

House Bill 774

In The House

February 14, 1981	Introduced and referred to Committee on State Administration.
February 20, 1981	Committee recommend bill do pass.
February 21, 1981	Bill printed and placed on members' desks.
February 23, 1981	Second reading do pass.
February 24, 1981	Considered correctly engrossed.
February 25, 1981	Third reading not passed.

HOUSE BILL NO. 774

INTRODUCED BY

*Wendy Thomas D. Olson Cozzens FARR*  
*SPILKER Rott Johnson Kitzelmann*

BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE DEPARTMENT OF ADMINISTRATION TO DEVELOP AND ADMINISTER A STATE EMPLOYEE MERIT AWARD PROGRAM."

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

Section 1. Definitions. As used in [sections 1 through 6], the following definitions apply:

(1) "Agency head" means a director, commissioner, or constitutional officer in charge of an executive, legislative, or judicial branch agency or an agency of the Montana university system.

(2) "Department" means the department of administration provided for in 2-15-1001.

(3) "Employee" means an employee of the executive, legislative, or judicial branch or the Montana university system.

Section 2. Creation and purpose of program. The department shall develop and administer a statewide employee merit award program to encourage productivity, creativity, professionalism, and initiative among employees and to appropriately recognize and reward, in a timely manner, employees who have demonstrated superior job performance.

Section 3. Powers and duties of department. The department shall:

(1) adopt rules to equitably administer the employee merit award program;

(2) provide an opportunity for all employees to participate in the program;

(3) assist agencies in developing evaluation programs and granting merit awards under the program;

(4) grant or deny merit awards in consultation with the merit awards advisory council and determine the type and amount of each merit award;

(5) hear appeals from employees on the operation of the program; and

(6) prepare a biennial report to the legislature containing a list of merit awards granted and providing a general review of and recommendations for improving the program.

Section 4. Appointment and functions of advisory council. (1) The department shall appoint a merit awards advisory council under 2-15-122. Members of the advisory council must be selected from a diverse group to adequately represent employees.

(2) The advisory council shall meet regularly and consult with the department to review all proposed merit awards and to recommend granting or rejecting these awards.

1 Section 5. Eligibility for award. (1) An employee may  
2 be eligible for a merit award for:

3 (a) performance exceeding normal job requirements  
4 sustained over a significant period of time;

5 (b) a one-time special achievement or accomplishment;  
6 or

7 (c) longevity service to the state.

8 (2) An employee may receive only one merit award a  
9 year.

10 Section 6. Agency head to grant award -- type and  
11 source of award. (1) Following a performance evaluation of  
12 all employees within the agency, an agency head, upon  
13 written application to and approval from the department and  
14 the merit awards advisory council, may grant a merit award  
15 to an employee who is eligible under [section 5]. No more  
16 than 10% of the employees authorized in the agency's budget  
17 may be granted awards in any 1 year.

18 (2) The following types of awards may be granted:

19 (a) nonmonetary awards such as certificates, plaques,  
20 and medals; and

21 (b) monetary awards in lump-sum payments not to exceed  
22 an amount equal to two step increases in the state pay  
23 schedule.

24 (3) The agency head shall pay for the awards from the  
25 agency budget. Any monetary award that is granted is in

1 addition to a recipient's regular compensation.

-End-

## 1 STATEMENT OF INTENT

## 2 HOUSE BILL 774

## 3 House State Administration Committee

4

5 A statement of intent for this bill is necessary in  
6 that Section 2 grants the Department of Administration the  
7 authority to adopt rules to equitably administer the  
8 employee merit award program.

9 It's contemplated that the rules will address the  
10 following:

11 (1) the composition of the Advisory Council created in  
12 the bill;

13 (2) the bylaws that the Advisory Council will follow  
14 when conducting its business;

15 (3) rules for the performance evaluation programs that  
16 are necessary in order to implement this bill;

17 (4) procedures for the review of employee concerns  
18 regarding the administration of the program;

19 (5) procedures and standards regulating the granting  
20 of certificates, plaques, medals, and monetary awards;

21 (6) time tables for the review and granting of awards;

22 (7) procedures to maintain the integrity of the  
23 program through the review of merit awards to see that they  
24 are equitably granted and that the reasons for granting  
25 merit awards are made public.

Approved by Committee  
on State Administration

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INTRODUCED BY WINSLOW, HANNAH, D. O'HARA, COZZENS, FAGG,  
SPILKER, MATSKO, ROTH, HURNITZ, KITSELMAN, J. RYAN

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3 *SPILKER* ~~Robt. Johnson~~ ~~Kitzeimann~~

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