

*Senate* BILL NO. 226  
*Jordan Watt*

1           2 INTRODUCED BY

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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."

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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. In 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           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           For state employee members of a collective  
21   bargaining unit, the employer shall pay the amount  
22   negotiated with the collective bargaining unit.

23           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

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."

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