

1 *Senate* BILL NO. *226*  
 2 INTRODUCED BY *Gordon Watt*  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING ALL STATE  
 5 AGENCIES RECEIVING THE STATE CONTRIBUTION TO EMPLOYEE GROUP  
 6 INSURANCE TO ACCEPT THE POLICY NEGOTIATED AND CONTRACTED FOR  
 7 BY THE DEPARTMENT OF ADMINISTRATION OR FORFEIT THE STATE  
 8 CONTRIBUTION; AMENDING SECTIONS 2-18-305, 2-18-703, AND  
 9 2-18-807, MCA."

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

12 Section 1. Section 2-18-305, MCA, is amended to read:

13 "2-18-305. Allocation between wages and health  
 14 insurance. (1) The dollar amounts shown in the respective  
 15 matrices in 2-18-311 and 2-18-312 represent the maximum  
 16 amount allocated by the state for wages and health insurance  
 17 benefits, exclusive of longevity as defined in 2-18-304.  
 18 Except as provided in subsection (2) of this section, that  
 19 amount specifically allocated for health insurance benefits  
 20 shall be determined by 2-18-703. An employee who elects not  
 21 to be covered by a state health insurance plan or who  
 22 belongs to an employee group which does not approve the  
 23 policy negotiated by the department of administration will  
 24 receive as wages the amount shown in the appropriate matrix  
 25 less the state contribution for health insurance as

1 determined by 2-18-703.

2 (2) Employees may, through collective bargaining,  
 3 determine the allocation of the amounts shown in the  
 4 matrices of 2-18-311 and 2-18-312 between wages and health  
 5 insurance benefits, except that in no case may the health  
 6 insurance allocation be less than the amounts provided in  
 7 2-18-703."

8 Section 2. Section 2-18-703, MCA, is amended to read:

9 "2-18-703. Contributions. ~~(1) The~~ Except as provided  
 10 in subsection (2), the respective administrative and  
 11 governing bodies shall contribute the amount specified in  
 12 this section subsection towards the insurance premium:

13 ~~(a)~~ For employees defined in 2-18-701 other than  
 14 members of collective bargaining units, and for members of  
 15 the legislature, the employer contribution for insurance  
 16 shall be \$240 per year for the fiscal year ending June 30,  
 17 1978, and \$360 per year for each fiscal year thereafter. The  
 18 employer shall prorate this amount for employees who work  
 19 less than 2,080 hours per year.

20 ~~(b)~~ For state employee members of a collective  
 21 bargaining unit, the employer shall pay the amount  
 22 negotiated with the collective bargaining unit.

23 ~~(c)~~ For employees of elementary and high school  
 24 districts and of local government units, the employer's  
 25 premium contributions may exceed but shall not be less than

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1 \$10 per month.

2 ~~(2) The contribution specified in subsection (1)(a)~~  
3 ~~may only be paid if the employee group approves the policy~~  
4 ~~negotiated by the department of administration."~~

5 Section 3. Section 2-18-807, MCA, is amended to read:

6 "2-18-807. Approval of insurance by component group --  
7 contribution -- independent negotiation in event of  
8 disapproval. (1) Two-thirds of the members of any existing  
9 component employee group, which is part of the combined  
10 group on whose behalf the department has contracted for  
11 group insurance, must approve the policy in order for it to  
12 be effective as to that component group.

13 (2) When the policy is approved, the employer  
14 contribution provided for in 2-18-703 shall then be paid to  
15 the insurer issuing the approved policy.

16 (3) The component employee group shall retain the  
17 power to negotiate and contract for group insurance and  
18 health service corporation plans if such component group  
19 does not approve the policy negotiated by the department.  
20 ~~However, no employer contribution may be paid under~~  
21 ~~2-18-703(1)(a) toward the insurance premiums of an employee~~  
22 ~~group which does not approve such policy."~~

-End-