

HOUSE BILL 755

Introduced by Thomas, et al.

3/02	Introduced
3/03	Referred to Appropriations
3/11	Hearing
3/16	Hearing
3/20	Hearing
3/22	Tabled in Committee

1 *HOUSE* BILL NO. *755*
2 INTRODUCED BY *Thomas Farrell*
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING PROVISIONS CONCERNING PERSONNEL
5 CLASSIFICATION AND COMPENSATION FOR STATE EMPLOYEES; CLARIFYING THAT TEACHERS EMPLOYED BY THE
6 DEPARTMENT OF FAMILY SERVICES ARE EXEMPT FROM THE STATE PERSONNEL CLASSIFICATION PLAN; REMOVING THE
7 PROVISION FREEZING THE COMPENSATION OF EMPLOYEES WHO ARE EXEMPT FROM THE CLASSIFICATION PLAN;
8 INCREASING THE COMPENSATION OF STATE EMPLOYEES BY THE SAME FLAT DOLLAR AMOUNT FOR FISCAL YEARS 1990
9 AND 1991; ESTABLISHING EMPLOYER CONTRIBUTION LEVELS FOR GROUP BENEFITS FOR FISCAL YEARS 1990, 1991,
10 AND THEREAFTER; APPROPRIATING FUNDS FOR PAYMENT OF COMPENSATION AND GROUP BENEFITS; AMENDING
11 SECTIONS 2-18-103, 2-18-104, 2-18-301, 2-18-303, 2-18-305, 2-18-312 THROUGH 2-18-315, AND 2-18-703,
12 MCA; AND PROVIDING EFFECTIVE DATES."

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 NEW SECTION. Section 1. Pay increases for fiscal years 1990 and 1991. (1) For the biennium
16 ending June 30, 1991, the compensation received by each state employee as of June 30, 1989,
17 including the compensation of a state employee exempt under 2-18-103 or 2-18-104, must be increased
18 by a flat dollar amount that provides the same increase to each employee for both fiscal years 1990
19 and 1991. The increase received in each fiscal year becomes part of the employee's base
20 compensation.

21 (2) The cost of the increases granted under this section, the additional amount required for
22 payment of employer contributions for fringe benefits resulting from the compensation increases, and
23 the amount needed for payment of group benefits under 2-18-703 may not exceed the appropriation
24 contained in [section 13].

25 Section 2. Section 2-18-103, MCA, is amended to read:

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"2-18-103. Officers and employees excepted. Parts 1 and 2 do not apply to the following positions in state government:

(1) elected officials;

(2) county assessors and their chief deputy;

(3) officers and employees of the legislative branch;

(4) judges and employees of the judicial branch;

(5) members of boards and commissions appointed by the governor, ~~appointed-by~~ the legislature, or ~~appointed-by~~ other elected state officials;

(6) officers or members of the militia;

(7) agency heads appointed by the governor;

(8) academic and professional administrative personnel with individual contracts under the authority of the board of regents of higher education;

(9) academic and professional administrative personnel and live-in houseparents who have entered into individual contracts with the state school for the deaf and blind under the authority of the state board of public education;

(10) teachers under the authority of the department of institutions or family services;

(11) investment officer, assistant investment officer, executive director, and three professional staff positions of the board of investments;

(12) four professional staff positions under the board of oil and gas conservation; and

(13) assistant director for security of the Montana state lottery."

Section 3. Section 2-18-104, MCA, is amended to read:

"2-18-104. Exemption for personal staff -- limit. (1) Subject to the limitations in subsections (2) and (3), members of a personal staff are exempt from the application of 2-18-204, 2-18-205, 2-18-207, and 2-18-1011 through 2-18-1013.

(2) The personal staff who are exempted by subsection (1) may not exceed 10 unless otherwise

1 approved by the department according to criteria developed by the department. Under no circumstances
2 may the total exemptions of each elected official exceed 15.

3 (3) The number of members of the personal staff of the public service commission who are
4 exempted by subsection (1) may not exceed 10.

5 ~~{4}--A person occupying an exempt position under 2-18-103 or this section may not receive an~~
6 ~~increase in compensation unless the person changes positions or successfully completes a~~
7 ~~probationary period in fiscal year 1988 or 1989."~~

8 Section 4. Section 2-18-301, MCA, is amended to read:

9 "2-18-301. Purpose and intent of part -- rules. (1) The purpose of this part is to provide the
10 compensation necessary to attract and retain competent and qualified employees in order to perform
11 the services the state is required to provide to its citizens.

12 (2) It is the intent of the legislature that, for the biennium ending June 30, ~~1989~~ 1991, the:

13 (a) pay schedules provided for in 2-18-312 through 2-18-315 supersede any other plan or
14 systems established through collective bargaining after the adjournment of the 50th 51st
15 legislature;

16 (b) pay levels provided for in 2-18-312 through 2-18-315 may not be increased through
17 collective bargaining after adjournment of the 50th 51st legislature; and

18 (c) total funds required to implement the pay schedules provided for in 2-18-312 through
19 2-18-315 for any employee group or bargaining unit may not be increased through collective
20 bargaining over the amount appropriated by the 50th 51st legislature.

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

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

25 Section 5. Section 2-18-303, MCA, is amended to read:

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

3 (a) The pay schedule schedules provided for in 2-18-312 indicates indicate the annual
4 compensation for the fiscal years ending June 30, ~~1988~~ 1990, and June 30, ~~1989~~ 1991, for each grade
5 and step for positions classified under the provisions of part 2 of this chapter.

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

10 (c) (i) The compensation of each employee on the first day of the first pay period in fiscal
11 year ~~1988~~-shall-be 1990 is that amount ~~which~~ that corresponds to the grade and step occupied on the
12 last day of ~~the-preceding~~ fiscal year of-~~1987~~ 1989.

13 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
14 ~~1989~~-shall-be 1991 is that amount ~~which~~ that corresponds to the grade and step occupied on the last
15 day of the fiscal year ~~1988~~ 1990.

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

20 (3) The pay schedules provided for in 2-18-313;-2-18-314;-or through 2-18-315 shall must be
21 implemented as follows:

22 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for the
23 contracted school term for teachers employed by institutions under the authority of the department
24 of institutions or the department of family services for fiscal years ~~1988~~ 1990 and ~~1989~~ 1991.

25 (ii) The compensation of each teacher on the first day of the first pay period in July ~~1987~~

1 ~~shall-be 1989~~ is that amount which that corresponds to his level of academic achievement and the
2 step occupied on June 30, ~~1987~~ 1989.

3 (iii) The compensation of each teacher on the first day of the first pay period in July ~~1988~~
4 ~~shall-be 1990~~ is that amount which that corresponds to his level of academic achievement and the
5 step occupied on June 30, ~~1987~~ 1990.

6 (b) (i) The pay ~~schedote~~ schedules provided for in 2-18-314 ~~indicates~~ indicate the maximum
7 hourly compensation for fiscal years ending June 30, ~~1988~~ 1990, and June 30, ~~1989~~ 1991, for those
8 employees in liquor store occupations who have collectively bargained separate classification and
9 pay plans.

10 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
11 ~~1988 1990~~ or ~~1989; as the case may be; shall-be 1991~~ is that amount which that corresponds to ~~that~~
12 the grade occupied on the last day of the preceding fiscal year.

13 (c) (i) The pay ~~schedote~~ schedules provided for in 2-18-315 ~~indicates~~ indicate the maximum
14 hourly compensation for fiscal years ending June 30, ~~1988~~ 1990, and June 30, ~~1989~~ 1991, for
15 employees in apprentice trades and crafts and other blue-collar occupations recognized in the state
16 blue-collar classification plan who are members of units that have collectively bargained separate
17 classification and pay plans.

18 (ii) The compensation of each employee on the first day of the first pay period in fiscal year
19 ~~1988 1990~~ or ~~1989; as the case may be; shall-be 1991~~ is that amount which that corresponds to ~~that~~
20 the grade occupied on the last day of the preceding fiscal year.

21 (a) (i) No A member of a bargaining unit may not receive the amounts indicated in the
22 respective pay schedules provided for in 2-18-312 through 2-18-315 until the bargaining unit of
23 which he is a member ratifies a completely integrated collective bargaining agreement covering the
24 biennium ending June 30, ~~1989~~ 1991.

25 (ii) ~~in--the--event--that~~ If negotiation and ratification of a completely integrated collective

bargaining agreement as required by subsection (4)(a)(i) of ~~this section~~ are not completed by July 1, ~~1987~~ 1989, retroactivity to that date may be negotiated.

(iii) ~~In the event that~~ If negotiation and ratification of a completely integrated collective bargaining agreement as required by subsection (4)(a)(i) of ~~this section~~ are not completed by July 1, ~~1987~~ 1989, members of the bargaining unit involved ~~will~~ must continue to receive the compensation they were receiving as of June 30, ~~1987~~ 1989.

(b) Methods of administration not inconsistent with the purpose of this part and necessary to properly implement the pay schedules provided for in 2-18-312 through 2-18-315 may be provided for in collective bargaining agreements.

(5) The current wage or salary of an employee ~~shall~~ may not be reduced by the implementation of the pay schedules provided for in 2-18-312 through 2-18-315.

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

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

Section 6. 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 for in 2-18-312, ~~2-18-313, 2-18-314, or through 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~~ is determined by 2-18-703. An employee who elects not to be covered by a state employee group benefit plan ~~will~~ must receive as

wages the amount shown in provided for 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 provided for in the appropriate pay schedules provided in 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 7. Section 2-18-312, MCA, is amended to read:

"2-18-312. Statewide pay schedule schedules for fiscal years 1988 1990 and 1989 1991. The governor by executive order shall establish statewide classification pay schedule schedules for fiscal years 1988 1990 and 1989 is as follows: 1991 in accordance with [section 1].

Annual-Hours----2088

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	9,892	10,899	10,301	10,507	10,717	10,931	11,150	11,373	11,600	11,832	12,069	12,310	12,552
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	13,198
3	10,398	11,181	11,485	11,698	11,866	12,103	12,345	12,592	12,844	13,101	13,363	13,630	13,895
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	14,654
5	11,683	12,476	12,726	12,981	13,241	13,506	13,776	14,052	14,333	14,620	14,912	15,210	15,510
6	12,295	13,228	13,484	13,754	14,029	14,310	14,596	14,888	15,186	15,490	15,800	16,116	16,436
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	17,460
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	18,563
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	19,796
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	21,135
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	22,605

1	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
2	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
3	14	21,148	22,731	23,186	23,658	24,123	24,605	25,097	25,599	26,111	26,633	27,166	27,709	28,817
4	15	22,885	24,608	25,108	25,602	26,114	26,636	27,169	27,712	28,266	28,831	29,408	29,996	31,196
5	16	24,846	26,716	27,258	27,795	28,351	28,918	29,496	30,086	30,688	31,302	31,928	32,567	33,878
6	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	36,768
7	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
8	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
9	20	34,781	37,313	38,059	38,820	39,596	40,388	41,196	42,020	42,860	43,717	44,591	44,591	44,591
10	21	37,795	40,648	41,453	42,282	43,128	43,991	44,871	45,768	46,683	47,617	47,617	47,617	47,617
11	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
12	23	44,986	48,286	49,252	50,237	51,242	52,267	53,312	54,378	54,978	54,978	54,978	54,978	54,978
13	24	48,988	52,675	53,729	54,884	55,980	57,018	58,158	58,158	58,158	58,158	58,158	58,158	58,158
14	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

Section 8. Section 2-18-313, MCA, is amended to read:

"2-18-313. Institutional teachers' pay schedules. The department-of-institutions governor by executive order shall ~~adjust-the-1987~~ establish pay schedules for institutional teachers ~~so-that-the~~ cost-of-implementing-the-adjusted-schedules-is-equal-to-the-appropriation-provided-for-in-section-3; Chapter-621,-Laws-of-1987;-The-adjusted-schedules-must-be-applied-as-provided-in-2-18-303 for fiscal years 1990 and 1991 in accordance with [section 1]."

Section 9. Section 2-18-314, MCA, is amended to read:

"2-18-314. Liquor store occupations pay schedule schedules. The governor by executive order shall establish pay schedule schedules for liquor store occupations for fiscal years 1988 1990 and 1989-is-as-follows: 1991 in accordance with [section 1].

Annual-Hours---2080

Note-With-Insurance

1	Pay-Matrix----Retail-Clerk	Matrix-Type----Hourly
2	Grade	\$/Hour
3	-	W/ins:
4	E1	-8.888
5	E2	-7.683
6	E3	-8.183
7	E4	-8.463
8	E5	-8.753
9	E6	-9.363
10	E7	+8.823
11	E8	+8.773"

12 Section 10. Section 2-18-315, MCA, is amended to read:

13 "2-18-315. Blue-collar pay schedule schedules. The governor by executive order shall establish
 14 pay schedule schedules for blue-collar workers for fiscal years 1988 1990 and 1989-is-as-follows:
 15 1991 in accordance with [section 1].

16	Annual-Hours----2088	Note:-With-Insurance
17	Pay-Matrix----Blue-Collar	Matrix-Type----Hourly
18	Grade	\$/Hour
19	-	W/ins:
20	B1-	-8.153
21	B2-	-8.553
22	B3-	-8.953
23	B4-	-9.353
24	B5-	-9.753
25	B6-	+8.153

1	B7-	+8-553
2	B8-	+8-953
3	B9-	+1-353
4	B+0	+1-753
5	B+1	+2-153
6	B+2	+2-553
7	B88	+2-953"

8 Section 11. Section 2-18-703, MCA, is amended to read:

9 "2-18-703. Contributions. (1) Each agency, as defined in 2-18-601, shall contribute the amount
10 specified in this section towards the group benefits cost.

11 (2) For employees defined in 2-18-701, other than members of collective bargaining units, and
12 for members of the legislature, the employer contribution for group benefits ~~shall be \$15~~ is \$125
13 per month for the fiscal years year ending June 30, 1988 1990, and \$140 per month for the fiscal
14 year ending June 30, 1989 1991, and \$15-per-month for each fiscal year thereafter. Permanent
15 part-time employees who are regularly scheduled to work less than 20 hours a week are not eligible
16 for the group benefit contribution. An employee who elects not to be covered by a state-sponsored
17 group benefit plan may not receive the state contribution as wages. A portion of the employer
18 contribution for group benefits may be applied to an employee's costs for participation in Part B of
19 medicare under Title XVIII of the Social Security Act of 1965, as amended, if the state group
20 benefit plan is the secondary payer and medicare the primary payer.

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

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

1 NEW SECTION. Section 12. **Extension of authority.** Any existing authority to make rules on the
2 subject of the provisions of [this act] is extended to the provisions of [this act].

3 NEW SECTION. Section 13. **Appropriation.** There is appropriated to the office of budget and
4 program planning \$14,710,000 from the general fund for the biennium ending June 30, 1991, to
5 implement [this act] as it pertains to legislative, judicial, and executive branch agencies. To
6 implement [this act], the office of budget and program planning shall increase the expenditure
7 authority of legislative, judicial, and executive branch agencies by \$8,600,000 for the biennium
8 ending June 30, 1991, from funds other than from the general fund that accrue under the provisions
9 of law to the respective agencies.

10 NEW SECTION. Section 14. **Effective dates.** (1) [This act], except [section 3], is effective on
11 passage and approval.

12 (2) [Section 3] is effective July 1, 1989.

-End-