HOUSE BILL NO. 383

Introduced: 01/19/83

Referred to Committee on Local Government: 01/19/83

Hearing: 2/1/83 Report: 02/03/83, Do Not Pass Bill Killed: 02/05/83

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

Section 1. Section 7-32-4116, MCA, is amended to read:

"7-32-4116. Minimum wage of police in first- and
second-class cities. (1) Each duly confirmed member of a
police department of cities of the first and second class of
Montana is entitled to a minimum wage for a daily service of
8 hours work of at least 6750-per \$1:100 a month for the
first year of service and thereafter at least \$750 \$1:100 a
month plus 1% 2% of the minimum base monthly salary of \$750
\$1:100 for each additional year of service up to and
including the 20th 30th year of additional service.

- (2) This section applies to cities and towns not of the first class which have elected to come under the provisions of Chapter 120, Laws of 1929, as amended, or Chapter 335, Laws of 1974, as amended.
- (3) Added salary for years of service will be based on the base monthly salary as established in this section and not on the actual current salary.**

STATE OF MONTANA

REQUEST NO. 201-83

FISCAL NOTE

Form BD-15

In compliance with a written request received <u>January 21</u> , 19 83, there is hereby submitted a Fiscal Note for <u>House Bill 383</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 383 increases the minimum wage of police officers in first and secondclass cities.

ASSUMPTIONS:

- 1) There are 409 sworn officers within first & second class cities.
- 2) There are only two towns (Lewistown & Great Falls) that are significantly below the prepared minimum wage and the majority of impact would be in these two towns.
- 3) Average years of service is 10 years when calculating the yearly salary increase.
- 4) All cities utilize the formula set form in this section of law for annual pay raises.

LOCAL IMPACT:

Impact of raising the minimum monthly salary from \$750 to \$1100 per month:

	Current		
City	# of Sworn Officers	Salary Range	
Billings	88	1270-3092	
Livingston	10	1034-1890	
Missoula	53	1083-2083	
Miles City	15	1134-1651	
Glendive	12	1176-1745	
Lewistown	11	833-1225	
Kalispell	21	1150-1599	
Bozeman	22	1078-2000	
Havre	15	1070-1750	
Helena	30	1080-1277 (Patrolman)	
Great Falls	64	950-1467	
Anaconda/Deer Lodge	20	1522-2083	
Butte/Silver Bow	48	1320-1583 / / / / / / / / / / / / / / / / / / /	
TOTAL	4 <u>8</u> 4 0 9		
		BUDGET DIRECTOR	

Continued

Office of Budget and Program Planning

Date: $\sqrt{-26-8}$

It is not possible to determine the impact of raising the minimum wage without identifying the present salary of each position. With only two towns significantly below the proposed minimum wage, the impact may not be significant except in those two towns.

Impact of increasing the annual increase from 1% of \$750 to 2% of \$1100 per year of service:

Assuming a 10-year average length of service:

Present formula:

 $$750 \times (10 \text{ years } \times 1\%) \times 12 \text{ months } \times 409 \text{ officers} = $368,100$

Proposed formula:

\$1100 x (10 years x 2%) x 12 months x 409 officers = $\frac{$1,079,760}{$711,660}$

The affected cities would have to pay these amounts.

FISCAL NOTE 6:T/2