

HOUSE BILL NO. 31

INTRODUCED BY SPAETH, BLAYLOCK, RAMIREZ, DEVLIN,
WEEDING, ABRAMS, HARP, KEATING, JACK MOORE

BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

IN THE HOUSE

June 19, 1986	Introduced and referred to Committee on Appropriations.
June 20, 1986	Committee recommend bill do pass. Report adopted. Bill printed and placed on members' desks.
June 21, 1986	On motion by Chief Sponsor, Representative Jack Moore added as sponsor.
June 23, 1986	Second reading, do pass as amended. Third reading, passed. Transmitted to Senate.

IN THE SENATE

June 24, 1986	Introduced and referred to Committee on Finance and Claims.
June 27, 1986	Committee recommend bill be concurrent in as amended. Report adopted. Second reading, concurrent in. Third reading, concurrent in. Ayes, 40; Noes, 10. Returned to House with amendments.

IN THE HOUSE

June 28, 1986

Received from Senate.

Second reading, amendments
concurred in.

Third reading, amendments
concurred in.

Sent to enrolling.

Reported correctly enrolled.

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House BILL NO. 31
INTRODUCED BY *Spaeth* *Blaylock* *Lamney* *Dealin*
BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION *Wied* *Abicame*
HARP

A BILL FOR AN ACT ENTITLED: "AN ACT CONTINUING FISCAL YEAR 1986 STATE EMPLOYEE COMPENSATION PLANS AND GROUP BENEFITS LEVELS FOR FISCAL YEAR 1987; AMENDING SECTIONS 2-18-301, 2-18-303 THROUGH 2-18-305, 2-18-311, 2-18-313 THROUGH 2-18-315, AND 2-18-703, MCA, AND SECTION 9, CHAPTER 740, LAWS OF 1985; REPEALING SECTION 2-18-312, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 2-18-301, MCA, is amended to read:

"2-18-301. Purpose and intent of part -- rules. (1) The purpose of this part is to provide the compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that, for the biennium ending June 30, 1987, the:

(a) pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315 supersede any other plan or systems established through collective bargaining after the adjournment of the 49th legislature;

(b) pay levels provided for in 2-18-311 and 2-18-313 through 2-18-315 may not be increased through collective bargaining after adjournment of the 49th legislature; and

(c) total funds required to implement the pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315 for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the 49th legislature.

(3) The department shall administer the pay program established by the legislature on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

(4) The department may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."

Section 2. Section 2-18-303, MCA, is amended to read:

"2-18-303. Procedures for utilizing pay schedules. (1) The pay schedules schedule provided in 2-18-311 and 2-18-312 shall be implemented as follows:

(a) The pay schedule provided in 2-18-311 indicates the annual compensation for the fiscal year years ending June 30, 1986, and June 30, 1987, for each grade and step for positions classified under the provisions of part 2 of this chapter.

~~(b) The pay schedule provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1987, for each grade and step for positions classified under the provisions of part 2 of this chapter.~~

~~(c)~~ (b) Each new employee shall advance from step 1 to step 2 of a grade after successfully completing 6 months of probationary service. The anniversary date of an employee shall be established at the end of the probationary period in accordance with rules promulgated by the department.

~~(d)~~ (c) (i) The compensation of each employee on the first day of the first pay period in fiscal year 1986 shall be that amount which corresponds to the grade and step occupied on the last day of the preceding fiscal year of 1985.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1987 shall be that amount which corresponds to the grade and step occupied on the last day of the fiscal year 1985.

~~(iii) In compliance with rules adopted to implement this part, each employee is eligible on his anniversary date to advance one step in the pay matrix for fiscal year 1987. However, if the employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay period of fiscal year 1987, he will advance one step on the first day of that pay period.~~

1 (2) The pay ~~schedules~~ schedule provided in 2-18-311 and ~~2-18-312~~ and the provisions of
2 subsection (1) of this section do not apply to those institutional teachers, liquor store
3 occupations, or blue-collar occupations compensated under the pay schedules provided in 2-18-313,
4 2-18-314, or 2-18-315.

5 (3) The pay schedules provided in 2-18-313, 2-18-314, or 2-18-315 shall be implemented as
6 follows:

7 (a) (i) The pay ~~schedules~~ schedule provided in 2-18-313 ~~indicate~~ indicates the annual
8 compensation for the contracted school term for teachers employed by institutions under the
9 authority of the department of institutions for fiscal years 1986 and 1987.

10 (ii) The compensation of each teacher on the first day of the first pay period in July, 1985,
11 shall be that amount which corresponds to his level of academic achievement and the step occupied on
12 June 30, 1985.

13 (iii) The compensation of each teacher on the first day of the first pay period in July, 1986,
14 shall be that amount which corresponds to his level of achievement and the step occupied on June 30,
15 1985.

16 (b) (i) The pay ~~schedules~~ schedule provided in 2-18-314 ~~indicate~~ indicates the maximum hourly
17 compensation for fiscal years ending June 30, 1986, and June 30, 1987, for those employees in liquor
18 store occupations who have collectively bargained separate classification and pay plans.

19 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
20 1986 or 1987, as the case may be, shall be that amount which corresponds to that grade occupied on
21 the last day of the preceding fiscal year.

22 (c) (i) The pay ~~schedules~~ schedule provided in 2-18-315 ~~indicate~~ indicates the maximum hourly
23 compensation for fiscal years ending June 30, 1986, and June 30, 1987, for employees in apprentice
24 trades and crafts and other blue-collar occupations recognized in the state blue-collar
25 classification plan who are members of units that have collectively bargained separate

1 classification and pay plans.

2 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
3 1986 or 1987, as the case may be, shall be that amount which corresponds to that grade occupied on
4 the last day of the preceding fiscal year.

5 (4) (a) (i) No member of a bargaining unit may receive the amounts indicated in the respective
6 pay schedules provided in 2-18-311 and 2-18-313 through 2-18-315 until the bargaining unit of which
7 he is a member ratifies a completely integrated collective bargaining agreement covering the
8 biennium ending June 30, 1987.

9 (ii) In the event that negotiation and ratification of a completely integrated collective
10 bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July
11 1, 1985, retroactivity to that date may be negotiated.

12 (iii) In the event that negotiation and ratification of a completely integrated collective
13 bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July
14 1, 1985, members of the bargaining unit involved will continue to receive the compensation they were
15 receiving as of June 30, 1985.

16 (b) Methods of administration not inconsistent with the purpose of this part and necessary to
17 properly implement the pay schedules provided in 2-18-313 through 2-18-315 may be provided for in
18 collective bargaining agreements.

19 (5) The current wage or salary of an employee shall not be reduced by the implementation of
20 the pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315.

21 (6) The department may authorize a separate pay schedule for medical doctors if the rates
22 provided in 2-18-311 and 2-18-312 are not sufficient to attract and retain fully licensed and
23 qualified physicians at the state institutions.

24 (7) The department may develop programs which will enable the department to mitigate problems
25 associated with difficult recruitment, retention, transfer, or other exceptional circumstances.

1 Insofar as the program may apply to employees within a collective bargaining unit, it shall be a
2 negotiable subject under 39-31-305."

3 Section 3. Section 2-18-304, MCA, is amended to read:

4 "2-18-304. Longevity allowance. (1) In addition to the compensation provided for in 2-18-311,
5 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed 5 years of uninterrupted
6 state service shall receive the larger of \$10 a month or 10% of the difference between the base
7 compensation for his grade and step (where applicable) and the base compensation for the next
8 highest grade and corresponding step (where applicable) multiplied by the number of completed,
9 contiguous 5-year periods of uninterrupted state service. Service to the state is not interrupted
10 by authorized leaves of absence.

11 (2) (a) For the purpose of determining years of service under this section, an employee must
12 be credited with 1 year of service for each period of:

13 (i) 2,080 hours of service following his date of employment; an employee must be credited with
14 80 hours of service for each biweekly pay period in which he is in a pay status or on an authorized
15 leave of absence without pay, regardless of the number of hours of service in the pay period; or

16 (ii) 12 uninterrupted calendar months following his date of employment in which he was in a pay
17 status or on an authorized leave of absence without pay, regardless of the number of hours of
18 service in any one month. An employee of a school at a state institution or the university system
19 must be credited with 1 year of service if he is employed for an entire academic year.

20 (b) State agencies, other than the university system and a school at a state institution,
21 shall use the method provided in subsection (2)(a)(i) to calculate years of service under this
22 section."

23 Section 4. Section 2-18-305, MCA, is amended to read:

24 "2-18-305. Allocation between wages and group benefits. (1) The dollar amounts shown in the
25 respective pay schedules provided in 2-18-311, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, as the

case may be, represent the maximum amount allocated by the state for wages and group benefits, exclusive of longevity as defined in 2-18-304. Except as provided in subsection (2) of this section, that amount specifically allocated for group benefits shall be determined by 2-18-703. An employee who elects not to be covered by a state employee group benefit plan will receive as wages the amount shown in the appropriate pay schedule less the state contribution for group benefits as determined by 2-18-703.

(2) Employees may, through collective bargaining, determine the allocation of the amounts shown in the pay schedules provided in 2-18-311, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, as the case may be, between wages and group benefits, except that in no case may the group benefits allocation be less than the amounts provided in 2-18-703."

Section 5. Section 2-18-311, MCA, is amended to read:

"2-18-311. Statewide pay schedule for fiscal year years 1986 and 1987. The statewide classification pay schedule for fiscal year years 1986 and 1987 is as follows:

Annual Hours -- 2080

Note: Includes Insurance

Pay Matrix -- State

Matrix Type -- Annual

STEP

GRADE	1	2	3	4	5	6	7	8	9	10	11	12	13
1	9,048	9,729	9,924	10,122	10,324	10,530	10,741	10,956	11,175	11,399	11,627	11,860	12,334
2	9,530	10,247	10,452	10,661	10,874	11,091	11,313	11,539	11,770	12,005	12,245	12,490	12,990
3	10,054	10,811	11,027	11,248	11,473	11,702	11,936	12,175	12,419	12,667	12,920	13,178	13,705
4	10,627	11,427	11,656	11,889	12,127	12,370	12,617	12,869	13,126	13,389	13,657	13,930	14,487
5	11,259	12,106	12,348	12,595	12,847	13,104	13,366	13,633	13,906	14,184	14,468	14,757	15,347
6	11,951	12,850	13,107	13,369	13,636	13,909	14,187	14,471	14,760	15,055	15,356	15,663	16,290
7	12,718	13,675	13,949	14,228	14,513	14,803	15,099	15,401	15,709	16,023	16,343	16,670	17,337
8	13,545	14,564	14,855	15,152	15,455	15,764	16,079	16,401	16,729	17,064	17,405	17,753	18,463

1	9	14,463	15,552	15,863	16,180	16,504	16,834	17,171	17,514	17,864	18,221	18,585	18,957	19,715
2	10	15,469	16,633	16,966	17,305	17,651	18,004	18,364	18,731	19,106	19,488	19,878	20,276	21,087
3	11	16,568	17,815	18,171	18,534	18,905	19,283	19,669	20,062	20,463	20,872	21,289	21,715	22,584
4	12	17,784	19,123	19,505	19,895	20,293	20,699	21,113	21,535	21,966	22,405	22,853	23,310	24,242
5	13	19,112	20,551	20,962	21,381	21,809	22,245	22,690	23,144	23,607	24,079	24,561	25,052	26,054
6	14	20,767	22,330	22,777	23,233	23,698	24,172	24,655	25,148	25,651	26,164	26,687	27,221	28,310
7	15	22,491	24,184	24,668	25,161	25,664	26,177	26,701	27,235	27,780	28,336	28,903	29,481	30,660
8	16	24,427	26,266	26,791	27,327	27,874	28,431	29,000	29,580	30,172	30,775	31,391	32,019	33,300
9	17	26,523	28,519	29,089	29,671	30,264	30,869	31,486	32,116	32,758	33,413	34,081	34,763	36,154
10	18	28,838	31,009	31,629	32,262	32,907	33,565	34,236	34,921	35,619	36,331	37,058	37,799	39,311
11	19	31,383	33,745	34,420	35,108	35,810	36,526	37,257	38,002	38,762	39,537	40,328	41,135	41,135
12	20	34,161	36,732	37,467	38,216	38,980	39,760	40,555	41,366	42,193	43,037	43,898	43,898	43,898
13	21	37,217	40,018	40,818	41,634	42,467	43,316	44,182	45,066	45,967	46,886	46,886	46,886	46,886
14	22	40,570	43,624	44,496	45,386	46,294	47,220	48,164	49,127	50,110	50,110	50,110	50,110	50,110
15	23	44,240	47,570	48,521	49,491	50,481	51,491	52,521	53,571	53,571	53,571	53,571	53,571	53,571
16	24	48,272	51,905	52,943	54,002	55,082	56,184	57,308	57,308	57,308	57,308	57,308	57,308	57,308
17	25	52,699	56,666	57,799	58,955	60,134	61,337	61,337	61,337	61,337	61,337	61,337	61,337	61,337"

Section 6. Section 2-18-313, MCA, is amended to read:

"2-18-313. Institutional teachers' pay schedules. (1) ~~(a)~~ The 12-month pay schedule for institutional teachers for fiscal year years 1986 and 1987 is as follows:

Annual Hours -- 2080

Note: Includes Insurance

Pay Matrix -- Teachers

Matrix Type -- Annual

Term -- Twelve Months

Education Level

YEARS OF

1	EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1
2	(Step)	(Grade 1)	(Grade 2)	(Grade 3)	(Grade 4)	(Grade 5)	(Grade 6)
3	0	18,486	19,067	19,663	19,954	20,244	20,840
4	1	19,170	19,817	20,466	20,789	21,114	21,761
5	2	19,851	20,567	21,266	21,626	21,983	22,683
6	3	20,534	21,319	22,068	22,461	22,854	23,604
7	4	21,216	22,068	22,870	23,295	23,724	24,526
8	5	21,899	22,820	23,673	24,133	24,594	25,448
9	6	22,579	23,569	24,473	24,969	25,463	26,367
10	7	23,263	24,321	25,276	25,806	26,334	27,289
11	8	23,944	25,070	26,078	26,640	27,205	28,210
12	9	24,627	25,822	26,880	27,475	28,073	29,131
13	10	25,311	26,572	27,681	28,313	28,944	30,052

(b)(2) The 9-month pay schedule for institutional teachers for fiscal year years 1986 and 1987

is as follows:

Annual Hours -- 1480

Note: Includes Insurance

Pay Matrix -- Teachers

Matrix Type -- Annual

Term -- Nine Months

Education Level

20	YEARS OF						
21	EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1
22	(Step)	(Grade 1)	(Grade 2)	(Grade 3)	(Grade 4)	(Grade 5)	(Grade 6)
23	0	14,195	14,630	15,077	15,296	15,513	15,960
24	1	14,708	15,193	15,680	15,922	16,166	16,651
25	2	15,218	15,755	16,280	16,550	16,817	17,342

1	3	15,731	16,319	16,881	17,176	17,471	18,033
2	4	16,242	16,881	17,483	17,801	18,123	18,725
3	5	16,754	17,445	18,085	18,430	18,776	19,416
4	6	17,264	18,007	18,685	19,057	19,427	20,105
5	7	17,777	18,571	19,287	19,685	20,081	20,797
6	8	18,288	19,133	19,889	20,310	20,734	21,488
7	9	18,800	19,697	20,490	20,936	21,385	22,178
8	10	19,313	20,259	21,091	21,565	22,038	22,869

{2}--(a)--The 12-month pay schedule for institutional teachers for fiscal year 1987 is as

follows:

Annual Hours----2080

Note:--includes insurance

Pay Matrix----Teachers

Matrix Type----Annual

Term----Twelve Months

Education Level

YEARS-OF

EXPERIENCE

BA

BA+1

BA+2

BA+3

MA

MA+1

{Step}

{Grade-1}

{Grade-2}

{Grade-3}

{Grade-4}

{Grade-5}

{Grade-6}

19	0	18,976	19,568	20,176	20,479	20,769	21,377
20	1	19,673	20,333	20,995	21,325	21,656	22,316
21	2	20,368	21,098	21,811	22,179	22,543	23,257
22	3	21,065	21,865	22,629	23,030	23,431	24,196
23	4	21,768	22,629	23,447	23,881	24,318	25,137
24	5	22,457	23,396	24,266	24,736	25,206	26,077
25	6	23,151	24,168	25,082	25,588	26,092	27,014

1	7	23,848	24,927	25,902	26,442	26,981	27,955
2	8	24,549	25,691	26,720	27,293	27,869	28,894
3	9	25,248	26,458	27,538	28,145	28,754	29,834
4	10	25,997	27,229	28,355	28,999	29,649	30,773

(b)--The 9-month pay schedule for institutional teachers for fiscal year 1987 is as follows:

Annual Hours----1480

Note--Includes Insurance

Pay Matrix----Teachers

Matrix Type----Annual

Term----Nine Months

Education Level

YEARS-OF

EXPERIENCE

BA

BA+1

BA+2

BA+3

MA

MA+1

{Step}

{Grade-1}

{Grade-2}

{Grade-3}

{Grade-4}

{Grade-5}

{Grade-6}

0

14,592

15,036

15,492

15,715

15,997

16,393

1

15,115

15,610

16,106

16,354

16,602

17,097

2

15,636

16,104

16,718

16,994

17,267

17,809

3

16,159

16,759

17,332

17,633

17,933

18,507

4

16,680

17,332

17,945

18,271

18,599

19,213

5

17,203

17,907

18,560

18,912

19,265

19,918

6

17,729

18,480

19,172

19,551

19,929

20,621

7

18,246

19,055

19,787

20,192

20,596

21,326

8

18,767

19,628

20,400

20,830

21,262

22,031

9

19,290

20,204

21,014

21,469

21,926

22,736

10

19,813

20,777

21,626

22,109

22,592

23,440"

Section 7. Section 2-18-314, MCA, is amended to read:

"2-18-314. Liquor store occupations pay schedules schedule. (1) The pay schedule for liquor

1 store occupations for fiscal year years 1986 and 1987 is as follows:

2 Annual Hours -- 2080

Note: With Insurance

3 Pay Matrix -- Retail Clerk

Matrix Type -- Hourly

4	Grade	\$/Hour
5		W/Ins.
6	L1	0.000
7	L2	7.404
8	L3	7.904
9	L4	8.183
10	L5	8.474
11	L6	9.084
12	L7	9.748
13	L8	10.492

14 (2)--The pay schedule for liquor store occupations for fiscal year 1987 is as follows:

15 Annual Hours ---- 2080

Note: With Insurance

16 Pay Matrix ---- Retail Clerk

Matrix Type ---- Hourly

17	Grade	\$/Hour
18		W/Ins.
19	E1	8.888
20	E2	7.683
21	E3	8.183
22	E4	8.463
23	E5	8.753
24	E6	9.363

1 E7 \$8.828
 2 E8 \$8.773"

3 Section 8. Section 2-18-315, MCA, is amended to read:

4 "2-18-315. Blue-collar pay schedules schedule. (1) The pay schedule for blue-collar workers
 5 for fiscal year years 1986 and 1987 is as follows:

6 Annual Hours -- 2080

Note: With Insurance

7 Pay Matrix -- Blue-Collar

Matrix Type -- Hourly

8	Grade	\$/Hour
9		W/Ins.
10	B1	7.836
11	B2	8.236
12	B3	8.636
13	B4	9.036
14	B5	9.436
15	B6	9.836
16	B7	10.236
17	B8	10.636
18	B9	11.036
19	B10	11.436
20	B11	11.836
21	B12	12.236
22	B00	12.636

23 (2) -- The pay schedule for blue-collar workers for fiscal year 1987 is as follows:

24 Annual Hours ---- 2080

Note: With Insurance

1	Pay-Matrix---Blue-Collar	Matrix-Type---Hourly
2	Grade	\$/Hour
3		W/ins:
4	B1	-8:153
5	B2	-8:553
6	B3	-8:953
7	B4	-9:853
8	B5	-9:753
9	B6	+8:153
10	B7	+8:553
11	B8	+8:953
12	B9	+1:853
13	B10	+1:753
14	B11	+2:153
15	B12	+2:553
16	B00	+2:953"

17 Section 9. Section 2-18-703, MCA, is amended to read:

18 "2-18-703. Contributions. (1) Each agency, as defined in 2-18-601, shall contribute the amount
19 specified in this section towards the group benefits cost.

20 (2) For employees defined in 2-18-701, other than members of collective bargaining units, and
21 for members of the legislature, the employer contribution for group benefits shall be \$105 per month
22 for the fiscal year ending June 30, 1986, and \$115--per--month for each fiscal year thereafter.
23 Permanent part-time employees who are regularly scheduled to work less than 20 hours a week are not
24 eligible for the group benefit contribution. An employee who elects not to be covered by a
25 state-sponsored group benefit plan may not receive the state contribution as wages. A portion of

1 the employer contribution for group benefits may be applied to an employee's costs for participation
 2 in Part B of medicare under Title XVIII of the Social Security Act of 1965, as amended, if the state
 3 group benefit plan is the secondary payer and medicare the primary payer.

4 (3) For employees of elementary and high school districts and of local government units, the
 5 employer's premium contributions may exceed but may not be less than \$10 per month.

6 (4) Unused employer contributions for any state employee shall be transferred to an account
 7 established for this purpose by the department and upon such transfer may be used to offset losses
 8 occurring to the group of which the employee is eligible to be a member."

9 Section 10. Section 9, Chapter 740, Laws of 1985, is amended to read:

10 "Section 9. Appropriation. There is appropriated to the office of budget and program planning
 11 ~~\$16,500,000~~ \$8,400,000 from the general fund for the biennium ending June 30, 1987, to carry out the
 12 provisions of this act as it pertains to the legislative, judicial, and executive branch agencies.
 13 The office of budget and program planning is authorized to increase the expenditure authority of the
 14 legislative, judicial, and executive branch agencies by ~~\$9,600,000~~ \$5,200,000 for the biennium
 15 ending June 30, 1987, from funds other than the general fund which accrue under provisions of law to
 16 the respective agencies to carry out the provisions of this act."

17 NEW SECTION. Section 11. Repealer. Section 2-18-312, MCA, is repealed.

18 NEW SECTION. Section 12. Severability. If a part of this act is invalid, all valid parts that
 19 are severable from the invalid part remain in effect. If a part of this act is invalid in one or
 20 more of its applications, the part remains in effect in all valid applications that are severable
 21 from the invalid applications.

22 NEW SECTION. Section 13. Saving clause. This act does not affect rights and duties that
 23 matured, penalties that were incurred, or proceedings that were begun before the effective date of
 24 this act.

25 NEW SECTION. Section 14. Extension of authority. Any existing authority of the department of

1 administration to make rules on the subject of the provisions of this act is extended to the
2 provisions of this act.

3 NEW SECTION. Section 15. Effective date. This act is effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB031, as introduced.

Description of Proposed Legislation:

To continue FY86 state employee compensation plans and group benefit levels for FY87.

Assumptions:

1. FY86 compensation levels will be continued in FY87.
2. All existing collective bargaining agreements (76, plus University System contracts) must be reopened and wages/benefits renegotiated to FY86 levels. The decision to reopen is voluntary on the part of the bargaining agent for each contract.

Fiscal Impact:

<u>Expenditure:</u>	FY87 <u>General Fund</u>	FY87 <u>Other Funds</u>	<u>Total</u>
Current Law	\$12,314,000	\$ 7,006,000	\$19,320,000
Proposed Law	4,186,000	3,594,000	6,780,000
Savings to General Fund and Other Funds	\$ 8,128,000	\$ 4,412,000	\$12,540,000

Long-Range Effects of Proposed Legislation:

This will result in a lower base for future fiscal years.

David L. Hunter 6/20/86
BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Long L. Smith 20 June 1986
PRIMARY SPONSOR DATE

Fiscal Note for HB31, as introduced.

APPROVED BY COMMITTEE
ON APPROPRIATIONS

1 *House BILL NO. 31*
2 INTRODUCED BY *Spaeth Blaylock Ramsey Berlin*
3 BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION *Wiedner Abrams*
4 *Leatery HARP*

5 A BILL FOR AN ACT ENTITLED: "AN ACT CONTINUING FISCAL YEAR 1986 STATE EMPLOYEE COMPENSATION PLANS
6 AND GROUP BENEFITS LEVELS FOR FISCAL YEAR 1987; AMENDING SECTIONS 2-18-301, 2-18-303 THROUGH
7 2-18-305, 2-18-311, 2-18-313 THROUGH 2-18-315, AND 2-18-703, MCA, AND SECTION 9, CHAPTER 740, LAWS
8 OF 1985; REPEALING SECTION 2-18-312, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 2-18-301, MCA, is amended to read:

12 "2-18-301. Purpose and intent of part -- rules. (1) The purpose of this part is to provide the
13 compensation necessary to attract and retain competent and qualified employees in order to perform
14 the services the state is required to provide to its citizens.

15 (2) It is the intent of the legislature that, for the biennium ending June 30, 1987, the:

16 (a) pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315 supersede any other
17 plan or systems established through collective bargaining after the adjournment of the 49th
18 legislature;

19 (b) pay levels provided for in 2-18-311 and 2-18-313 through 2-18-315 may not be increased
20 through collective bargaining after adjournment of the 49th legislature; and

21 (c) total funds required to implement the pay schedules provided for in 2-18-311 and 2-18-313
22 through 2-18-315 for any employee group or bargaining unit may not be increased through collective
23 bargaining over the amount appropriated by the 49th legislature.

24 (3) The department shall administer the pay program established by the legislature on the
25 basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

SECOND READING

There are no changes in HB 31, & will not be re-run.

Please refer to white copy for complete text.

HOUSE BILL NO. 31

INTRODUCED BY SPAETH, BLAYLOCK, RAMIREZ, DEVLIN,
WEEDING, ABRAMS, HARP, KEATING, JACK MOORE
BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT CONTINUING FISCAL YEAR 1986 STATE EMPLOYEE COMPENSATION PLANS AND GROUP BENEFITS LEVELS FOR FISCAL YEAR 1987; AMENDING SECTIONS 2-18-301, 2-18-303 THROUGH 2-18-305, 2-18-311, 2-18-313 THROUGH 2-18-315, AND 2-18-703, MCA, AND SECTION 9, CHAPTER 740, LAWS OF 1985; REPEALING SECTION 2-18-312, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 2-18-301, MCA, is amended to read:

"2-18-301. Purpose and intent of part -- rules. (1) The purpose of this part is to provide the compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that, for the biennium ending June 30, 1987, the:

(a) pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315 supersede any other plan or systems established through collective bargaining after the adjournment of the 49th legislature;

(b) pay levels provided for in 2-18-311 and 2-18-313 through 2-18-315 may not be increased through collective bargaining after adjournment of the 49th legislature; and

(c) total funds required to implement the pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315 for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the 49th legislature.

(3) The department shall administer the pay program established by the legislature on the



THIRD READING

1 basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

2 (4) The department may promulgate rules not inconsistent with the provisions of this part,
3 collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."

4 Section 2. Section 2-18-303, MCA, is amended to read:

5 "2-18-303. Procedures for utilizing pay schedules. (1) The pay schedules schedule provided in
6 2-18-311 and 2-18-312 shall be implemented as follows:

7 (a) The pay schedule provided in 2-18-311 indicates the annual compensation for the fiscal
8 year years ending June 30, 1986, and June 30, 1987, for each grade and step for positions classified
9 under the provisions of part 2 of this chapter.

10 ~~(b) The pay schedule provided in 2-18-312 indicates the annual compensation for the fiscal~~
11 ~~year ending June 30, 1987, for each grade and step for positions classified under the provisions of~~
12 ~~part 2 of this chapter.~~

13 ~~(c)~~ (b) Each new employee shall advance from step 1 to step 2 of a grade after successfully
14 completing 6 months of probationary service. The anniversary date of an employee shall be
15 established at the end of the probationary period in accordance with rules promulgated by the
16 department.

17 ~~(d)~~ (c) (i) The compensation of each employee on the first day of the first pay period in
18 fiscal year 1986 shall be that amount which corresponds to the grade and step occupied on the last
19 day of the preceding fiscal year of 1985.

20 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
21 1987 shall be that amount which corresponds to the grade and step occupied on the last day of the
22 fiscal year 1985.

23 ~~(iii) In compliance with rules adopted to implement this part, each employee is eligible on his~~
24 ~~anniversary date to advance one step in the pay matrix for fiscal year 1987. However, if the~~
25 ~~employee's anniversary date falls between (inclusive) July 1 and the first day of the first pay~~

1 ~~period-of-fiscal-year-1987, he will advance one step on the first day of that pay period.~~

2 (2) The pay ~~schedules~~ schedule provided in 2-18-311 and ~~2-18-312~~ and the provisions of
3 subsection (1) of this section do not apply to those institutional teachers, liquor store
4 occupations, or blue-collar occupations compensated under the pay schedules provided in 2-18-313,
5 2-18-314, or 2-18-315.

6 (3) The pay schedules provided in 2-18-313, 2-18-314, or 2-18-315 shall be implemented as
7 follows:

8 (a) (i) The pay ~~schedules~~ schedule provided in 2-18-313 ~~indicate~~ indicates the annual
9 compensation for the contracted school term for teachers employed by institutions under the
10 authority of the department of institutions for fiscal years 1986 and 1987.

11 (ii) The compensation of each teacher on the first day of the first pay period in July, 1985,
12 shall be that amount which corresponds to his level of academic achievement and the step occupied on
13 June 30, 1985.

14 (iii) The compensation of each teacher on the first day of the first pay period in July, 1986,
15 shall be that amount which corresponds to his level of achievement and the step occupied on June 30,
16 1985.

17 (b) (i) The pay ~~schedules~~ schedule provided in 2-18-314 ~~indicate~~ indicates the maximum hourly
18 compensation for fiscal years ending June 30, 1986, and June 30, 1987, for those employees in liquor
19 store occupations who have collectively bargained separate classification and pay plans.

20 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
21 1986 or 1987, as the case may be, shall be that amount which corresponds to that grade occupied on
22 the last day of the preceding fiscal year.

23 (c) (i) The pay ~~schedules~~ schedule provided in 2-18-315 ~~indicate~~ indicates the maximum hourly
24 compensation for fiscal years ending June 30, 1986, and June 30, 1987, for employees in apprentice
25 trades and crafts and other blue-collar occupations recognized in the state blue-collar

1 classification plan who are members of units that have collectively bargained separate.
2 classification and pay plans.

3 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
4 1986 or 1987, as the case may be, shall be that amount which corresponds to that grade occupied on
5 the last day of the preceding fiscal year.

6 (4) (a) (i) No member of a bargaining unit may receive the amounts indicated in the respective
7 pay schedules provided in 2-18-311 and 2-18-313 through 2-18-315 until the bargaining unit of which
8 he is a member ratifies a completely integrated collective bargaining agreement covering the
9 biennium ending June 30, 1987.

10 (ii) In the event that negotiation and ratification of a completely integrated collective
11 bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July
12 1, 1985, retroactivity to that date may be negotiated.

13 (iii) In the event that negotiation and ratification of a completely integrated collective
14 bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July
15 1, 1985, members of the bargaining unit involved will continue to receive the compensation they were
16 receiving as of June 30, 1985.

17 (b) Methods of administration not inconsistent with the purpose of this part and necessary to
18 properly implement the pay schedules provided in 2-18-313 through 2-18-315 may be provided for in
19 collective bargaining agreements.

20 (5) The current wage or salary of an employee shall not be reduced by the implementation of
21 the pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315.

22 (6) The department may authorize a separate pay schedule for medical doctors if the rates
23 provided in 2-18-311 and 2-18-313 are not sufficient to attract and retain fully licensed and
24 qualified physicians at the state institutions.

25 (7) The department may develop programs which will enable the department to mitigate problems

1 associated with difficult recruitment, retention, transfer, or other exceptional circumstances.
2 Insofar as the program may apply to employees within a collective bargaining unit, it shall be a
3 negotiable subject under 39-31-305."

4 Section 3. Section 2-18-304, MCA, is amended to read:

5 "2-18-304. Longevity allowance. (1) In addition to the compensation provided for in 2-18-311,
6 ~~2-18-312~~, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed 5 years of uninterrupted
7 state service shall receive the larger of \$10 a month or 10% of the difference between the base
8 compensation for his grade and step (where applicable) and the base compensation for the next
9 highest grade and corresponding step (where applicable) multiplied by the number of completed,
10 contiguous 5-year periods of uninterrupted state service. Service to the state is not interrupted
11 by authorized leaves of absence.

12 (2) (a) For the purpose of determining years of service under this section, an employee must
13 be credited with 1 year of service for each period of:

14 (i) 2,080 hours of service following his date of employment; an employee must be credited with
15 80 hours of service for each biweekly pay period in which he is in a pay status or on an authorized
16 leave of absence without pay, regardless of the number of hours of service in the pay period; or

17 (ii) 12 uninterrupted calendar months following his date of employment in which he was in a pay
18 status or on an authorized leave of absence without pay, regardless of the number of hours of
19 service in any one month. An employee of a school at a state institution or the university system
20 must be credited with 1 year of service if he is employed for an entire academic year.

21 (b) State agencies, other than the university system and a school at a state institution,
22 shall use the method provided in subsection (2)(a)(i) to calculate years of service under this
23 section."

24 Section 4. Section 2-18-305, MCA, is amended to read:

25 "2-18-305. Allocation between wages and group benefits. (1) The dollar amounts shown in the

1 respective pay schedules provided in 2-18-311, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, as the
 2 case may be, represent the maximum amount allocated by the state for wages and group benefits,
 3 exclusive of longevity as defined in 2-18-304. Except as provided in subsection (2) of this section,
 4 that amount specifically allocated for group benefits shall be determined by 2-18-703. An employee
 5 who elects not to be covered by a state employee group benefit plan will receive as wages the amount
 6 shown in the appropriate pay schedule less the state contribution for group benefits as determined
 7 by 2-18-703.

8 (2) Employees may, through collective bargaining, determine the allocation of the amounts
 9 shown in the pay schedules provided in 2-18-311, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, as the
 10 case may be, between wages and group benefits, except that in no case may the group benefits
 11 allocation be less than the amounts provided in 2-18-703."

12 Section 5. Section 2-18-311, MCA, is amended to read:

13 "2-18-311. Statewide pay schedule for fiscal year years 1986 and 1987. The statewide
 14 classification pay schedule for fiscal year years 1986 and 1987 is as follows:

15 Annual Hours -- 2080

Note: Includes Insurance

16 Pay Matrix -- State

Matrix Type -- Annual

17 STEP

18	GRADE	1	2	3	4	5	6	7	8	9	10	11	12	13
19	1	9,048	9,729	9,924	10,122	10,324	10,530	10,741	10,956	11,175	11,399	11,627	11,860	12,334
20	2	9,530	10,247	10,452	10,661	10,874	11,091	11,313	11,539	11,770	12,005	12,245	12,490	12,990
21	3	10,054	10,811	11,027	11,248	11,473	11,702	11,936	12,175	12,419	12,667	12,920	13,178	13,705
22	4	10,627	11,427	11,656	11,889	12,127	12,370	12,617	12,869	13,126	13,389	13,657	13,930	14,487
23	5	11,259	12,106	12,348	12,595	12,847	13,104	13,366	13,633	13,906	14,184	14,468	14,757	15,347
24	6	11,951	12,850	13,107	13,369	13,636	13,909	14,187	14,471	14,760	15,055	15,356	15,663	16,290
25	7	12,718	13,675	13,949	14,228	14,513	14,803	15,099	15,401	15,709	16,023	16,343	16,670	17,337

1	8	13,545	14,564	14,855	15,152	15,455	15,764	16,079	16,401	16,729	17,064	17,405	17,753	18,463
2	9	14,463	15,552	15,863	16,180	16,504	16,834	17,171	17,514	17,864	18,221	18,585	18,957	19,715
3	10	15,469	16,633	16,966	17,305	17,651	18,004	18,364	18,731	19,106	19,488	19,878	20,276	21,087
4	11	16,568	17,815	18,171	18,534	18,905	19,283	19,669	20,062	20,463	20,872	21,289	21,715	22,584
5	12	17,784	19,123	19,505	19,895	20,293	20,699	21,113	21,535	21,966	22,405	22,853	23,310	24,242
6	13	19,112	20,551	20,962	21,381	21,809	22,245	22,690	23,144	23,607	24,079	24,561	25,052	26,054
7	14	20,767	22,330	22,777	23,233	23,698	24,172	24,655	25,148	25,651	26,164	26,687	27,221	28,310
8	15	22,491	24,184	24,688	25,161	25,664	26,177	26,701	27,235	27,780	28,336	28,903	29,481	30,660
9	16	24,427	26,266	26,791	27,327	27,874	28,431	29,000	29,580	30,172	30,775	31,391	32,019	33,300
10	17	26,523	28,519	29,089	29,671	30,264	30,869	31,486	32,116	32,758	33,413	34,081	34,763	36,154
11	18	28,838	31,009	31,629	32,262	32,907	33,565	34,236	34,921	35,619	36,331	37,058	37,799	39,311
12	19	31,383	33,745	34,420	35,108	35,810	36,526	37,257	38,002	38,762	39,537	40,328	41,135	41,135
13	20	34,161	36,732	37,467	38,216	38,980	39,760	40,555	41,366	42,193	43,037	43,898	43,898	43,898
14	21	37,217	40,018	40,818	41,634	42,467	43,316	44,182	45,066	45,967	46,886	46,886	46,886	46,886
15	22	40,570	43,624	44,496	45,386	46,294	47,220	48,164	49,127	50,110	50,110	50,110	50,110	50,110
16	23	44,240	47,570	48,521	49,491	50,481	51,491	52,521	53,571	53,571	53,571	53,571	53,571	53,571
17	24	48,272	51,905	52,943	54,002	55,082	56,184	57,308	57,308	57,308	57,308	57,308	57,308	57,308
18	25	52,699	56,666	57,799	58,955	60,134	61,337	61,337	61,337	61,337	61,337	61,337	61,337	61,337"

Section 6. Section 2-18-313, MCA, is amended to read:

"2-18-313. Institutional teachers' pay schedules. (1) ~~(a)~~ The 12-month pay schedule for institutional teachers for fiscal year years 1986 and 1987 is as follows:

Annual Hours -- 2080

Note: Includes Insurance

Pay Matrix -- Teachers

Matrix Type -- Annual

Term -- Twelve Months

Education Level

YEARS OF EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1
(Step)	(Grade 1)	(Grade 2)	(Grade 3)	(Grade 4)	(Grade 5)	(Grade 6)
0	18,486	19,067	19,663	19,954	20,244	20,840
1	19,170	19,817	20,466	20,789	21,114	21,761
2	19,851	20,567	21,266	21,626	21,983	22,683
3	20,534	21,319	22,068	22,461	22,854	23,604
4	21,216	22,068	22,870	23,295	23,724	24,526
5	21,899	22,820	23,673	24,133	24,594	25,448
6	22,579	23,569	24,473	24,969	25,463	26,367
7	23,263	24,321	25,276	25,806	26,334	27,289
8	23,944	25,070	26,078	26,640	27,205	28,210
9	24,627	25,822	26,880	27,475	28,073	29,131
10	25,311	26,572	27,681	28,313	28,944	30,052

(b)(2) The 9-month pay schedule for institutional teachers for fiscal year years 1986 and 1987
is as follows:

Annual Hours -- 1480

Note: Includes Insurance

Pay Matrix -- Teachers

Matrix Type -- Annual

Term -- Nine Months

Education Level

YEARS OF EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1
(Step)	(Grade 1)	(Grade 2)	(Grade 3)	(Grade 4)	(Grade 5)	(Grade 6)
0	14,195	14,630	15,077	15,296	15,513	15,960
1	14,708	15,193	15,680	15,922	16,166	16,651

1	2	15,218	15,755	16,280	16,550	16,817	17,342
2	3	15,731	16,319	16,881	17,176	17,471	18,033
3	4	16,242	16,881	17,483	17,801	18,123	18,725
4	5	16,754	17,445	18,085	18,430	18,776	19,416
5	6	17,264	18,007	18,685	19,057	19,427	20,105
6	7	17,777	18,571	19,287	19,685	20,081	20,797
7	8	18,288	19,133	19,889	20,310	20,734	21,488
8	9	18,800	19,697	20,490	20,936	21,385	22,178
9	10	19,313	20,259	21,091	21,565	22,038	22,869

(2)--(a)--The 12-month pay schedule for institutional teachers for fiscal year 1987 is as

follows:

Annual Hours----2080

Note:--Includes Insurance

Pay Matrix----Teachers

Matrix Type----Annual

Term----Twelve Months

Education Level

YEARS-OF

EXPERIENCE

BA

BA+1

BA+2

BA+3

MA

MA+1

{Step}

{Grade-1}

{Grade-2}

{Grade-3}

{Grade-4}

{Grade-5}

{Grade-6}

0

18,976

19,568

20,176

20,479

20,769

21,377

1

19,679

20,333

20,995

21,325

21,656

22,316

2

20,968

21,098

21,811

22,179

22,543

23,257

3

21,865

21,865

22,629

23,090

23,481

24,196

4

21,760

22,629

23,447

23,881

24,318

25,197

5

22,457

23,396

24,266

24,736

25,286

26,077

1	6	23,151	24,160	25,082	25,588	26,092	27,014
2	7	23,848	24,927	25,902	26,442	26,981	27,955
3	8	24,543	25,691	26,728	27,299	27,869	28,894
4	9	25,240	26,458	27,538	28,145	28,754	29,834
5	10	25,937	27,223	28,355	28,999	29,640	30,773

(b)--The 9-month pay schedule for institutional teachers for fiscal year 1987 is as follows:

Annual Hours----1480

Note: Includes Insurance

Pay Matrix----Teachers

Matrix Type----Annual

Term----Nine Months

Education Level

YEARS-OF

12	EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1
13	(Step)	(Grade-1)	(Grade-2)	(Grade-3)	(Grade-4)	(Grade-5)	(Grade-6)
14	0	14,592	15,036	15,492	15,715	15,937	16,393
15	1	15,115	15,618	16,186	16,354	16,682	17,097
16	2	15,636	16,184	16,718	16,994	17,267	17,889
17	3	16,159	16,759	17,332	17,633	17,933	18,587
18	4	16,680	17,332	17,945	18,271	18,599	19,213
19	5	17,203	17,987	18,560	18,912	19,265	19,918
20	6	17,723	18,480	19,172	19,551	19,929	20,621
21	7	18,246	19,055	19,787	20,192	20,596	21,326
22	8	18,767	19,628	20,400	20,836	21,262	22,031
23	9	19,290	20,204	21,014	21,469	21,926	22,736
24	10	19,813	20,777	21,626	22,109	22,592	23,440"

Section 7. Section 2-18-314, MCA, is amended to read:

"2-18-314. Liquor store occupations pay ~~schedules~~ schedule. (1) The pay schedule for liquor store occupations for fiscal year years 1986 and 1987 is as follows:

Annual Hours -- 2080

Note: With Insurance

Pay Matrix -- Retail Clerk

Matrix Type -- Hourly

Grade	\$/Hour
	W/Ins.
L1	0.000
L2	7.404
L3	7.904
L4	8.183
L5	8.474
L6	9.084
L7	9.748
L8	10.492

(2) -- The pay schedule for liquor store occupations for fiscal year 1987 is as follows:

Annual Hours ---- 2080

Note: With Insurance

Pay Matrix ---- Retail Clerk

Matrix Type ---- Hourly

Grade	\$/Hour
	W/Ins.
L1	6.000
L2	7.683
L3	8.183
L4	8.463
L5	8.753

1	E6	-9.960
2	E7	+0.020
3	E8	+0.770"

4 Section 8. Section 2-18-315, MCA, is amended to read:

5 "2-18-315. Blue-collar pay ~~schedules~~ schedule. (1) The pay schedule for blue-collar workers
6 for fiscal year years 1986 and 1987 is as follows:

7 Annual Hours -- 2080

Note: With Insurance

8 Pay Matrix -- Blue-Collar

Matrix Type -- Hourly

9	Grade	\$/Hour
10		W/Ins.
11	B1	7.836
12	B2	8.236
13	B3	8.636
14	B4	9.036
15	B5	9.436
16	B6	9.836
17	B7	10.236
18	B8	10.636
19	B9	11.036
20	B10	11.436
21	B11	11.836
22	B12	12.236
23	B00	12.636

24 (2) -- The pay schedule for blue-collar workers for fiscal year 1987 is as follows:

1	Annual-Hours-----2080	Note:-With-Insurance
2	Pay-Matrix-----Blue-Collar	Matrix-Type-----Hourly
3	Grade	\$/Hour
4		W/ins:
5	B1	-8-153
6	B2	-8-553
7	B3	-8-953
8	B4	-9-353
9	B5	-9-753
10	B6	+0-153
11	B7	+0-553
12	B8	+0-953
13	B9	+1-353
14	B10	+1-753
15	B11	+2-153
16	B12	+2-553
17	B00	+2-953"

18 Section 9. Section 2-18-703, MCA, is amended to read:

19 "2-18-703. Contributions. (1) Each agency, as defined in 2-18-601, shall contribute the amount
20 specified in this section towards the group benefits cost.

21 (2) For employees defined in 2-18-701, other than members of collective bargaining units, and
22 for members of the legislature, the employer contribution for group benefits shall be \$105 per month
23 for the fiscal year ending June 30, 1986, and \$115--per--month for each fiscal year thereafter.
24 Permanent part-time employees who are regularly scheduled to work less than 20 hours a week are not
25 eligible for the group benefit contribution. An employee who elects not to be covered by a

1 state-sponsored group benefit plan may not receive the state contribution as wages. A portion of
 2 the employer contribution for group benefits may be applied to an employee's costs for participation
 3 in Part B of medicare under Title XVIII of the Social Security Act of 1965, as amended, if the state
 4 group benefit plan is the secondary payer and medicare the primary payer.

5 (3) For employees of elementary and high school districts and of local government units, the
 6 employer's premium contributions may exceed but may not be less than \$10 per month.

7 (4) Unused employer contributions for any state employee shall be transferred to an account
 8 established for this purpose by the department and upon such transfer may be used to offset losses
 9 occurring to the group of which the employee is eligible to be a member."

10 Section 10. Section 9, Chapter 740, Laws of 1985, is amended to read:

11 "Section 9. Appropriation. There is appropriated to the office of budget and program planning
 12 ~~\$46,500,000~~ \$8,400,000 from the general fund for the biennium ending June 30, 1987, to carry out the
 13 provisions of this act as it pertains to the legislative, judicial, and executive branch agencies.
 14 The office of budget and program planning is authorized to increase the expenditure authority of the
 15 legislative, judicial, and executive branch agencies by ~~\$9,600,000~~ \$5,200,000 for the biennium
 16 ending June 30, 1987, from funds other than the general fund which accrue under provisions of law to
 17 the respective agencies to carry out the provisions of this act."

18 NEW SECTION. SECTION 11. CONTINGENT RENEGOTIATION OF PAY PLAN. IF BY JULY 18, 1986, AT LEAST
 19 95% OF THE COLLECTIVELY BARGAINED AGREEMENTS WITH THE STATE OF MONTANA HAVE NOT BEEN RENEGOTIATED TO
 20 INCLUDE THE CONTINUATION OF THE FISCAL YEAR 1986 STATE EMPLOYEE COMPENSATION PLAN, THEN ALL
 21 EMPLOYEES WILL FROM THAT DATE BE PAID UNDER THE FISCAL YEAR 1987 COMPENSATION PLAN.

22 NEW SECTION. Section 12. Repealer. Section 2-18-312, MCA, is repealed.

23 NEW SECTION. Section 13. Severability. If a part of this act is invalid, all valid parts that
 24 are severable from the invalid part remain in effect. If a part of this act is invalid in one or
 25 more of its applications, the part remains in effect in all valid applications that are severable

1 from the invalid applications.

2 NEW SECTION. Section 14. Saving clause. This act does not affect rights and duties that
3 matured, penalties that were incurred, or proceedings that were begun before the effective date of
4 this act.

5 NEW SECTION. Section 15. Extension of authority. Any existing authority of the department of
6 administration to make rules on the subject of the provisions of this act is extended to the
7 provisions of this act.

8 NEW SECTION. Section 16. Effective date. This act is effective on passage and approval.

-End-

HOUSE BILL NO. 31

INTRODUCED BY SPAETH, BLAYLOCK, RAMIREZ, DEVLIN,
WEEDING, ABRAMS, HARP, KEATING, JACK MOORE
BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT CONTINUING FISCAL YEAR 1986 STATE EMPLOYEE COMPENSATION PLANS AND GROUP BENEFITS LEVELS FOR FISCAL YEAR 1987; AMENDING SECTIONS 2-18-301, 2-18-303 THROUGH 2-18-305, 2-18-311, 2-18-313 THROUGH 2-18-315, AND 2-18-703, MCA, AND SECTION 9, CHAPTER 740, LAWS OF 1985; REPEALING SECTION 2-18-312, MCA; AND PROVIDING AN-IMMEDIATE-EFFECTIVE-DATE EFFECTIVE DATES, A CONTINGENT TERMINATION DATE, AND CONTINGENT RETROACTIVE DATES."

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

Section 1. Section 2-18-301, MCA, is amended to read:

"2-18-301. Purpose and intent of part -- rules. (1) The purpose of this part is to provide the compensation necessary to attract and retain competent and qualified employees in order to perform the services the state is required to provide to its citizens.

(2) It is the intent of the legislature that, for the biennium ending June 30, 1987, the:

(a) pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315 supersede any other plan or systems established through collective bargaining after the adjournment of the 49th legislature;

(b) pay levels provided for in 2-18-311 and 2-18-313 through 2-18-315 may not be increased through collective bargaining after adjournment of the 49th legislature; and

(c) total funds required to implement the pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315 for any employee group or bargaining unit may not be increased through collective bargaining over the amount appropriated by the 49th legislature.



REFERENCE BILL

(3) The department shall administer the pay program established by the legislature on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

(4) The department may promulgate rules not inconsistent with the provisions of this part, collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."

Section 2. Section 2-18-303, MCA, is amended to read:

"2-18-303. Procedures for utilizing pay schedules. (1) The pay ~~schedules~~ schedule provided in 2-18-311 and 2-18-312 shall be implemented as follows:

(a) The pay schedule provided in 2-18-311 indicates the annual compensation for the fiscal year years ending June 30, 1986, and June 30, 1987, for each grade and step for positions classified under the provisions of part 2 of this chapter.

~~(b) The pay schedule provided in 2-18-312 indicates the annual compensation for the fiscal year ending June 30, 1987, for each grade and step for positions classified under the provisions of part 2 of this chapter.~~

~~(c)~~ (b) Each new employee shall advance from step 1 to step 2 of a grade after successfully completing 6 months of probationary service. The anniversary date of an employee shall be established at the end of the probationary period in accordance with rules promulgated by the department.

~~(d)~~ (c) (i) The compensation of each employee on the first day of the first pay period in fiscal year 1986 shall be that amount which corresponds to the grade and step occupied on the last day of the preceding fiscal year of 1985.

(ii) The compensation of each employee on the first day of the first pay period in fiscal year 1987 shall be that amount which corresponds to the grade and step occupied on the last day of the fiscal year 1985.

~~(iii) In compliance with rules adopted to implement this part, each employee is eligible on his anniversary date to advance one step in the pay matrix for fiscal year 1987. However, if the~~

1 ~~employee's anniversary date falls between (inclusive) duty and the first day of the first pay~~
 2 ~~period of fiscal year 1987; he will advance one step on the first day of that pay period.~~

3 (2) The pay ~~schedules~~ schedule provided in 2-18-311 ~~and 2-18-312~~ and the provisions of
 4 subsection (1) of this section do not apply to those institutional teachers, liquor store
 5 occupations, or blue-collar occupations compensated under the pay schedules provided in 2-18-313,
 6 2-18-314, or 2-18-315.

7 (3) The pay schedules provided in 2-18-313, 2-18-314, or 2-18-315 shall be implemented as
 8 follows:

9 (a) (i) The pay ~~schedules~~ schedule provided in 2-18-313 ~~indicate~~ indicates the annual
 10 compensation for the contracted school term for teachers employed by institutions under the
 11 authority of the department of institutions for fiscal years 1986 and 1987.

12 (ii) The compensation of each teacher on the first day of the first pay period in July, 1985,
 13 shall be that amount which corresponds to his level of academic achievement³ and the step occupied on
 14 June 30, 1985.

15 (iii) The compensation of each teacher on the first day of the first pay period in July, 1986,
 16 shall be that amount which corresponds to his level of achievement and the step occupied on June 30,
 17 1985.

18 (b) (i) The pay ~~schedules~~ schedule provided in 2-18-314 ~~indicate~~ indicates the maximum hourly
 19 compensation for fiscal years ending June 30, 1986, and June 30, 1987, for those employees in liquor
 20 store occupations who have collectively bargained separate classification and pay plans.

21 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
 22 1986 or 1987, as the case may be, shall be that amount which corresponds to that grade occupied on
 23 the last day of the preceding fiscal year.

24 (c) (i) The pay ~~schedules~~ schedule provided in 2-18-315 ~~indicate~~ indicates the maximum hourly
 25 compensation for fiscal years ending June 30, 1986, and June 30, 1987, for employees in apprentice

1 trades and crafts and other blue-collar occupations recognized in the state blue-collar
2 classification plan who are members of units that have collectively bargained separate
3 classification and pay plans.

4 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
5 1986 or 1987, as the case may be, shall be that amount which corresponds to that grade occupied on
6 the last day of the preceding fiscal year.

7 (4) (a) (i) No member of a bargaining unit may receive the amounts indicated in the respective
8 pay schedules provided in 2-18-311 and 2-18-313 through 2-18-315 until the bargaining unit of which
9 he is a member ratifies a completely integrated collective bargaining agreement covering the
10 biennium ending June 30, 1987.

11 (ii) In the event that negotiation and ratification of a completely integrated collective
12 bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July
13 1, 1985, retroactivity to that date may be negotiated.

14 (iii) In the event that negotiation and ratification of a completely integrated collective
15 bargaining agreement as required by subsection (4)(a)(i) of this section are not completed by July
16 1, 1985, members of the bargaining unit involved will continue to receive the compensation they were
17 receiving as of June 30, 1985.

18 (b) Methods of administration not inconsistent with the purpose of this part and necessary to
19 properly implement the pay schedules provided in 2-18-313 through 2-18-315 may be provided for in
20 collective bargaining agreements.

21 (5) The current wage or salary of an employee shall not be reduced by the implementation of
22 the pay schedules provided for in 2-18-311 and 2-18-313 through 2-18-315.

23 (6) The department may authorize a separate pay schedule for medical doctors if the rates
24 provided in 2-18-311 and ~~2-18-312~~ are not sufficient to attract and retain fully licensed and
25 qualified physicians at the state institutions.

1 (7) The department may develop programs which will enable the department to mitigate problems
2 associated with difficult recruitment, retention, transfer, or other exceptional circumstances.
3 Insofar as the program may apply to employees within a collective bargaining unit, it shall be a
4 negotiable subject under 39-31-305."

5 Section 3. Section 2-18-304, MCA, is amended to read:

6 "2-18-304. Longevity allowance. (1) In addition to the compensation provided for in 2-18-311,
7 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed 5 years of uninterrupted
8 state service shall receive the larger of \$10 a month or 10% of the difference between the base
9 compensation for his grade and step (where applicable) and the base compensation for the next
10 highest grade and corresponding step (where applicable) multiplied by the number of completed,
11 contiguous 5-year periods of uninterrupted state service. Service to the state is not interrupted
12 by authorized leaves of absence.

13 (2) (a) For the purpose of determining years of service under this section, an employee must
14 be credited with 1 year of service for each period of:

15 (i) 2,080 hours of service following his date of employment; an employee must be credited with
16 80 hours of service for each biweekly pay period in which he is in a pay status or on an authorized
17 leave of absence without pay, regardless of the number of hours of service in the pay period; or

18 (ii) 12 uninterrupted calendar months following his date of employment in which he was in a pay
19 status or on an authorized leave of absence without pay, regardless of the number of hours of
20 service in any one month. An employee of a school at a state institution or the university system
21 must be credited with 1 year of service if he is employed for an entire academic year.

22 (b) State agencies, other than the university system and a school at a state institution,
23 shall use the method provided in subsection (2)(a)(i) to calculate years of service under this
24 section."

25 Section 4. Section 2-18-305, MCA, is amended to read:

"2-18-305. Allocation between wages and group benefits. (1) The dollar amounts shown in the respective pay schedules provided in 2-18-311, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, as the case may be, represent the maximum amount allocated by the state for wages and group benefits, exclusive of longevity as defined in 2-18-304. Except as provided in subsection (2) of this section, that amount specifically allocated for group benefits shall be determined by 2-18-703. An employee who elects not to be covered by a state employee group benefit plan will receive as wages the amount shown in the appropriate pay schedule less the state contribution for group benefits as determined by 2-18-703.

(2) Employees may, through collective bargaining, determine the allocation of the amounts shown in the pay schedules provided in 2-18-311, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, as the case may be, between wages and group benefits, except that in no case may the group benefits allocation be less than the amounts provided in 2-18-703."

Section 5. Section 2-18-311, MCA, is amended to read:

"2-18-311. Statewide pay schedule for fiscal year years 1986 and 1987. The statewide classification pay schedule for fiscal year years 1986 and 1987 is as follows:

Annual Hours -- 2080

Note: Includes Insurance

Pay Matrix -- State

Matrix Type -- Annual

	STEP												
GRADE	1	2	3	4	5	6	7	8	9	10	11	12	13
1	9,048	9,729	9,924	10,122	10,324	10,530	10,741	10,956	11,175	11,399	11,627	11,860	12,334
2	9,530	10,247	10,452	10,661	10,874	11,091	11,313	11,539	11,770	12,005	12,245	12,490	12,990
3	10,054	10,811	11,027	11,248	11,473	11,702	11,936	12,175	12,419	12,667	12,920	13,178	13,705
4	10,627	11,427	11,656	11,889	12,127	12,370	12,617	12,869	13,126	13,389	13,657	13,930	14,487
5	11,259	12,106	12,348	12,595	12,847	13,104	13,366	13,633	13,906	14,184	14,468	14,757	15,347
6	11,951	12,850	13,107	13,369	13,636	13,909	14,187	14,471	14,760	15,055	15,356	15,663	16,290

1	7	12,718	13,675	13,949	14,228	14,513	14,803	15,099	15,401	15,709	16,023	16,343	16,670	17,337
2	8	13,545	14,564	14,855	15,152	15,455	15,764	16,079	16,401	16,729	17,064	17,405	17,753	18,463
3	9	14,463	15,552	15,863	16,180	16,504	16,834	17,171	17,514	17,864	18,221	18,585	18,957	19,715
4	10	15,469	16,633	16,966	17,305	17,651	18,004	18,364	18,731	19,106	19,488	19,878	20,276	21,087
5	11	16,568	17,815	18,171	18,534	18,905	19,283	19,669	20,062	20,463	20,872	21,289	21,715	22,584
6	12	17,784	19,123	19,505	19,895	20,293	20,699	21,113	21,535	21,966	22,405	22,853	23,310	24,242
7	13	19,112	20,551	20,962	21,381	21,809	22,245	22,690	23,144	23,607	24,079	24,561	25,052	26,054
8	14	20,767	22,330	22,777	23,233	23,698	24,172	24,655	25,148	25,651	26,164	26,687	27,221	28,310
9	15	22,491	24,184	24,668	25,161	25,664	26,177	26,701	27,235	27,780	28,336	28,903	29,481	30,660
10	16	24,427	26,266	26,791	27,327	27,874	28,431	29,000	29,580	30,172	30,775	31,391	32,019	33,300
11	17	26,523	28,519	29,089	29,671	30,264	30,869	31,486	32,116	32,758	33,413	34,081	34,763	36,154
12	18	28,838	31,009	31,629	32,262	32,907	33,565	34,236	34,921	35,619	36,331	37,058	37,799	39,311
13	19	31,383	33,745	34,420	35,108	35,810	36,526	37,257	38,002	38,762	39,537	40,328	41,135	41,135
14	20	34,161	36,732	37,467	38,216	38,980	39,760	40,555	41,366	42,193	43,037	43,898	43,898	43,898
15	21	37,217	40,018	40,818	41,634	42,467	43,316	44,182	45,066	45,967	46,886	46,886	46,886	46,886
16	22	40,570	43,624	44,496	45,386	46,294	47,220	48,164	49,127	50,110	50,110	50,110	50,110	50,110
17	23	44,240	47,570	48,521	49,491	50,481	51,491	52,521	53,571	53,571	53,571	53,571	53,571	53,571
18	24	48,272	51,905	52,943	54,002	55,082	56,184	57,308	57,308	57,308	57,308	57,308	57,308	57,308
19	25	52,699	56,666	57,799	58,955	60,134	61,337	61,337	61,337	61,337	61,337	61,337	61,337	61,337

20 Section 6. Section 2-18-313, MCA, is amended to read:

21 "2-18-313. Institutional teachers' pay schedules. (1) ~~(a)~~ The 12-month pay schedule for
 22 institutional teachers for fiscal year years 1986 and 1987 is as follows:

23 Annual Hours -- 2080

Note: Includes Insurance

24 Pay Matrix -- Teachers

Matrix Type -- Annual

25 Term -- Twelve Months

Education Level							
YEARS OF							
EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1	
(Step)	(Grade 1)	(Grade 2)	(Grade 3)	(Grade 4)	(Grade 5)	(Grade 6)	
0	18,486	19,067	19,663	19,954	20,244	20,840	
1	19,170	19,817	20,466	20,789	21,114	21,761	
2	19,851	20,567	21,266	21,626	21,983	22,683	
3	20,534	21,319	22,068	22,461	22,854	23,604	
4	21,216	22,068	22,870	23,295	23,724	24,526	
5	21,899	22,820	23,673	24,133	24,594	25,448	
6	22,579	23,569	24,473	24,969	25,463	26,367	
7	23,263	24,321	25,276	25,806	26,334	27,289	
8	23,944	25,070	26,078	26,640	27,205	28,210	
9	24,627	25,822	26,880	27,475	28,073	29,131	
10	25,311	26,572	27,681	28,313	28,944	30,052	

(b)(2) The 9-month pay schedule for institutional teachers for fiscal year years 1986 and 1987 is as follows:

Annual Hours -- 1480

Note: Includes Insurance

Pay Matrix -- Teachers

Matrix Type -- Annual

Term -- Nine Months

Education Level							
YEARS OF							
EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1	
(Step)	(Grade 1)	(Grade 2)	(Grade 3)	(Grade 4)	(Grade 5)	(Grade 6)	
0	14,195	14,630	15,077	15,296	15,513	15,960	

1	1	14,708	15,193	15,680	15,922	16,166	16,651
2	2	15,218	15,755	16,280	16,550	16,817	17,342
3	3	15,731	16,319	16,881	17,176	17,471	18,033
4	4	16,242	16,881	17,483	17,801	18,123	18,725
5	5	16,754	17,445	18,085	18,430	18,776	19,416
6	6	17,264	18,007	18,685	19,057	19,427	20,105
7	7	17,777	18,571	19,287	19,685	20,081	20,797
8	8	18,288	19,133	19,889	20,310	20,734	21,488
9	9	18,800	19,697	20,490	20,936	21,385	22,178
10	10	19,313	20,259	21,091	21,565	22,038	22,869

11 (2)--(a)--The 12-month pay schedule for institutional teachers for fiscal year 1987 is as
 12 follows:

13 Annual Hours----2080

Note:--Includes Insurance

14 Pay Matrix----Teachers

Matrix Type----Annual

15 Term----Twelve Months

16 Education Level

17 YEARS-OF

18	EXPERIENCE	BA	BA+1	BA+2	BA+3	MA	MA+1
19	(Step)	(Grade-1)	(Grade-2)	(Grade-3)	(Grade-4)	(Grade-5)	(Grade-6)
20							
21	0	18,976	19,568	20,176	20,473	20,769	21,377
22	1	19,673	20,333	20,995	21,825	21,656	22,316
23	2	20,368	21,098	21,811	22,179	22,543	23,257
24	3	21,065	21,865	22,629	23,030	23,431	24,196
25	4	21,768	22,629	23,447	23,881	24,318	25,197

1	5	22,457	23,396	24,266	24,736	25,286	26,077
2	6	23,151	24,168	25,082	25,588	26,092	27,014
3	7	23,848	24,927	25,982	26,442	26,981	27,955
4	8	24,548	25,691	26,728	27,298	27,869	28,894
5	9	25,248	26,458	27,538	28,145	28,754	29,834
6	10	25,937	27,228	28,355	28,999	29,648	30,778

(b) -- The 9-month pay schedule for institutional teachers for fiscal year 1987 is as follows:

Annual Hours ---- 1486

Note: Includes Insurance

Pay Matrix ---- Teachers

Matrix Type ---- Annual

Term ---- Nine Months

Education Level

YEARS-OF							
EXPERIENCE	8A	8A+1	8A+2	8A+3	MA	MA+1	
(Step)	(Grade-1)	(Grade-2)	(Grade-3)	(Grade-4)	(Grade-5)	(Grade-6)	
0	14,592	15,896	15,492	15,715	15,937	16,393	
1	15,115	15,618	16,186	16,354	16,682	17,097	
2	15,636	16,184	16,718	16,994	17,267	17,883	
3	16,159	16,759	17,332	17,633	17,933	18,587	
4	16,680	17,332	17,945	18,271	18,599	19,213	
5	17,203	17,967	18,568	18,912	19,265	19,918	
6	17,723	18,488	19,172	19,551	19,929	20,621	
7	18,246	19,055	19,787	20,192	20,596	21,326	
8	18,767	19,628	20,488	20,838	21,262	22,031	
9	19,290	20,204	21,014	21,469	21,926	22,736	
10	19,813	20,777	21,626	22,189	22,592	23,448	

Section 7. Section 2-18-314, MCA, is amended to read:

"2-18-314. Liquor store occupations pay ~~schedules~~ schedule. (1) The pay schedule for liquor store occupations for fiscal year years 1986 and 1987 is as follows:

Annual Hours -- 2080

Note: With Insurance

Pay Matrix -- Retail Clerk

Matrix Type -- Hourly

Grade	\$/Hour
	W/Ins.
L1	0.000
L2	7.404
L3	7.904
L4	8.183
L5	8.474
L6	9.084
L7	9.748
L8	10.492

(2) -- The pay schedule for liquor store occupations for fiscal year 1987 is as follows:

Annual Hours --- 2080

Note: With Insurance

Pay Matrix --- Retail Clerk

Matrix Type --- Hourly

Grade	\$/Hour
	W/Ins:
L1	-0.000
L2	-7.683
L3	-8.183
L4	-8.463

1	E5	-8:753
2	E6	-9:363
3	E7	+8:023
4	E8	+8:773"

5 Section 8. Section 2-18-315, MCA, is amended to read:

6 "2-18-315. Blue-collar pay ~~schedules~~ schedule. (†) The pay schedule for blue-collar workers
7 for fiscal year years 1986 and 1987 is as follows:

8 Annual Hours -- 2080

Note: With Insurance

9 Pay Matrix -- Blue-Collar

Matrix Type -- Hourly

10	Grade	\$/Hour
11		W/Ins.
12	B1	7.836
13	B2	8.236
14	B3	8.636
15	B4	9.036
16	B5	9.436
17	B6	9.836
18	B7	10.236
19	B8	10.636
20	B9	11.036
21	B10	11.436
22	B11	11.836
23	B12	12.236
24	B00	12.636

(2)--The pay schedule for blue-collar workers for fiscal year 1987 is as follows:

2	Annual Hours --- 2080	Notes: With Insurance
3	Pay Matrix --- Blue-Collar	Matrix Type --- Hourly
4	Grade	\$/Hour
5		W/Ins:
6	B1	-8-153
7	B2	-8-553
8	B3	-8-953
9	B4	-9-353
10	B5	-9-753
11	B6	+8-153
12	B7	+8-553
13	B8	+8-953
14	B9	+1-353
15	B+0	+1-753
16	B+1	+2-153
17	B+2	+2-553
18	B00	+2-953"

19 Section 9. Section 2-18-703, MCA, is amended to read:

20 "2-18-703. Contributions. (1) Each agency, as defined in 2-18-601, shall contribute the amount
21 specified in this section towards the group benefits cost.

22 (2) For employees defined in 2-18-701, other than members of collective bargaining units, and
23 for members of the legislature, the employer contribution for group benefits shall be \$105 per month
24 for the fiscal year ending June 30, 1986, and \$115--per--month for each fiscal year thereafter.
25 Permanent part-time employees who are regularly scheduled to work less than 20 hours a week are not

1 eligible for the group benefit contribution. An employee who elects not to be covered by a
 2 state-sponsored group benefit plan may not receive the state contribution as wages. A portion of
 3 the employer contribution for group benefits may be applied to an employee's costs for participation
 4 in Part B of medicare under Title XVIII of the Social Security Act of 1965, as amended, if the state
 5 group benefit plan is the secondary payer and medicare the primary payer.

6 (3) For employees of elementary and high school districts and of local government units, the
 7 employer's premium contributions may exceed but may not be less than \$10 per month.

8 (4) Unused employer contributions for any state employee shall be transferred to an account
 9 established for this purpose by the department and upon such transfer may be used to offset losses
 10 occurring to the group of which the employee is eligible to be a member."

11 Section 10. Section 9, Chapter 740, Laws of 1985, is amended to read:

12 "Section 9. Appropriation. There is appropriated to the office of budget and program planning
 13 ~~\$16,500,000~~ \$8,400,000 from the general fund for the biennium ending June 30, 1987, to carry out the
 14 provisions of this act as it pertains to the legislative, judicial, and executive branch agencies.
 15 The office of budget and program planning is authorized to increase the expenditure authority of the
 16 legislative, judicial, and executive branch agencies by ~~\$9,600,000~~ \$5,200,000 for the biennium
 17 ending June 30, 1987, from funds other than the general fund which accrue under provisions of law to
 18 the respective agencies to carry out the provisions of this act."

19 NEW SECTION. SECTION 11. CONTINGENT-RENEGOTIATION-OF-PAY-PLAN;--IF-BY-JULY-18,-1986,-AT-LEAST
 20 95%-OF-THE-COLLECTIVELY-BARGAINED-AGREEMENTS-WITH-THE-STATE-OF-MONTANA-HAVE-NOT-BEEN-RENEGOTIATED-TO
 21 INCLUDE-THE-CONTINUATION-OF-THE--FISCAL--YEAR--1986--STATE--EMPLOYEE--COMPENSATION--PLAN;--THEN--ALL
 22 EMPLOYEES--WILL--FROM--THAT-DATE-BE-PAID-UNDER-THE-FISCAL-YEAR-1987-COMPENSATION-PLAN; STATEWIDE PAY
 23 SCHEDULE FOR FISCAL YEAR 1987. THE STATEWIDE CLASSIFICATION PAY SCHEDULE FOR FISCAL YEAR 1987 IS AS
 24 FOLLOWS:

ANNUAL HOURS -- 2080

NOTE: INCLUDES INSURANCE

PAY MATRIX -- STATE

MATRIX TYPE -- ANNUAL

STEP

GRADE	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>
<u>1</u>	<u>9,392</u>	<u>10,099</u>	<u>10,301</u>	<u>10,507</u>	<u>10,717</u>	<u>10,931</u>	<u>11,150</u>	<u>11,373</u>	<u>11,600</u>	<u>11,832</u>	<u>12,069</u>	<u>12,310</u>	<u>12,802</u>
<u>2</u>	<u>9,874</u>	<u>10,617</u>	<u>10,829</u>	<u>11,046</u>	<u>11,267</u>	<u>11,492</u>	<u>11,722</u>	<u>11,956</u>	<u>12,195</u>	<u>12,439</u>	<u>12,688</u>	<u>12,942</u>	<u>13,460</u>
<u>3</u>	<u>10,398</u>	<u>11,181</u>	<u>11,405</u>	<u>11,633</u>	<u>11,866</u>	<u>12,103</u>	<u>12,345</u>	<u>12,592</u>	<u>12,844</u>	<u>13,101</u>	<u>13,363</u>	<u>13,630</u>	<u>14,175</u>
<u>4</u>	<u>10,971</u>	<u>11,797</u>	<u>12,033</u>	<u>12,274</u>	<u>12,519</u>	<u>12,769</u>	<u>13,024</u>	<u>13,284</u>	<u>13,550</u>	<u>13,821</u>	<u>14,097</u>	<u>14,379</u>	<u>14,954</u>
<u>5</u>	<u>11,603</u>	<u>12,476</u>	<u>12,726</u>	<u>12,981</u>	<u>13,241</u>	<u>13,506</u>	<u>13,776</u>	<u>14,052</u>	<u>14,333</u>	<u>14,620</u>	<u>14,912</u>	<u>15,210</u>	<u>15,818</u>
<u>6</u>	<u>12,295</u>	<u>13,220</u>	<u>13,484</u>	<u>13,754</u>	<u>14,029</u>	<u>14,310</u>	<u>14,596</u>	<u>14,888</u>	<u>15,186</u>	<u>15,490</u>	<u>15,800</u>	<u>16,116</u>	<u>16,761</u>
<u>7</u>	<u>13,062</u>	<u>14,045</u>	<u>14,326</u>	<u>14,613</u>	<u>14,905</u>	<u>15,203</u>	<u>15,507</u>	<u>15,817</u>	<u>16,133</u>	<u>16,456</u>	<u>16,785</u>	<u>17,121</u>	<u>17,806</u>
<u>8</u>	<u>13,889</u>	<u>14,934</u>	<u>15,233</u>	<u>15,538</u>	<u>15,849</u>	<u>16,166</u>	<u>16,489</u>	<u>16,819</u>	<u>17,155</u>	<u>17,498</u>	<u>17,848</u>	<u>18,205</u>	<u>18,933</u>
<u>9</u>	<u>14,807</u>	<u>15,922</u>	<u>16,240</u>	<u>16,565</u>	<u>16,896</u>	<u>17,234</u>	<u>17,579</u>	<u>17,931</u>	<u>18,290</u>	<u>18,656</u>	<u>19,029</u>	<u>19,410</u>	<u>20,186</u>
<u>10</u>	<u>15,813</u>	<u>17,003</u>	<u>17,343</u>	<u>17,690</u>	<u>18,044</u>	<u>18,405</u>	<u>18,773</u>	<u>19,148</u>	<u>19,531</u>	<u>19,922</u>	<u>20,320</u>	<u>20,726</u>	<u>21,555</u>
<u>11</u>	<u>16,912</u>	<u>18,185</u>	<u>18,549</u>	<u>18,920</u>	<u>19,298</u>	<u>19,684</u>	<u>20,078</u>	<u>20,480</u>	<u>20,890</u>	<u>21,308</u>	<u>21,734</u>	<u>22,169</u>	<u>23,056</u>
<u>12</u>	<u>18,128</u>	<u>19,493</u>	<u>19,883</u>	<u>20,281</u>	<u>20,687</u>	<u>21,101</u>	<u>21,523</u>	<u>21,953</u>	<u>22,392</u>	<u>22,840</u>	<u>23,297</u>	<u>23,763</u>	<u>24,714</u>
<u>13</u>	<u>19,464</u>	<u>20,929</u>	<u>21,348</u>	<u>21,775</u>	<u>22,211</u>	<u>22,655</u>	<u>23,108</u>	<u>23,570</u>	<u>24,041</u>	<u>24,522</u>	<u>25,012</u>	<u>25,512</u>	<u>26,532</u>
<u>14</u>	<u>21,140</u>	<u>22,731</u>	<u>23,186</u>	<u>23,650</u>	<u>24,123</u>	<u>24,605</u>	<u>25,097</u>	<u>25,599</u>	<u>26,111</u>	<u>26,633</u>	<u>27,166</u>	<u>27,709</u>	<u>28,817</u>
<u>15</u>	<u>22,885</u>	<u>24,608</u>	<u>25,100</u>	<u>25,602</u>	<u>26,114</u>	<u>26,636</u>	<u>27,169</u>	<u>27,712</u>	<u>28,266</u>	<u>28,831</u>	<u>29,408</u>	<u>29,996</u>	<u>31,196</u>
<u>16</u>	<u>24,846</u>	<u>26,716</u>	<u>27,250</u>	<u>27,795</u>	<u>28,351</u>	<u>28,918</u>	<u>29,496</u>	<u>30,086</u>	<u>30,688</u>	<u>31,302</u>	<u>31,928</u>	<u>32,567</u>	<u>33,870</u>
<u>17</u>	<u>26,967</u>	<u>28,997</u>	<u>29,577</u>	<u>30,169</u>	<u>30,772</u>	<u>31,387</u>	<u>32,015</u>	<u>32,655</u>	<u>33,308</u>	<u>33,974</u>	<u>34,653</u>	<u>35,346</u>	<u>36,760</u>
<u>18</u>	<u>29,312</u>	<u>31,518</u>	<u>32,148</u>	<u>32,791</u>	<u>33,447</u>	<u>34,116</u>	<u>34,798</u>	<u>35,494</u>	<u>36,204</u>	<u>36,928</u>	<u>37,667</u>	<u>38,420</u>	<u>39,957</u>
<u>19</u>	<u>31,888</u>	<u>34,288</u>	<u>34,974</u>	<u>35,673</u>	<u>36,386</u>	<u>37,114</u>	<u>37,856</u>	<u>38,613</u>	<u>39,385</u>	<u>40,173</u>	<u>40,976</u>	<u>41,796</u>	<u>41,796</u>
<u>20</u>	<u>34,701</u>	<u>37,313</u>	<u>38,059</u>	<u>38,820</u>	<u>39,596</u>	<u>40,388</u>	<u>41,196</u>	<u>42,020</u>	<u>42,860</u>	<u>43,717</u>	<u>44,591</u>	<u>44,591</u>	<u>44,591</u>
<u>21</u>	<u>37,795</u>	<u>40,640</u>	<u>41,453</u>	<u>42,282</u>	<u>43,128</u>	<u>43,991</u>	<u>44,871</u>	<u>45,768</u>	<u>46,683</u>	<u>47,617</u>	<u>47,617</u>	<u>47,617</u>	<u>47,617</u>

22 41,191 44,291 45,177 46,081 47,003 47,943 48,902 49,880 50,878 50,878 50,878 50,878 50,878

23 44,906 48,286 49,252 50,237 51,242 52,267 53,312 54,378 54,378 54,378 54,378 54,378 54,378

24 48,988 52,675 53,729 54,804 55,900 57,018 58,158 58,158 58,158 58,158 58,158 58,158 58,158

25 53,471 57,496 58,646 59,819 61,015 62,235 62,235 62,235 62,235 62,235 62,235 62,235 62,235

NEW SECTION. Section 12. Repealer. Section 2-18-312, MCA, is repealed.

NEW SECTION. Section 13. 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.

NEW SECTION. Section 14. Saving clause. This act does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this act.

NEW SECTION. Section 15. Extension of authority. Any existing authority of the department of administration to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 16. Effective date DATES -- CONTINGENT TERMINATION. This act is (1)
SECTIONS 1 THROUGH 10 AND 12 THROUGH 16 ARE effective on passage and approval.

(2) SECTION 11 IS EFFECTIVE JULY 18, 1986, AND APPLIES RETROACTIVELY, WITHIN THE MEANING OF
1-2-109, TO JULY 1, 1986, IF BY THAT DATE THE DEPARTMENT OF ADMINISTRATION CERTIFIES TO THE GOVERNOR
THAT AT LEAST 95% OF THE COLLECTIVELY BARGAINED AGREEMENTS WITH THE STATE OF MONTANA HAVE NOT BEEN
RENEGOTIATED TO INCLUDE THE CONTINUATION OF THE FISCAL YEAR 1986 STATE EMPLOYEE COMPENSATION PLAN.

(3) IF BY JULY 18, 1986, THE DEPARTMENT OF ADMINISTRATION CERTIFIES TO THE GOVERNOR THAT AT
LEAST 95% OF THE COLLECTIVELY BARGAINED AGREEMENTS WITH THE STATE OF MONTANA HAVE NOT BEEN
RENEGOTIATED TO INCLUDE THE CONTINUATION OF THE FISCAL YEAR 1986 STATE EMPLOYEE COMPENSATION PLAN,
SECTIONS 1 THROUGH 9 AND 13 THROUGH 15 TERMINATE AND SUCH TERMINATION APPLIES RETROACTIVELY, WITHIN

1 THE MEANING OF 1-2-109, TO JULY 1, 1986.

-End-

STANDING COMMITTEE REPORT

June 25 1986

MR. PRESIDENT

We, your committee on FINANCE AND CLAIMS

having had under consideration HOUSE BILL No. 31

reading copy ()
color

Spaeth

CONTINUE FY 1986 PAY PLAN DURING FY 1987

Respectfully report as follows: That HOUSE BILL No. 31
be amended as follows:

1. Title, line 9
Following: "PROVIDING"
Strike: "AN IMMEDIATE EFFECTIVE DATE"
Insert: "EFFECTIVE DATES, A CONTINGENT TERMINATION DATE,
AND CONTINGENT RETROACTIVE DATES"
2. Page 14, lines 18 through 21.
Following: "SECTION 11." on line 18
Strike: the remainder of lines 18 through 21 in their
entirety
Insert: "Statewide pay schedule for fiscal year 1987. The
statewide classification pay schedule for fiscal year
1987 is as follows:

~~DO PASS~~
XXXXXX

~~DO NOT PASS~~

(continued)

Chairman.

June 25 1986

Annual Hours -- 2080
Pay Matrix -- State

Note: Includes Insurance
Matrix Type -- Annual

		STEP											
GRADE	1	2	3	4	5	6	7	8	9	10	11	12	13
1	9,392	10,099	10,301	10,507	10,717	10,931	11,150	11,373	11,600	11,832	12,069	12,310	12,802
2	9,874	10,617	10,829	11,046	11,267	11,492	11,722	11,956	12,195	12,439	12,688	12,942	13,460
3	10,398	11,181	11,405	11,633	11,866	12,103	12,345	12,592	12,844	13,101	13,363	13,630	14,175
4	10,971	11,797	12,033	12,274	12,519	12,769	13,024	13,284	13,550	13,821	14,097	14,379	14,954
5	11,603	12,476	12,726	12,981	13,241	13,506	13,776	14,052	14,333	14,620	14,912	15,210	15,818
6	12,295	13,220	13,484	13,754	14,029	14,310	14,596	14,888	15,186	15,490	15,800	16,116	16,761
7	13,062	14,045	14,326	14,613	14,905	15,203	15,507	15,817	16,133	16,456	16,785	17,121	17,806
8	13,889	14,934	15,233	15,538	15,849	16,166	16,489	16,819	17,155	17,498	17,848	18,205	18,933
9	14,807	15,922	16,240	16,565	16,896	17,234	17,579	17,931	18,290	18,656	19,029	19,410	20,186
10	15,813	17,003	17,343	17,690	18,044	18,405	18,773	19,148	19,531	19,922	20,320	20,726	21,555
11	16,912	18,185	18,549	18,920	19,298	19,684	20,078	20,480	20,890	21,308	21,734	22,169	23,056
12	18,128	19,493	19,883	20,281	20,687	21,101	21,523	21,953	22,392	22,840	23,297	23,763	24,714
13	19,464	20,929	21,348	21,775	22,211	22,655	23,108	23,570	24,041	24,522	25,012	25,512	26,532
14	21,140	22,731	23,186	23,650	24,123	24,605	25,097	25,599	26,111	26,633	27,166	27,709	28,817
15	22,885	24,608	25,100	25,602	26,114	26,636	27,169	27,712	28,266	28,831	29,408	29,996	31,196
16	24,846	26,716	27,250	27,795	28,351	28,918	29,496	30,086	30,688	31,302	31,928	32,567	33,870
17	26,967	28,997	29,577	30,169	30,772	31,387	32,015	32,655	33,308	33,974	34,653	35,346	36,760
18	29,312	31,518	32,148	32,791	33,447	34,116	34,798	35,494	36,204	36,928	37,667	38,420	39,957
19	31,888	34,288	34,974	35,673	36,386	37,114	37,856	38,613	39,385	40,173	40,976	41,796	41,796
20	34,701	37,313	38,059	38,820	39,596	40,388	41,196	42,020	42,860	43,717	44,591	44,591	44,591
21	37,795	40,640	41,453	42,282	43,128	43,991	44,871	45,768	46,683	47,617	47,617	47,617	47,617
22	41,191	44,291	45,177	46,081	47,003	47,943	48,902	49,880	50,878	50,878	50,878	50,878	50,878
23	44,906	48,286	49,252	50,237	51,242	52,267	53,312	54,378	54,378	54,378	54,378	54,378	54,378
24	48,988	52,675	53,729	54,804	55,900	57,018	58,158	58,158	58,158	58,158	58,158	58,158	58,158
25	53,471	57,496	58,646	59,819	61,015	62,235	62,235	62,235	62,235	62,235	62,235	62,235	62,235

3. Page 15, line 8
Following: "Effective"
Strike: "date. This act is"
Insert: "dates -- contingent termination. (1) Sections 1
through 10 and 12 through 16 are"

(continued)

..... June 25 19 86

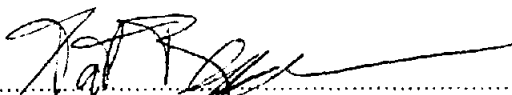
4. Page 15, line 9

Following: line 8

Insert: "(2) Section 11 is effective July 18, 1986, and applies retroactively within the meaning of 1-2-109, to July 1, 1986, if by that date the department of administration certifies to the governor that at least 95% of the collectively bargained agreements with the state of Montana have not been renegotiated to include the continuation of the fiscal year 1986 state employee compensation plan.

(3) If by July 18, 1986, the department of administration certifies to the governor that at least 95% of the collectively bargained agreements with the state of Montana have not been renegotiated to include the continuation of the fiscal year 1986 state employee compensation plan, sections 1 through 9 and 13 through 15 terminate and such termination applies retroactively within the meaning of 1-2-109, to July 1, 1986."

BA
AND AS AMENDED
BE CONCURRED IN


.....
SENATOR REGAN, Chairman