 employee of the state, he is guilty of misconduct in office 12 and shall forfeit that office or position.

13 (5) The council has the responsibility of enforcing
14 this section and is granted power and authority necessary to
15 carry out this section.

Section 31. Current state employees not affected. 16 17 Employees of the state, and the federally aided agencies served by the present merit system council, at the effective 18 19 date of this act, do not lose any rights accrued at that time. Those employees who have gained permanent status are 20 not subject to further examination except when they wish to 21 qualify for promotion. Those employee's rights as permanent 22 23 employees are continuous within the provisions of this act. 24 Section 32. Apportionment of costs. The council shall 25 maintain accurate records identifying the cost of

1 administering the provisions of this act. At the close of 2 each guarter year period it shall summarize the cost and shall bill each department, division, bureau, section, unit 3 4 or agency. for a pro rata share of the administrative cost based on a quarterly average number of employees in the 5 6 career service of all the departments, divisions, sureaus, 7 sections, units or agencies for their appropriated calendar 8 quarter.

9 All department, division, bureaus, sections, units and 10 agencies which receive support from the federal government 11 or non-general fund sources shall include in their budget 12 sufficient amounts to meet their pro rate share of the cost 13 of administering this act and shall remit those shares 14 quarterly to the state treasury in the manner prescribed by 15 the council.

16 The council is authorized and directed to accept on 17 behalf of the state any grant or contribution, federal or 18 otherwise, made to assist in meeting the cost of carrying 19 out the purposes of this act.

Section 33. State agencies to assist. All state
agencies shall adhere to and assist the council in
administering the provisions of this act.

23 Section 34. Collective bargaining not affected.
 24 Nothing in this act shall be considered to restrict the
 25 career service employees' right to negotiate on questions of
 -16-

-15-

1 wages, hours, fringe penefits, and other conditions of employment as provided in Title 59, chapter 16, R.C.M. 1947. 2 Section 35. Penalty -- willful violation. Any person 3 4 who willfully violates any provision of this law, or the policies of this act is guilty of a misdemeanor, and upon 5 conviction shall be punished by a fine not to exceed one 6 7 thousand five hundred dollars (\$1,500) or imprisonment in 8 the county jail not exceeding one (1) year or both.

9 Section 36. Severability. If a part of this act is 10 invalid, all valid parts that are severable from the invalid 11 part remain in effect. If a part of this act is invalid in 12 one or more of its applications, the part remains in effect 13 in all valid applications that are severable from the 14 invalid applications.

-Ená-

HB 573

~

-17-