

1 HOUSE BILL NO. 17
2 INTRODUCED BY WISEMAN
3 BY REQUEST OF THE GOVERNOR
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PAY ADJUSTMENTS FOR STATE EMPLOYEES IN
6 THE STATEWIDE, TEACHERS', LIQUOR STORE OCCUPATIONS, AND BLUE-COLLAR PAY PLANS;
7 GENERALLY REVISING THE LAWS RELATING TO STATE EMPLOYEE COMPENSATION AND THE
8 STATEWIDE CLASSIFICATION PLAN; PROVIDING AN APPROPRIATION TO FUND PAY ADJUSTMENTS;
9 REQUIRING THAT EMPLOYEES IN COLLECTIVE BARGAINING UNITS RATIFY COLLECTIVE BARGAINING
10 AGREEMENTS PRIOR TO RECEIVING PAY ADJUSTMENTS; AMENDING SECTIONS 2-18-101, 2-18-203,
11 2-18-301, 2-18-303, 2-18-304, 2-18-312, 2-18-313, 2-18-314, 2-18-315, AND 2-18-703, MCA;
12 REPEALING SECTION 2-18-305, MCA; AND PROVIDING EFFECTIVE DATES."

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
15

16 **Section 1.** Section 2-18-101, MCA, is amended to read:

17 "2-18-101. **Definitions.** As used in parts 1 through 3 and part 10 of this chapter, the following
18 definitions apply:

19 (1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state
20 government recognized in the state budget.

21 (2) "Anniversary date", except as modified in part 3 of this chapter, means the month and day on
22 which an employee began the most recent period of uninterrupted state service.

23 ~~(3)~~(3) "Base salary" means the amount of compensation paid to an employee, excluding:

24 (a) state contributions to group benefits provided in 2-18-703;

25 (b) overtime; .

26 (c) fringe benefits as defined in 39-2-903; and

27 (d) the longevity allowance provided in 2-18-304.

28 ~~(4)~~(4) "Board" means the board of personnel appeals established in 2-15-1705.

29 ~~(5)~~(5) "Class" means one or more positions substantially similar with respect to the kind or nature
30 of duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may

1 be used to designate each position allocated to the class, similar qualifications may be required of persons
 2 appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.

3 (6) "Class series benchmark" means a representative position within a class series that is used to
 4 illustrate the application of the job evaluation factors that are used to classify positions in the classification
 5 plan. A benchmark description describes the duties and responsibilities assigned and the factors applied to
 6 the class series benchmark.

7 ~~(5)~~(7) "Class specification" means a written descriptive statement of the duties and responsibilities
 8 characteristic of a class of positions and includes the education, experience, knowledge, skills, abilities, and
 9 qualifications necessary to perform the work of the class.

10 ~~(6)~~(8) "Compensation" means the annual or hourly wage or salary and includes the state
 11 contribution to group benefits under the provisions of 2-18-703.

12 ~~(7)~~(9) "Department" means the department of administration created in 2-15-1001.

13 ~~(8)~~(10) Except in 2-18-306, "employee" means any state employee other than an employee
 14 excepted under 2-18-103 or 2-18-104 from the statewide classification system.

15 ~~(9)~~(11) "Entry salary" means the entry-level base salary for each grade provided in 2-18-312.

16 ~~(10)~~(12) "Grade" means the number assigned to a pay range within a pay schedule in part 3 of this
 17 chapter.

18 ~~(11)~~(13) "Job sharing" means the sharing by two or more persons of a position that is considered
 19 an aggregate or permanent position.

20 (14) "Market ratio" means an employee's base salary divided by the market salary for the
 21 employee's pay grade.

22 ~~(12)~~(15) "Market salary" means the midpoint in a pay grade provided in 2-18-312, based on the
 23 average base salary that other employers pay to employees in comparable occupations ~~comparable to~~
 24 ~~occupations in a grade provided in 2-18-312,~~ as determined by the department's salary survey of the
 25 relevant labor market.

26 ~~(13)~~(16) "Permanent position" means a position so designated on the appropriate agency list of
 27 authorized positions referenced in 2-18-206 and approved as such in the biennium budget.

28 ~~(14)~~(17) "Permanent status" means the state an employee attains after satisfactorily completing
 29 an appropriate probationary period in a permanent position.

30 ~~(15)~~(18) "Personal staff" means those positions occupied by employees appointed by the elected

1 officials enumerated in Article VI, section 1, of the Montana constitution or by the public service
2 commission as a whole.

3 ~~(16)~~(19) "Position" means a collection of duties and responsibilities currently assigned or delegated
4 by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

5 ~~(17)~~(20) "Program" means a combination of planned efforts to provide a service.

6 ~~(18)~~(21) "Seasonal position" means a position so designated on the appropriate agency list of
7 authorized positions referenced in 2-18-206 and ~~which~~ that is a permanent position but ~~which~~ that is
8 interrupted by the seasonal nature of the position.

9 ~~(19)~~(22) "Temporary position" means a position so designated on the appropriate agency list of
10 authorized positions referenced in 2-18-206, created for a definite period of time not to exceed 9 months."
11

12 **Section 2.** Section 2-18-203, MCA, is amended to read:

13 **"2-18-203. Review of positions -- change in classification.** (1) The department shall continuously
14 review all positions on a regular basis and adjust classifications to reflect significant changes in duties and
15 responsibilities. In the event that adjustments are to be made to ~~the classification~~ class specifications, class
16 series benchmarks, or criteria ~~utilized~~ used for allocating positions ~~in the classification specifications to~~
17 classes affecting employees within a bargaining unit, the department shall consult with the representative
18 of the bargaining unit prior to implementation of the adjustments, except for blue-collar, ~~teachers~~ teachers',
19 and liquor store ~~clerks~~ clerks' classification plans, which ~~shall~~ plans must remain mandatory negotiable
20 items under ~~the Collective Bargaining Act~~ Title 39, chapter 31.

21 (2) Employees and employee organizations ~~will~~ must be given the opportunity to appeal the
22 allocation or reallocation of a position to a class. The grade assigned to a class ~~is~~ and factors assigned to
23 class series benchmarks are not ~~an~~ appealable subject subjects under 2-18-1011 through 2-18-1013.

24 (3) The period of time for which retroactive pay for a classification appeal may be awarded under
25 ~~parts 1 through 3 of this chapter or under~~ 2-18-1011 through 2-18-1013 or under parts 1 through 3 of this
26 chapter may not extend beyond 30 days prior to the date on which the appeal was filed. ~~This provision~~
27 ~~shall not affect a classification or position appeal already in process on April 26, 1977."~~

28

29 **Section 3.** Section 2-18-301, MCA, is amended to read:

30 **"2-18-301. Purpose and intent of part -- rules.** (1) The purpose of this part is to provide the

1 market-based compensation necessary to attract and retain competent and qualified employees in order to
2 perform the services that the state is required to provide to its citizens.

3 (2) It is the intent of the legislature that compensation plans for state employees, excluding those
4 employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313,
5 ~~2-18-314, and through~~ 2-18-315, be based on an analysis of the labor market as provided by the
6 department in a salary survey. The salary survey must be submitted to the office of budget and program
7 planning as a part of the information required by 17-7-111.

8 (3) Except as provided in 2-18-110, ~~and 2-18-305(4)~~, pay adjustments and pay schedules provided
9 for in 2-18-303 and in 2-18-312 through 2-18-315 supersede any other plan or systems established
10 through collective bargaining after the adjournment of the ~~53rd~~ 54th legislature.

11 (4) Pay levels provided for in 2-18-312 through 2-18-315 may not be increased through collective
12 bargaining after adjournment of the ~~53rd~~ 54th legislature.

13 (5) Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315
14 for any employee group or bargaining unit may not be increased through collective bargaining over the
15 amount appropriated by the ~~53rd~~ 54th legislature.

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

18 (7) The department may promulgate rules not inconsistent with the provisions of this part,
19 collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."
20

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

22 "**2-18-303. Procedures for utilizing using pay schedules.** (1) The pay schedules provided in
23 2-18-312 must be implemented as follows:

24 (a) The pay schedules provided in 2-18-312 indicate the entry salary and market salary ~~for the~~
25 ~~fiscal years ending June 30, 1994, and June 30, 1995~~, for each grade for positions classified under the
26 provisions of part 2 of this chapter.

27 (b) Each employee newly hired by the state of Montana must be hired at the entry rate, except as
28 provided in subsections ~~(6) (7)~~ and ~~(7) (8)~~.

29 (c) ~~Except as provided in subsection (1)(c), on~~ On the first day of the first complete pay period in
30 fiscal year ~~1994~~ 1996, each employee hired before July 1, ~~1993~~ 1995, is entitled to the amount of the

1 employee's base salary as it was on June 30, ~~1993~~ 1995, plus, on the employee's anniversary date that
 2 occurs on or after September 30, 1995, the increases provided in subsection (1)(d), if applicable.

3 (d) (i) Effective on the first day of the pay period that includes an employee's anniversary date
 4 during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be
 5 compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's
 6 grade level and completed years of uninterrupted state service. For employees hired on or before
 7 September 30, 1994, the anniversary date is October 1.

8 (ii) As provided in subsection (1)(d)(i), the following matrix must be used to compare an employee's
 9 market ratio to the target market ratio that corresponds to the employee's grade level and completed years
 10 of uninterrupted state service:

11 TARGET MARKET RATIOS

12	<u>Years</u>	<u>Grade</u>										
13		<u>0</u>	<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>
14	<u>4</u>	<u>0.844</u>	<u>0.874</u>	<u>0.904</u>	<u>0.935</u>	<u>0.967</u>	<u>0.999</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
15	<u>5</u>	<u>0.842</u>	<u>0.871</u>	<u>0.900</u>	<u>0.930</u>	<u>0.961</u>	<u>0.992</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
16	<u>6</u>	<u>0.840</u>	<u>0.868</u>	<u>0.896</u>	<u>0.925</u>	<u>0.955</u>	<u>0.985</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
17	<u>7</u>	<u>0.838</u>	<u>0.865</u>	<u>0.892</u>	<u>0.920</u>	<u>0.949</u>	<u>0.978</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
18	<u>8</u>	<u>0.836</u>	<u>0.862</u>	<u>0.889</u>	<u>0.916</u>	<u>0.944</u>	<u>0.972</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
19	<u>9</u>	<u>0.834</u>	<u>0.859</u>	<u>0.885</u>	<u>0.911</u>	<u>0.938</u>	<u>0.965</u>	<u>0.993</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
20	<u>10</u>	<u>0.832</u>	<u>0.857</u>	<u>0.882</u>	<u>0.908</u>	<u>0.934</u>	<u>0.961</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
21	<u>11</u>	<u>0.830</u>	<u>0.854</u>	<u>0.878</u>	<u>0.903</u>	<u>0.928</u>	<u>0.954</u>	<u>0.980</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
22	<u>12</u>	<u>0.828</u>	<u>0.851</u>	<u>0.875</u>	<u>0.899</u>	<u>0.924</u>	<u>0.949</u>	<u>0.975</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
23	<u>13</u>	<u>0.826</u>	<u>0.849</u>	<u>0.872</u>	<u>0.896</u>	<u>0.920</u>	<u>0.945</u>	<u>0.970</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
24	<u>14</u>	<u>0.824</u>	<u>0.846</u>	<u>0.869</u>	<u>0.892</u>	<u>0.915</u>	<u>0.939</u>	<u>0.963</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
25	<u>15</u>	<u>0.822</u>	<u>0.844</u>	<u>0.866</u>	<u>0.888</u>	<u>0.911</u>	<u>0.934</u>	<u>0.958</u>	<u>0.982</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
26	<u>16</u>	<u>0.820</u>	<u>0.841</u>	<u>0.863</u>	<u>0.885</u>	<u>0.907</u>	<u>0.930</u>	<u>0.953</u>	<u>0.977</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
27	<u>17</u>	<u>0.818</u>	<u>0.839</u>	<u>0.882</u>	<u>0.904</u>	<u>0.903</u>	<u>0.926</u>	<u>0.949</u>	<u>0.972</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>
28	<u>18</u>	<u>0.816</u>	<u>0.836</u>	<u>0.857</u>	<u>0.878</u>	<u>0.899</u>	<u>0.921</u>	<u>0.943</u>	<u>0.966</u>	<u>0.989</u>	<u>1.000</u>	<u>1.000</u>
29	<u>19</u>	<u>0.814</u>	<u>0.834</u>	<u>0.854</u>	<u>0.875</u>	<u>0.896</u>	<u>0.917</u>	<u>0.939</u>	<u>0.961</u>	<u>0.984</u>	<u>1.000</u>	<u>1.000</u>
30	<u>20</u>	<u>0.812</u>	<u>0.831</u>	<u>0.851</u>	<u>0.871</u>	<u>0.892</u>	<u>0.913</u>	<u>0.935</u>	<u>0.957</u>	<u>0.979</u>	<u>1.000</u>	<u>1.000</u>

1	<u>21</u>	<u>0.810</u>	<u>0.829</u>	<u>0.849</u>	<u>0.869</u>	<u>0.889</u>	<u>0.910</u>	<u>0.931</u>	<u>0.953</u>	<u>0.975</u>	<u>0.997</u>	<u>1.000</u>
2	<u>22</u>	<u>0.808</u>	<u>0.827</u>	<u>0.846</u>	<u>0.866</u>	<u>0.886</u>	<u>0.906</u>	<u>0.927</u>	<u>0.948</u>	<u>0.970</u>	<u>0.992</u>	<u>1.000</u>
3	<u>23</u>	<u>0.806</u>	<u>0.825</u>	<u>0.844</u>	<u>0.863</u>	<u>0.883</u>	<u>0.903</u>	<u>0.923</u>	<u>0.944</u>	<u>0.965</u>	<u>0.987</u>	<u>0.999</u>
4	<u>24</u>	<u>0.804</u>	<u>0.822</u>	<u>0.841</u>	<u>0.860</u>	<u>0.879</u>	<u>0.899</u>	<u>0.919</u>	<u>0.940</u>	<u>0.961</u>	<u>0.982</u>	<u>1.000</u>
5	<u>25</u>	<u>0.802</u>	<u>0.820</u>	<u>0.839</u>	<u>0.857</u>	<u>0.876</u>	<u>0.895</u>	<u>0.915</u>	<u>0.935</u>	<u>0.956</u>	<u>0.977</u>	<u>0.999</u>

6 (iii) If, on the first day of the pay period that includes an employee's anniversary date during the
7 fiscal year ending June 30, 1996, the employee's market ratio is less than the target market ratio that
8 corresponds to the employee's grade level and completed years of uninterrupted state service, the
9 employee's base salary must be increased to the lesser of:

10 (A) the market salary for the employee's grade multiplied by the target ratio that corresponds to the
11 employee's grade level and completed years of uninterrupted state service; or

12 (B) the employee's base salary as it was on the last day of the pay period immediately preceding
13 the pay period that includes October 1, 1995, plus 5%.

14 (iv) If, on the first day of the pay period that includes an employee's anniversary date during the
15 fiscal year ending June 30, 1997, the employee's market ratio is less than the target market ratio that
16 corresponds to the employee's grade level and completed years of uninterrupted state service, the
17 employee's base salary must be increased to the lesser of:

18 (A) the market salary for the employee's grade multiplied by the target ratio that corresponds to
19 the employee's grade level and completed years of uninterrupted state service; or

20 (B) the employee's base salary as it was on the last day of the pay period immediately preceding
21 the pay period that includes October 1, 1996, plus 6%.

22 ~~(d) Except as provided in subsection (1)(c), on the first day of the first complete pay period in~~
23 ~~January 1995, each employee hired before January 1, 1995, is entitled to the amount of the employee's~~
24 ~~base salary as it was on December 31, 1994, plus 1.5%.~~

25 (e) An employee's base salary may be no less than the entry salary for the employee's assigned
26 grade.

27 (f) An employee's base salary may not exceed the maximum salary for the employee's grade. The
28 salary of an employee may not be reduced because of this provision.

29 (g) The maximum salary for each grade is determined by subtracting the entry salary from the
30 market salary and adding that amount to the market salary.

1 (h) An employee's market ratio, as it was on the last day of the pay period immediately preceding
2 the pay period that includes October 1, 1996, may not be reduced as a result of the adjustment of the pay
3 ranges provided in 2-18-312(2).

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

7 (3) The pay schedules provided in 2-18-313 through 2-18-315 must be implemented as follows:

8 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for ~~the~~
9 ~~contracted school term for~~ teachers employed under the authority of the department of corrections and
10 human services or the department of family services for fiscal years ~~1994~~ 1996 and ~~1995~~ 1997.

11 (ii) The compensation of each teacher ~~on the first day of the first pay period in July 1993~~ is
12 determined by the teacher's level of academic achievement and completed years of experience.

13 ~~(iii) On the first day of the first complete pay period of each fiscal year, each teacher shall advance~~
14 ~~one step on the appropriate pay schedule adopted in 2-18-313.~~

15 ~~(iv) On the first day of the first complete pay period of each fiscal year, each teacher employed by~~
16 ~~the Montana school for the deaf and blind shall advance one step on the teacher pay matrix used by the~~
17 ~~school.~~

18 (b) (i) The pay schedules provided in 2-18-314 indicate the maximum hourly compensation for
19 fiscal years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for those employees in liquor store
20 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 ~~1994~~
22 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
23 fiscal year.

24 (c) (i) The pay schedules provided in 2-18-315 indicate the maximum hourly compensation for fiscal
25 years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for employees in apprentice trades and crafts
26 and other blue-collar occupations recognized in the state blue-collar classification plan who are members
27 of units that have collectively bargained separate classification and pay plans.

28 (ii) The compensation of each employee on the first day of the first pay period in fiscal year ~~1994~~
29 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
30 fiscal year.

1 (4) (a) (i) A member of a bargaining unit may not receive a pay increase until the employer's
 2 collective bargaining representative receives written notice that the employee's bargaining unit has ratified
 3 a completely integrated collective bargaining agreement covering the biennium ending June 30, 1997.

4 (ii) If ratification of a completely integrated collective bargaining agreement, as required by
 5 subsection (4)(a)(i), is not completed by July 1, 1995, retroactivity to that date may be negotiated.

6 (iii) If ratification of a completely integrated collective bargaining agreement, as required by
 7 subsection (4)(a)(i), is not completed by July 1, 1995, members of the bargaining unit must continue to
 8 receive the compensation that they were receiving as of June 30, 1995, until an agreement is ratified.

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

12 ~~(4)(5)~~ The current wage or salary of an employee may not be reduced by the implementation of
 13 the pay schedules provided for in 2-18-312 through 2-18-315.

14 ~~(5)(6)~~ The department may authorize a separate pay schedule for medical doctors if the rates
 15 provided in 2-18-312 are not sufficient to attract and retain fully licensed and qualified physicians at the
 16 state institutions.

17 ~~(6)(7)~~ The department may develop programs that enable the department to mitigate problems
 18 associated with difficult recruitment, retention, transfer, or other exceptional circumstances. Insofar as the
 19 program may apply to employees within a collective bargaining unit, it is a negotiable subject under
 20 39-31-305.

21 ~~(7)(8)~~ The department shall review the competitiveness of the compensation provided to all
 22 occupations under this part. If the department finds that substantial problems exist with recruitment and
 23 retention because of inadequate salaries when compared to competing employers, the department may
 24 establish criteria allowing an adjustment in pay or classification to mitigate the problems. Insofar as these
 25 adjustments may apply to employees within a collective bargaining unit, the implementation of these
 26 adjustments is a negotiable subject under 39-31-305."

27
 28 **Section 5.** Section 2-18-304, MCA, is amended to read:

29 **"2-18-304. Longevity allowance.** (1) (a) (i) ~~is~~ Effective July 1, 1995, through the last day of the
 30 pay period immediately preceding the pay period that includes October 1, 1995, in addition to the

1 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
 2 has completed 5 years of uninterrupted state service ~~shall~~ must receive ~~the greater of:~~

3 ~~(i) \$10 a month; or~~

4 ~~(ii) 9/10 of 1% of the employee's base salary multiplied by the number of completed, contiguous~~
 5 ~~5-year periods of uninterrupted state service.~~

6 (ii) Effective on the first day of the pay period that includes October 1, 1995, in addition to the
 7 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
 8 has completed 5 years of uninterrupted state service must receive 1.5% of the employee's base salary
 9 multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service.

10 (b) Service to the state is not interrupted by authorized leaves of absence.

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

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

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

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

25 **Section 6.** Section 2-18-312, MCA, is amended to read:

26 **"2-18-312. Statewide pay schedules for fiscal years ~~1994~~ 1996 and 1995 ~~1997~~.** (1) The statewide
 27 classification pay schedule for the period fiscal year ~~1994~~ from July 1, 1995, until the first day of the pay
 28 period that includes October 1, 1996, is as follows:

29 Annual Hours -- 2080 Note: Does Not Include Insurance
 30 Pay Matrix -- State Matrix Type -- Annual

Pay Range: Entry Salary to Market Salary

GRADE	ENTRY SALARY	MARKET SALARY
1	8,679	10,210
2	9,349	11,025
3	10,070	11,903
4	10,852	12,858
5	11,727	13,927
6	12,672	15,086
7	13,688	16,334
8	14,836	17,747
9	16,064	19,262
10	17,424	20,942
11	18,904	22,775
12	20,545	24,812
13	22,325	27,027
14	24,295	29,485
15	26,465	32,196
16	28,885	35,226
17	31,585	38,613
18	34,562	42,355
19	37,897	46,557
20	41,618	51,254
21	45,754	56,487
22	50,373	62,343
23	55,584	68,963
24	61,434	76,410
25	67,907	84,673

(2) The Effective on the first day of the pay period that includes October 1, 1996, the statewide classification pay schedule for fiscal year 1996 is as follows:

Annual Hours -- 2080 Note: Does Not Include Insurance

1	Pay Matrix -- State	Matrix Type -- Annual	
2	Pay Range: Entry Salary to Market Salary		
3	GRADE	ENTRY SALARY	MARKET SALARY
4	1	8,678	10,210
5	2	9,349	11,026
6	3	10,070	11,903
7	4	10,852	12,858
8	5	11,727	13,927
9	6	12,672	15,086
10	7	13,688	16,334
11	8	14,836	17,747
12	9	16,064	19,262
13	10	17,424	20,942
14	11	18,904	22,775
15	12	20,545	24,812
16	13	22,325	27,027
17	14	24,295	29,485
18	15	26,465	32,196
19	16	28,885	35,226
20	17	31,585	38,613
21	18	34,562	42,355
22	19	37,897	46,557
23	20	41,618	51,254
24	21	45,754	56,487
25	22	50,373	62,343
26	23	55,584	68,963
27	24	61,434	76,410
28	25	67,907	84,673
29	<u>1</u>	<u>8,897</u>	<u>10,466</u>
30	<u>2</u>	<u>9,583</u>	<u>11,300</u>

1	<u>3</u>	<u>10,321</u>	<u>12,201</u>
2	<u>4</u>	<u>11,123</u>	<u>13,180</u>
3	<u>5</u>	<u>12,020</u>	<u>14,276</u>
4	<u>6</u>	<u>12,988</u>	<u>15,463</u>
5	<u>7</u>	<u>14,031</u>	<u>16,743</u>
6	<u>8</u>	<u>15,208</u>	<u>18,190</u>
7	<u>9</u>	<u>16,465</u>	<u>19,744</u>
8	<u>10</u>	<u>17,860</u>	<u>21,465</u>
9	<u>11</u>	<u>19,376</u>	<u>23,345</u>
10	<u>12</u>	<u>21,058</u>	<u>25,433</u>
11	<u>13</u>	<u>22,883</u>	<u>27,703</u>
12	<u>14</u>	<u>24,902</u>	<u>30,221</u>
13	<u>15</u>	<u>27,128</u>	<u>33,001</u>
14	<u>16</u>	<u>29,607</u>	<u>36,108</u>
15	<u>17</u>	<u>32,374</u>	<u>39,578</u>
16	<u>18</u>	<u>35,425</u>	<u>43,414</u>
17	<u>19</u>	<u>38,845</u>	<u>47,721</u>
18	<u>20</u>	<u>42,659</u>	<u>52,535</u>
19	<u>21</u>	<u>46,898</u>	<u>57,899</u>
20	<u>22</u>	<u>51,633</u>	<u>63,902</u>
21	<u>23</u>	<u>56,973</u>	<u>70,686</u>
22	<u>24</u>	<u>62,971</u>	<u>78,321</u>
23	<u>25</u>	<u>69,606</u>	<u>86,789"</u>

24

25 **Section 7.** Section 2-18-313, MCA, is amended to read:

26 **"2-18-313. Teachers' pay schedules.** (1) ~~(a) The 12-month pay schedule for teachers for fiscal year~~
 27 ~~1994 and for the first 6 months of fiscal year 1995~~ the period from July 1, 1995, until the first day of the
 28 pay period that includes October 1, 1996, is as follows:

29 Annual Hours -- 2080

Note: Does Not Include Insurance

30 Term -- Twelve Months

Matrix Type -- Annual

	Education Level						
STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1	
1							
2							
3	1	22,412	23,071	23,713	24,034	24,357	25,016
4	2	23,167	23,883	24,600	24,959	25,322	26,065
5	3	23,922	24,713	25,495	25,909	26,323	27,138
6	4	24,678	25,556	26,421	26,878	27,334	28,208
7	5	25,438	26,421	27,353	27,848	28,346	29,280
8	6	26,226	27,297	28,288	28,822	29,358	30,352
9	7	27,016	28,166	29,217	29,793	30,367	31,420
10	8	27,810	29,039	30,153	30,767	31,381	32,490
11	9	28,603	29,910	31,085	31,737	32,394	33,564
12	10	29,396	30,786	32,016	32,709	33,403	34,633
13	11	30,191	31,628	32,945	33,680	34,415	35,702
14	12	30,191	31,628	32,945	33,680	34,415	35,702
15	13	30,191	31,628	32,945	33,680	34,415	35,702
16	1	<u>22,748</u>	<u>23,417</u>	<u>24,069</u>	<u>24,395</u>	<u>24,722</u>	<u>25,391</u>
17	2	<u>23,515</u>	<u>24,241</u>	<u>24,969</u>	<u>25,333</u>	<u>25,702</u>	<u>26,456</u>
18	3	<u>24,281</u>	<u>25,084</u>	<u>25,877</u>	<u>26,298</u>	<u>26,718</u>	<u>27,545</u>
19	4	<u>25,048</u>	<u>25,939</u>	<u>26,817</u>	<u>27,281</u>	<u>27,744</u>	<u>28,631</u>
20	5	<u>25,820</u>	<u>26,817</u>	<u>27,763</u>	<u>28,266</u>	<u>28,771</u>	<u>29,719</u>
21	6	<u>26,619</u>	<u>27,706</u>	<u>28,712</u>	<u>29,254</u>	<u>29,798</u>	<u>30,807</u>
22	7	<u>27,421</u>	<u>28,588</u>	<u>29,655</u>	<u>30,240</u>	<u>30,823</u>	<u>31,891</u>
23	8	<u>28,227</u>	<u>29,475</u>	<u>30,605</u>	<u>31,229</u>	<u>31,852</u>	<u>32,977</u>
24	9	<u>29,032</u>	<u>30,359</u>	<u>31,551</u>	<u>32,213</u>	<u>32,880</u>	<u>34,064</u>
25	10	<u>29,837</u>	<u>31,248</u>	<u>32,496</u>	<u>33,200</u>	<u>33,904</u>	<u>35,152</u>
26	11	<u>30,644</u>	<u>32,102</u>	<u>33,439</u>	<u>34,185</u>	<u>34,931</u>	<u>36,238</u>
27	12	<u>30,644</u>	<u>32,102</u>	<u>33,439</u>	<u>34,185</u>	<u>34,931</u>	<u>36,238</u>
28	13	<u>30,644</u>	<u>32,102</u>	<u>33,439</u>	<u>34,185</u>	<u>34,931</u>	<u>36,238</u>

29 (b) The 8-month pay schedule for teachers for fiscal year 1994 and for the first 6 months of fiscal
 30 year 1995 is as follows:

1 Annual Hours ~~1560~~ Note: Does Not Include Insurance
 2 Term ~~Nine Months~~ Matrix Type ~~Annual~~
 3 Education Level

4 STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
5 1	17,924	18,432	18,953	19,207	19,462	19,883
6 2	18,521	19,087	19,654	19,937	20,222	20,788
7 3	19,117	19,742	20,355	20,670	20,982	21,584
8 4	19,716	20,401	21,056	21,400	21,743	22,400
9 5	20,311	21,056	21,757	22,130	22,504	23,207
10 6	20,909	21,715	22,461	22,862	23,265	24,013
11 7	21,503	22,368	23,160	23,593	24,025	24,817
12 8	22,101	23,026	23,864	24,325	24,788	25,622
13 9	22,698	23,681	24,565	25,056	25,549	26,443
14 10	23,295	24,339	25,266	25,786	26,321	27,292
15 11	23,892	24,974	25,968	26,537	27,119	28,135
16 12	23,892	24,974	25,968	26,537	27,119	28,135
17 13	23,892	24,974	25,968	26,537	27,119	28,135

18 (2) ~~(a) The 12 month Effective on the first day of the pay period that includes October 1, 1996,~~

19 ~~the pay schedule for teachers for the last 6 months of fiscal year 1995 is as follows:~~

20 Annual Hours -- 2080 Note: Does Not Include Insurance
 21 Term -- Twelve Months Matrix Type -- Annual
 22 Education Level

23 STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
24 1	22,748	23,417	24,069	24,395	24,722	25,391
25 2	23,515	24,241	24,969	25,333	25,702	26,456
26 3	24,281	25,084	25,877	26,298	26,718	27,545
27 4	25,048	25,930	26,817	27,281	27,744	28,631
28 5	25,820	26,817	27,763	28,266	28,771	29,719
29 6	26,619	27,706	28,712	29,254	29,798	30,807
30 7	27,421	28,588	29,655	30,240	30,823	31,891

1	8	28,227	29,475	30,605	31,229	31,852	32,977
2	9	29,032	30,359	31,551	32,213	32,880	34,064
3	10	29,837	31,248	32,496	33,200	33,904	35,152
4	11	30,644	32,102	33,439	34,185	34,931	36,238
5	12	30,644	32,102	33,439	34,185	34,931	36,238
6	13	30,644	32,102	33,439	34,185	34,931	36,238
7	<u>1</u>	<u>23,317</u>	<u>24,002</u>	<u>24,670</u>	<u>25,004</u>	<u>25,340</u>	<u>26,026</u>
8	<u>2</u>	<u>24,102</u>	<u>24,847</u>	<u>25,593</u>	<u>25,967</u>	<u>26,344</u>	<u>27,117</u>
9	<u>3</u>	<u>24,888</u>	<u>25,711</u>	<u>26,524</u>	<u>26,955</u>	<u>27,386</u>	<u>28,234</u>
10	<u>4</u>	<u>25,674</u>	<u>26,588</u>	<u>27,488</u>	<u>27,963</u>	<u>28,438</u>	<u>29,347</u>
11	<u>5</u>	<u>26,465</u>	<u>27,488</u>	<u>28,457</u>	<u>28,972</u>	<u>29,490</u>	<u>30,462</u>
12	<u>6</u>	<u>27,285</u>	<u>28,399</u>	<u>29,430</u>	<u>29,986</u>	<u>30,543</u>	<u>31,577</u>
13	<u>7</u>	<u>28,107</u>	<u>29,303</u>	<u>30,397</u>	<u>30,996</u>	<u>31,593</u>	<u>32,689</u>
14	<u>8</u>	<u>28,933</u>	<u>30,211</u>	<u>31,370</u>	<u>32,009</u>	<u>32,648</u>	<u>33,802</u>
15	<u>9</u>	<u>29,758</u>	<u>31,118</u>	<u>32,340</u>	<u>33,018</u>	<u>33,702</u>	<u>34,916</u>
16	<u>10</u>	<u>30,583</u>	<u>32,029</u>	<u>33,309</u>	<u>34,030</u>	<u>34,752</u>	<u>36,031</u>
17	<u>11</u>	<u>31,410</u>	<u>32,905</u>	<u>34,275</u>	<u>35,040</u>	<u>35,805</u>	<u>37,143</u>
18	<u>12</u>	<u>31,410</u>	<u>32,905</u>	<u>34,275</u>	<u>35,040</u>	<u>35,805</u>	<u>37,143</u>
19	<u>13</u>	<u>31,410</u>	<u>32,905</u>	<u>34,275</u>	<u>35,040</u>	<u>35,805</u>	<u>37,143</u>

20 (b) The 9 month pay schedule for teachers for the last 6 months of fiscal year 1995 is as follows:

21 Annual Hours ~~1560~~ Note: Does Not Include Insurance

22 Term ~~Nine Months~~ Matrix Type ~~Annual~~

23 Education Level

24	STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
25	1	18,193	18,708	19,237	19,495	19,754	20,283
26	2	18,799	19,373	19,949	20,236	20,525	21,100
27	3	19,404	20,038	20,660	20,980	21,297	21,918
28	4	20,012	20,707	21,372	21,721	22,069	22,736
29	5	20,616	21,372	22,083	22,462	22,842	23,555
30	6	21,223	22,041	22,798	23,205	23,614	24,373

1	7	21,826	22,704	23,507	23,947	24,385	25,189
2	8	22,433	23,371	24,192	24,690	25,160	26,006
3	9	23,038	24,036	24,933	25,432	25,932	26,840
4	10	23,644	24,704	25,645	26,173	26,716	27,701
5	11	24,250	25,349	26,358	26,935	27,526	28,557
6	12	24,250	25,349	26,358	26,935	27,526	28,557
7	13	24,250	25,349	26,358	26,935	27,526	28,557

8

9 **Section 8.** Section 2-18-314, MCA, is amended to read:

10 **"2-18-314. Liquor store occupations pay schedules.** (1) The pay schedule for liquor store
 11 occupations for ~~fiscal year 1994 and for the first 6 months of fiscal year 1995~~ the period from July 1,
 12 1995, through September 29, 1995, is as follows:

13 Annual Hours -- 2080 Note: Does Not Include Insurance

14 Pay Matrix -- ~~Retail Clerk~~ Matrix Type -- Hourly

15 Liquor Store Occupations

16	Grade	Hour
17	L1	0.000
18	L2	8.609
19	L3	9.109
20	L4	9.389
21	L5	9.679
22	L6	10.289
23	L7	10.849
24	L8	11.699
25	<u>L1</u>	<u>0.000</u>
26	<u>L2</u>	<u>8.754</u>
27	<u>L3</u>	<u>9.254</u>
28	<u>L4</u>	<u>9.534</u>
29	<u>L5</u>	<u>9.824</u>
30	<u>L6</u>	<u>10.434</u>

1 L7 11.094

2 L8 11.844

3 (2) The Effective September 30, 1995, until the first day of the pay period that includes October
4 1, 1996, the pay schedule for liquor store occupations for the last 6 months of fiscal year 1995 is as
5 follows:

6 Annual Hours -- 2080 Note: Does Not Include Insurance

7 Pay Matrix -- ~~Retail Clerk~~ Matrix Type -- Hourly

8 Liquor Store Occupations

9	Grade	Hour
10	<u>L1</u>	<u>0.000</u>
11	<u>L2</u>	<u>8.754</u>
12	<u>L3</u>	<u>9.254</u>
13	<u>L4</u>	<u>9.534</u>
14	<u>L5</u>	<u>9.824</u>
15	<u>L6</u>	<u>10.434</u>
16	<u>L7</u>	<u>11.094</u>
17	<u>L8</u>	<u>11.844</u>
18	<u>L1</u>	<u>0.000</u>
19	<u>L2</u>	<u>8.985</u>
20	<u>L3</u>	<u>9.485</u>
21	<u>L4</u>	<u>9.765</u>
22	<u>L5</u>	<u>10.055</u>
23	<u>L6</u>	<u>10.665</u>
24	<u>L7</u>	<u>11.325</u>
25	<u>L8</u>	<u>12.075</u>

26 (3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule
27 for liquor store occupations is as follows:

28 Annual Hours -- 2080 Note: Does Not Include Insurance

29 Pay Matrix -- Liquor Store Occupations Matrix Type -- Hourly

30 Grade Hour

1	<u>L1</u>	<u>0.000</u>
2	<u>L2</u>	<u>9.326</u>
3	<u>L3</u>	<u>9.826</u>
4	<u>L4</u>	<u>10.106</u>
5	<u>L5</u>	<u>10.396</u>
6	<u>L6</u>	<u>11.006</u>
7	<u>L7</u>	<u>11.666</u>
8	<u>L8</u>	<u>12.416"</u>

9

10 **Section 9.** Section 2-18-315, MCA, is amended to read:

11 **"2-18-315. Blue-collar pay schedules.** (1) The pay schedule for blue-collar workers for ~~fiscal year~~
 12 ~~1994 and for the first 6 months of fiscal year 1995~~ the period from July 1, 1995, through September 29,
 13 1995, is as follows:

14	Annual Hours -- 2080	Note: Does Not Include Insurance
15	Pay Matrix -- Blue-Collar	Matrix Type -- Hourly
16	Grade	Hour
17	B1	9.084
18	B2	9.484
19	B3	9.884
20	B4	10.284
21	B5	10.684
22	B6	11.084
23	B7	11.484
24	B8	11.884
25	B9	12.284
26	B10	12.684
27	B11	13.084
28	B12	13.484
29	B00	13.884
30	<u>B1</u>	<u>9.266</u>

1	<u>B2</u>	<u>9.666</u>
2	<u>B3</u>	<u>10.066</u>
3	<u>B4</u>	<u>10.466</u>
4	<u>B5</u>	<u>10.866</u>
5	<u>B6</u>	<u>11.266</u>
6	<u>B7</u>	<u>11.666</u>
7	<u>B8</u>	<u>12.066</u>
8	<u>B9</u>	<u>12.466</u>
9	<u>B10</u>	<u>12.866</u>
10	<u>B11</u>	<u>13.266</u>
11	<u>B12</u>	<u>13.666</u>
12	<u>B00</u>	<u>14.066</u>

13 (2) The Effective September 30, 1995, until the first day of the pay period that includes October,
 14 1996, the pay schedule for blue-collar workers for the last 6 months of fiscal year 1995 is as follows:

15 Annual Hours -- 2080 Note: Does Not Include Insurance

16 Pay Matrix -- Blue-Collar Matrix Type -- Hourly

17	Grade	Hour
18	B1	9.266
19	B2	9.666
20	B3	10.066
21	B4	10.466
22	B5	10.866
23	B6	11.266
24	B7	11.666
25	B8	12.066
26	B9	12.466
27	B10	12.866
28	B11	13.266
29	B12	13.666
30	B00	14.066

1	<u>B1</u>	<u>9.561</u>
2	<u>B2</u>	<u>9.961</u>
3	<u>B3</u>	<u>10.361</u>
4	<u>B4</u>	<u>10.761</u>
5	<u>B5</u>	<u>11.161</u>
6	<u>B6</u>	<u>11.561</u>
7	<u>B7</u>	<u>11.961</u>
8	<u>B8</u>	<u>12.361</u>
9	<u>B9</u>	<u>12.761</u>
10	<u>B10</u>	<u>13.161</u>
11	<u>B11</u>	<u>13.561</u>
12	<u>B12</u>	<u>13.961</u>
13	<u>B00</u>	<u>14.361</u>

14 (3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule
 15 for blue-collar workers is as follows:

16	<u>Annual Hours -- 2080</u>	<u>Note: Does Not Include Insurance</u>
17	<u>Pay Matrix -- Blue-Collar</u>	<u>Matrix Type -- Hourly</u>
18	<u>Grade</u>	<u>Hour</u>
19	<u>B1</u>	<u>9.995</u>
20	<u>B2</u>	<u>10.395</u>
21	<u>B3</u>	<u>10.795</u>
22	<u>B4</u>	<u>11.195</u>
23	<u>B5</u>	<u>11.595</u>
24	<u>B6</u>	<u>11.995</u>
25	<u>B7</u>	<u>12.395</u>
26	<u>B8</u>	<u>12.795</u>
27	<u>B9</u>	<u>13.195</u>
28	<u>B10</u>	<u>13.595</u>
29	<u>B11</u>	<u>13.995</u>
30	<u>B12</u>	<u>14.395</u>

1 B00 14.795"

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Section 10. Section 2-18-703, MCA, is amended to read:

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

(2) For employees defined in 2-18-701, ~~other than members of collective bargaining units,~~ and for members of the legislature, the employer contribution for group benefits is ~~\$210~~ \$220 per month for the fiscal year ending June 30, ~~1994~~ 1996, and ~~\$230 per~~ \$225 a month for the fiscal year ending June 30, ~~1995~~ 1997, and for each fiscal year thereafter. When a state employee is terminated to achieve a reduction in force, the continuation of contributions for group benefits beyond the termination date is subject to negotiation under 39-31-305. Permanent part-time, seasonal part-time, and temporary part-time employees who are regularly scheduled to work less than 20 hours a week are not eligible for the group benefit contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not receive the state contribution ~~as wages~~. A portion of the employer contribution for group benefits may be applied to an employee's costs for participation in Part B of medicare under Title XVIII of the Social Security Act of 1965, as amended, if the state group benefit plan is the secondary payer and medicare the primary payer.

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

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

(5) Unused employer contributions for any government employee may be transferred to an account established for this purpose by a self-insured government and upon transfer may be used to offset losses occurring to the group of which the employee is eligible to be a member or to increase the reserves of the group.

(6) The laws prohibiting discrimination on the basis of marital status in Title 49 do not prohibit bona fide group insurance plans from providing greater or additional contributions for insurance benefits to employees with dependents than to employees without dependents or with fewer dependents."



1 **NEW SECTION. Section 11. Appropriation.** (1) The following money for the indicated fiscal years
2 is appropriated to the listed agencies to implement the adjustments provided for in [sections 1 through 10]:

	Fiscal 1996		Fiscal 1997	
	General Fund	Other Funds	General Fund	Other Funds
5 Legislative Auditor				
6	21,937	19,740	57,203	50,750
7 Legislative Fiscal Analyst				
8	12,238	0	31,432	0
9 Legislative Council				
10	17,643	9,625	62,278	13,688
11 Environmental Quality Council				
12	4,148	0	10,660	0
13 Consumer Counsel				
14	0	4,947	0	12,299
15 Judiciary				
16	14,252	6,028	47,690	18,293
17 University System (including Commissioner of Higher Education)				
18	2,329,558	858,315	4,709,719	1,909,246
19 Office of Budget and Program Planning (for distribution to all other agencies)				
20	2,419,353	3,795,564	6,451,503	10,770,645

21 (2) There is appropriated from the general fund to the state personnel division:

22 (a) \$10,000 for changes in the payroll/personnel/position control system for the fiscal year ending
23 June 30, 1996. Any unexpended portion of this appropriation is reappropriated for the biennium ending
24 June 30, 1997.

25 (b) \$20,000 to conduct a salary survey as required under 2-18-301(2).

26
27 **NEW SECTION. Section 12. Repealer.** Section 2-18-305, MCA, is repealed.

28
29 **NEW SECTION. Section 13. Effective dates.** (1) [Sections 1 through 10] and this section are
30 effective on passage and approval.

1 (2) [Sections 11 and 12] are effective July 1, 1995.

2 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0017, Second Reading

DESCRIPTION OF PROPOSED LEGISLATION: A bill providing pay adjustments for state employees in the statewide, teachers', liquor store occupation, and blue-collar pay plans; providing pay adjustments for judges and elected officials; providing expense payment adjustments for legislators; providing that the salary for the position in the department of justice of training coordinator for county attorneys is the same as that established for a full-time county attorney; generally revising the laws relating to state employee compensation and the statewide classification plan; providing an appropriation to fund pay adjustments; and providing effective dates.

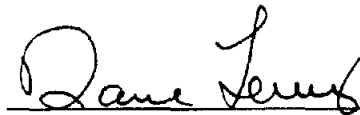
ASSUMPTIONS:

1. The appropriations contained in the introduced version of the bill were based on the current level FTE and their attributes contained in the executive budget request.
2. A vacancy saving rate of 5% was applied to the funding of the introduced version of the bill to be consistent with the general vacancy savings rate included in the executive budget request (pay increases were not funded for vacant or eliminated positions).
3. Savings from the \$20 per month in FY 96 and \$10 per month in FY 97 reductions in the state's insurance contribution are included as part of the funding for the bill.
4. Vacancy savings and FTE reductions totalling \$37.3 million (\$16.1 million of general fund) were included as new proposals in the executive budget to provide funding for the proposed increases in the introduced bill.
5. The House Appropriation Committee added pay increases for the state's elected officials and the county attorney trainer position totalling \$482,900 (\$452,400 general fund) during the biennium. The additional general fund cost is partially offset by a reduction of \$287,438 for the university system based on legislative action on community colleges and updated calculations.

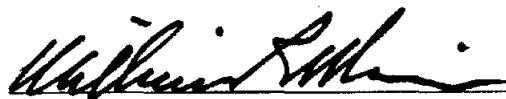
FISCAL IMPACT:

Expenditures:

The bill appropriates \$16,528,177 in general fund and \$19,120,774 in other funds (\$35,648,951 total) for the biennium to fund the proposed pay and benefit increases. These increases were funded with the vacancy savings and FTE eliminations contained in the executive budget, but for the House Appropriation's addition of elected officials.

 3-16-95

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning



WILLIAM WISEMAN, PRIMARY SPONSOR DATE

HOUSE BILL NO. 17

INTRODUCED BY WISEMAN

BY REQUEST OF THE GOVERNOR

1
2
3
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PAY ADJUSTMENTS FOR STATE EMPLOYEES IN
6 THE STATEWIDE, TEACHERS', LIQUOR STORE OCCUPATIONS, AND BLUE-COLLAR PAY PLANS;
7 PROVIDING PAY ADJUSTMENTS FOR JUDGES AND ELECTED STATE OFFICIALS; PROVIDING EXPENSE
8 PAYMENT ADJUSTMENTS FOR LEGISLATORS; PROVIDING THAT THE SALARY FOR THE POSITION IN
9 THE DEPARTMENT OF JUSTICE OF TRAINING COORDINATOR FOR COUNTY ATTORNEYS IS THE SAME
10 AS THAT ESTABLISHED FOR A FULL-TIME COUNTY ATTORNEY IN A COUNTY WITH A POPULATION IN
11 EXCESS OF 30,000; GENERALLY REVISING THE LAWS RELATING TO STATE EMPLOYEE COMPENSATION
12 AND THE STATEWIDE CLASSIFICATION PLAN; PROVIDING AN APPROPRIATION TO FUND PAY
13 ADJUSTMENTS; REQUIRING THAT EMPLOYEES IN COLLECTIVE BARGAINING UNITS RATIFY COLLECTIVE
14 BARGAINING AGREEMENTS PRIOR TO RECEIVING PAY ADJUSTMENTS; PROVIDING PAY ADJUSTMENTS
15 FOR MEMBERS OF THE STATE TAX APPEAL BOARD; AMENDING SECTIONS 2-16-405, 2-18-101,
16 2-18-103, 2-18-203, 2-18-301, 2-18-303, 2-18-304, 2-18-312, 2-18-313, 2-18-314, 2-18-315, AND
17 2-18-703, 3-2-104, 3-5-211, 5-2-301, 15-2-102, 19-5-101, AND 44-4-101, MCA; REPEALING SECTION
18 SECTIONS 2-16-404 AND 2-18-305, MCA; AND PROVIDING EFFECTIVE DATES AND A RETROACTIVE
19 APPLICABILITY DATE."

20
21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

SECTION 1. SECTION 2-16-405, MCA, IS AMENDED TO READ:

22
23
24 **"2-16-405. Salaries of certain elected state officials. (1) The Subject to subsection (2), the salaries**
25 **paid to certain elected officials of the state of Montana ~~for fiscal year 1992 and following years are:~~**

	Fiscal Year	Following
	1992	June 30, 1992
(a) Governor:	\$54,254	
(i) \$55,502;		
(ii) <u>\$57,084 beginning July 1, 1995;</u>		

1	<u>(iii) \$59,310 beginning January 1, 1996.</u>	
2	<u>(b) Lieutenant governor:</u>	\$39,218
3	<u>(i) \$40,466;</u>	
4	<u>(ii) \$41,619 beginning July 1, 1995;</u>	
5	<u>(iii) \$43,242 beginning January 1, 1996.</u>	
6	<u>(c) Attorney general:</u>	\$49,593
7	<u>(i) \$50,841;</u>	
8	<u>(ii) \$52,290 beginning July 1, 1995;</u>	
9	<u>(iii) \$54,329 beginning January 1, 1996.</u>	
10	<u>(d) State auditor:</u>	\$36,278
11	<u>(i) \$37,526;</u>	
12	<u>(ii) \$38,595 beginning July 1, 1995;</u>	
13	<u>(iii) \$40,101 beginning January 1, 1996.</u>	
14	<u>(e) Superintendent of public</u>	
15	<u>instruction:</u>	\$42,929
16	<u>(i) \$44,177;</u>	
17	<u>(ii) \$45,436 beginning July 1, 1995;</u>	
18	<u>(iii) \$47,208 beginning January 1, 1996.</u>	
19	<u>(f) Public service commission</u>	
20	<u>chairman presiding officer:</u>	\$40,502
21	<u>(i) \$41,750;</u>	
22	<u>(ii) \$42,940 beginning July 1, 1995;</u>	
23	<u>(iii) \$44,615 beginning January 1, 1996.</u>	
24	<u>(g) Public service commissioners, other</u>	
25	<u>than chairman presiding officer:</u>	\$39,218
26	<u>(i) \$40,466;</u>	
27	<u>(ii) \$41,619 beginning July 1, 1995;</u>	
28	<u>(iii) \$43,242 beginning January 1, 1996.</u>	
29	<u>(h) Secretary of state:</u>	\$36,278
30	<u>(i) \$37,526;</u>	

1 (ii) \$38,595 beginning July 1, 1995;

2 (iii) \$40,101 beginning January 1, 1996.

3 (i) Clerk of the supreme court; ~~\$35,289~~

4 (i) \$36,537;

5 (ii) \$37,578 beginning July 1, 1995;

6 (iii) \$39,044 beginning January 1, 1996.

7 (2) Prior to June 30, 1996, and prior to June 30 of each even-numbered year thereafter, the
 8 department of administration shall conduct a salary survey of executive branch officials similar to the
 9 Montana officials listed in subsection (1) for the states of North Dakota, South Dakota, Wyoming, and
 10 Idaho. The department shall include the salary for the Montana official in determining the average salary
 11 for the similar position. If the average salary is greater than the salary for the similar position in Montana,
 12 then beginning July 1, 1997, the average is the new salary for that position. In each year following the year
 13 in which a survey is conducted, the average salary is the new salary for the position."

14

15 **Section 2.** Section 2-18-101, MCA, is amended to read:

16 **"2-18-101. Definitions.** As used in parts 1 through 3 and part 10 of this chapter, the following
 17 definitions apply:

18 (1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state
 19 government recognized in the state budget.

20 (2) "Anniversary date", except as modified in part 3 of this chapter, means the month and day on
 21 which an employee began the most recent period of uninterrupted state service.

22 ~~(2)~~(3) "Base salary" means the amount of compensation paid to an employee, excluding:

23 (a) state contributions to group benefits provided in 2-18-703;

24 (b) overtime;

25 (c) fringe benefits as defined in 39-2-903; and

26 (d) the longevity allowance provided in 2-18-304.

27 ~~(3)~~(4) "Board" means the board of personnel appeals established in 2-15-1705.

28 ~~(4)~~(5) "Class" means one or more positions substantially similar with respect to the kind or nature
 29 of duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may
 30 be used to designate each position allocated to the class, similar qualifications may be required of persons

1 appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.

2 (6) "Class series benchmark" means a representative position within a class series that is used to
 3 illustrate the application of the job evaluation factors that are used to classify positions in the classification
 4 plan. A benchmark description describes the duties and responsibilities assigned and the factors applied to
 5 the class series benchmark.

6 ~~(6)~~(7) "Class specification" means a written descriptive statement of the duties and responsibilities
 7 characteristic of a class of positions and includes the education, experience, knowledge, skills, abilities, and
 8 qualifications necessary to perform the work of the class.

9 ~~(6)~~(8) "Compensation" means the annual or hourly wage or salary and includes the state
 10 contribution to group benefits under the provisions of 2-18-703.

11 ~~(7)~~(9) "Department" means the department of administration created in 2-15-1001.

12 ~~(8)~~(10) Except in 2-18-306, "employee" means any state employee other than an employee
 13 excepted under 2-18-103 or 2-18-104 from the statewide classification system.

14 ~~(9)~~(11) "Entry salary" means the entry-level base salary for each grade provided in 2-18-312.

15 ~~(10)~~(12) "Grade" means the number assigned to a pay range within a pay schedule in part 3 of this
 16 chapter.

17 ~~(11)~~(13) "Job sharing" means the sharing by two or more persons of a position that is considered
 18 an aggregate or permanent position.

19 (14) "Market ratio" means an employee's base salary divided by the market salary for the
 20 employee's pay grade.

21 ~~(12)~~(15) "Market salary" means the midpoint in a pay grade provided in 2-18-312, based on the
 22 average base salary that other employers pay to employees in comparable occupations ~~comparable to~~
 23 ~~occupations in a grade provided in 2-18-312,~~ as determined by the department's salary survey of the
 24 relevant labor market.

25 ~~(13)~~(16) "Permanent position" means a position so designated on the appropriate agency list of
 26 authorized positions referenced in 2-18-206 and approved as such in the biennium budget.

27 ~~(14)~~(17) "Permanent status" means the state an employee attains after satisfactorily completing
 28 an appropriate probationary period in a permanent position.

29 ~~(15)~~(18) "Personal staff" means those positions occupied by employees appointed by the elected
 30 officials enumerated in Article VI, section 1, of the Montana constitution or by the public service

1 commission as a whole.

2 ~~(16)~~(19) "Position" means a collection of duties and responsibilities currently assigned or delegated
3 by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

4 ~~(17)~~(20) "Program" means a combination of planned efforts to provide a service.

5 ~~(18)~~(21) "Seasonal position" means a position so designated on the appropriate agency list of
6 authorized positions referenced in 2-18-206 and ~~which~~ that is a permanent position but ~~which~~ that is
7 interrupted by the seasonal nature of the position.

8 ~~(19)~~(22) "Temporary position" means a position so designated on the appropriate agency list of
9 authorized positions referenced in 2-18-206, created for a definite period of time not to exceed 9 months."

10

11 **SECTION 3. SECTION 2-18-103, MCA, IS AMENDED TO READ:**

12 **"2-18-103. Officers and employees excepted.** Parts 1 and 2 do not apply to the following positions
13 in state government:

14 (1) elected officials;

15 (2) county assessors and their chief deputy;

16 (3) officers and employees of the legislative branch;

17 (4) judges and employees of the judicial branch;

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

20 (6) officers or members of the militia;

21 (7) agency heads appointed by the governor;

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

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

27 (10) teachers under the authority of the department of corrections and human services or family
28 services;

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

- 1 (12) four professional staff positions under the board of oil and gas conservation;
 2 (13) assistant director for security of the Montana state lottery;
 3 (14) executive director and senior investment officer of the Montana board of science and
 4 technology development;
 5 (15) executive director and employees of the state compensation insurance fund;
 6 (16) state racing stewards employed by the executive secretary of the Montana board of
 7 horseracing;
 8 (17) executive director of the Montana wheat and barley committee; ~~and~~
 9 (18) commissioner of banking and financial institutions; and
 10 (19) training coordinator for county attorneys."

11
 12 **Section 4.** Section 2-18-203, MCA, is amended to read:

13 **"2-18-203. Review of positions -- change in classification.** (1) The department shall continuously
 14 review all positions on a regular basis and adjust classifications to reflect significant changes in duties and
 15 responsibilities. In the event that adjustments are to be made to ~~the classification class~~ class specifications, class
 16 series benchmarks, or criteria ~~utilized~~ used for allocating positions ~~in the classification specifications to~~
 17 classes affecting employees within a bargaining unit, the department shall consult with the representative
 18 of the bargaining unit prior to implementation of the adjustments, except for blue-collar, ~~teachers~~ teachers',
 19 and liquor store ~~clerks~~ clerks' classification plans, which ~~shall~~ plans must remain mandatory negotiable
 20 items under ~~the Collective Bargaining Act~~ Title 39, chapter 31.

21 (2) Employees and employee organizations ~~will~~ must be given the opportunity to appeal the
 22 allocation or reallocation of a position to a class. The grade assigned to a class ~~is~~ and factors assigned to
 23 class series benchmarks are not an appealable ~~subject~~ subjects under 2-18-1011 through 2-18-1013.

24 (3) The period of time for which retroactive pay for a classification appeal may be awarded under
 25 ~~parts 1 through 3 of this chapter or under 2-18-1011 through 2-18-1013 or under parts 1 through 3 of this~~
 26 chapter may not extend beyond 30 days prior to the date on which the appeal was filed. ~~This provision~~
 27 ~~shall not affect a classification or position appeal already in process on April 26, 1977."~~

28
 29 **Section 5.** Section 2-18-301, MCA, is amended to read:

30 **"2-18-301. Purpose and intent of part -- rules.** (1) The purpose of this part is to provide the

1 market-based compensation necessary to attract and retain competent and qualified employees in order to
2 perform the services that the state is required to provide to its citizens.

3 (2) It is the intent of the legislature that compensation plans for state employees, excluding those
4 employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313,
5 ~~2-18-314, and through~~ 2-18-315, be based on an analysis of the labor market as provided by the
6 department in a salary survey. The salary survey must be submitted to the office of budget and program
7 planning as a part of the information required by 17-7-111.

8 (3) Except as provided in 2-18-110, ~~and 2-18-305(4)~~, pay adjustments and pay schedules provided
9 for in 2-18-303 and in 2-18-312 through 2-18-315 supersede any other plan or systems established
10 through collective bargaining after the adjournment of the ~~53rd~~ 54th legislature.

11 (4) Pay levels provided for in 2-18-312 through 2-18-315 may not be increased through collective
12 bargaining after adjournment of the ~~53rd~~ 54th legislature.

13 (5) Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315
14 for any employee group or bargaining unit may not be increased through collective bargaining over the
15 amount appropriated by the ~~53rd~~ 54th legislature.

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

18 (7) The department may promulgate rules not inconsistent with the provisions of this part,
19 collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."
20

21 **Section 6.** Section 2-18-303, MCA, is amended to read:

22 **"2-18-303. Procedures for ~~utilizing~~ using pay schedules.** (1) The pay schedules provided in
23 2-18-312 must be implemented as follows:

24 (a) The pay schedules provided in 2-18-312 indicate the entry salary and market salary ~~for the~~
25 ~~fiscal years ending June 30, 1994, and June 30, 1995~~, for each grade for positions classified under the
26 provisions of part 2 of this chapter.

27 (b) Each employee newly hired by the state of Montana must be hired at the entry rate, except as
28 provided in subsections ~~(6)~~ (7) and ~~(7)~~ (8).

29 (c) ~~Except as provided in subsection (1)(e), on~~ On the first day of the first complete pay period in
30 fiscal year ~~1994~~ 1996, each employee hired before July 1, ~~1993~~ 1995, is entitled to the amount of the

1 employee's base salary as it was on June 30, ~~1993~~ 1995, plus, on the employee's anniversary date that
 2 occurs on or after September 30, 1995, the increases provided in subsection (1)(d), if applicable.

3 (d) (i) Effective on the first day of the pay period that includes an employee's anniversary date
 4 during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be
 5 compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's
 6 grade level and completed years of uninterrupted state service. For employees hired on or before
 7 September 30, 1994, the anniversary date is October 1.

8 (ii) As provided in subsection (1)(d)(i), the following matrix must be used to compare an employee's
 9 market ratio to the target market ratio that corresponds to the employee's grade level and completed years
 10 of uninterrupted state service:

11 TARGET MARKET RATIOS

12	<u>Years</u>	<u>Grade</u>										
13	<u>GRADE</u>	<u>YEARS</u>										
14		<u>0</u>	<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>
15	<u>4</u>	<u>0.844</u>	<u>0.874</u>	<u>0.904</u>	<u>0.935</u>	<u>0.967</u>	<u>0.999</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
16	<u>5</u>	<u>0.842</u>	<u>0.871</u>	<u>0.900</u>	<u>0.930</u>	<u>0.961</u>	<u>0.992</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
17	<u>6</u>	<u>0.840</u>	<u>0.868</u>	<u>0.896</u>	<u>0.925</u>	<u>0.955</u>	<u>0.985</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
18	<u>7</u>	<u>0.838</u>	<u>0.865</u>	<u>0.892</u>	<u>0.920</u>	<u>0.949</u>	<u>0.978</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
19	<u>8</u>	<u>0.836</u>	<u>0.862</u>	<u>0.889</u>	<u>0.916</u>	<u>0.944</u>	<u>0.972</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
20	<u>9</u>	<u>0.834</u>	<u>0.859</u>	<u>0.885</u>	<u>0.911</u>	<u>0.938</u>	<u>0.965</u>	<u>0.993</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
21	<u>10</u>	<u>0.832</u>	<u>0.857</u>	<u>0.882</u>	<u>0.908</u>	<u>0.934</u>	<u>0.961</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
22	<u>11</u>	<u>0.830</u>	<u>0.854</u>	<u>0.878</u>	<u>0.903</u>	<u>0.928</u>	<u>0.954</u>	<u>0.980</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
23	<u>12</u>	<u>0.828</u>	<u>0.851</u>	<u>0.875</u>	<u>0.899</u>	<u>0.924</u>	<u>0.949</u>	<u>0.975</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
24	<u>13</u>	<u>0.826</u>	<u>0.849</u>	<u>0.872</u>	<u>0.896</u>	<u>0.920</u>	<u>0.945</u>	<u>0.970</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
25	<u>14</u>	<u>0.824</u>	<u>0.846</u>	<u>0.869</u>	<u>0.892</u>	<u>0.915</u>	<u>0.939</u>	<u>0.963</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
26	<u>15</u>	<u>0.822</u>	<u>0.844</u>	<u>0.866</u>	<u>0.888</u>	<u>0.911</u>	<u>0.934</u>	<u>0.958</u>	<u>0.982</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
27	<u>16</u>	<u>0.820</u>	<u>0.841</u>	<u>0.863</u>	<u>0.885</u>	<u>0.907</u>	<u>0.930</u>	<u>0.953</u>	<u>0.977</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
28	<u>17</u>	<u>0.818</u>	<u>0.839</u>	<u>0.882</u>	<u>0.904</u>	<u>0.903</u>	<u>0.926</u>	<u>0.949</u>	<u>0.972</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>
29				<u>0.860</u>	<u>0.882</u>	<u>0.904</u>						
30	<u>18</u>	<u>0.816</u>	<u>0.836</u>	<u>0.857</u>	<u>0.878</u>	<u>0.899</u>	<u>0.921</u>	<u>0.943</u>	<u>0.966</u>	<u>0.989</u>	<u>1.000</u>	<u>1.000</u>

1	<u>19</u>	<u>0.814</u>	<u>0.834</u>	<u>0.854</u>	<u>0.875</u>	<u>0.896</u>	<u>0.917</u>	<u>0.939</u>	<u>0.961</u>	<u>0.984</u>	<u>1.000</u>	<u>1.000</u>
2	<u>20</u>	<u>0.812</u>	<u>0.831</u>	<u>0.851</u>	<u>0.871</u>	<u>0.892</u>	<u>0.913</u>	<u>0.935</u>	<u>0.957</u>	<u>0.979</u>	<u>1.000</u>	<u>1.000</u>
3	<u>21</u>	<u>0.810</u>	<u>0.829</u>	<u>0.849</u>	<u>0.869</u>	<u>0.889</u>	<u>0.910</u>	<u>0.931</u>	<u>0.953</u>	<u>0.975</u>	<u>0.997</u>	<u>1.000</u>
4	<u>22</u>	<u>0.808</u>	<u>0.827</u>	<u>0.846</u>	<u>0.866</u>	<u>0.886</u>	<u>0.906</u>	<u>0.927</u>	<u>0.948</u>	<u>0.970</u>	<u>0.992</u>	<u>1.000</u>
5	<u>23</u>	<u>0.806</u>	<u>0.825</u>	<u>0.844</u>	<u>0.863</u>	<u>0.883</u>	<u>0.903</u>	<u>0.923</u>	<u>0.944</u>	<u>0.965</u>	<u>0.987</u>	<u>0.999</u>
6												<u>1.000</u>
7	<u>24</u>	<u>0.804</u>	<u>0.822</u>	<u>0.841</u>	<u>0.860</u>	<u>0.879</u>	<u>0.899</u>	<u>0.919</u>	<u>0.940</u>	<u>0.961</u>	<u>0.982</u>	<u>1.000</u>
8	<u>25</u>	<u>0.802</u>	<u>0.820</u>	<u>0.838</u>	<u>0.857</u>	<u>0.876</u>	<u>0.895</u>	<u>0.915</u>	<u>0.935</u>	<u>0.956</u>	<u>0.977</u>	<u>0.999</u>

9 (iii) If, on the first day of the pay period that includes an employee's anniversary date during the
10 fiscal year ending June 30, 1996, the employee's market ratio is less than the target market ratio that
11 corresponds to the employee's grade level and completed years of uninterrupted state service, the
12 employee's base salary must be increased to the lesser of:

13 (A) the market salary for the employee's grade multiplied by the target ratio that corresponds to the
14 employee's grade level and completed years of uninterrupted state service; or

15 (B) the employee's base salary as it was on the last day of the pay period immediately preceding
16 the pay period that includes October 1, 1995, plus 5%.

17 (iv) If, on the first day of the pay period that includes an employee's anniversary date during the
18 fiscal year ending June 30, 1997, the employee's market ratio is less than the target market ratio that
19 corresponds to the employee's grade level and completed years of uninterrupted state service, the
20 employee's base salary must be increased to the lesser of:

21 (A) the market salary for the employee's grade multiplied by the target ratio that corresponds to
22 the employee's grade level and completed years of uninterrupted state service; or

23 (B) the employee's base salary as it was on the last day of the pay period immediately preceding
24 the pay period that includes October 1, 1996, plus 6%.

25 ~~(d) Except as provided in subsection (1)(e), on the first day of the first complete pay period in~~
26 ~~January 1995, each employee hired before January 1, 1995, is entitled to the amount of the employee's~~
27 ~~base salary as it was on December 31, 1994, plus 1.5%.~~

28 (e) An employee's base salary may be no less than the entry salary for the employee's assigned
29 grade.

30 (f) An employee's base salary may not exceed the maximum salary for the employee's grade. The

1 salary of an employee may not be reduced because of this provision.

2 (g) The maximum salary for each grade is determined by subtracting the entry salary from the
3 market salary and adding that amount to the market salary.

4 (h) An employee's market ratio, as it was on the last day of the pay period immediately preceding
5 the pay period that includes October 1, 1996, may not be reduced as a result of the adjustment of the pay
6 ranges provided in 2-18-312(2).

7 (2) The pay schedules provided in 2-18-312 and the provisions of subsection (1) of this section
8 do not apply to those teachers, liquor store occupations, or blue-collar occupations compensated under the
9 pay schedules provided in 2-18-313 through 2-18-315.

10 (3) The pay schedules provided in 2-18-313 through 2-18-315 must be implemented as follows:

11 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for ~~the~~
12 ~~contracted school term for~~ teachers employed under the authority of the department of corrections and
13 human services or the department of family services for fiscal years ~~1994~~ 1996 and ~~1996~~ 1997.

14 (ii) The compensation of each teacher ~~on the first day of the first pay period in July 1993~~ ON JULY
15 1, 1995, is determined by the teacher's level of academic achievement and ~~completed~~ years of experience
16 THE SAME AS IT WAS ON JUNE 30, 1995.

17 (iii) ~~On the first day of the first complete pay period of each fiscal year, each teacher shall advance~~
18 ~~one step on the appropriate pay schedule adopted in 2-18-313.~~

19 (iv) ~~On the first day of the first complete pay period of each fiscal year, each teacher employed by~~
20 ~~the Montana school for the deaf and blind shall advance one step on the teacher pay matrix used by the~~
21 ~~school.~~

22 (III) ON THE FIRST DAY OF THE FIRST PAY PERIOD THAT INCLUDES OCTOBER 1 OF EACH
23 FISCAL YEAR, A TEACHER EMPLOYED UNDER THE AUTHORITY OF THE DEPARTMENT OF FAMILY
24 SERVICES PRIOR TO OCTOBER 1, 1994, SHALL ADVANCE ONE STEP ON THE APPROPRIATE PAY
25 SCHEDULE ADOPTED IN 2-18-313. A TEACHER HIRED AFTER OCTOBER 1, 1994, SHALL ADVANCE ON
26 THE TEACHER'S ACTUAL ANNIVERSARY DATE.

27 (IV) ON THE FIRST DAY OF THE FIRST FULL PAY PERIOD DURING THE MONTH THAT INCLUDES
28 THE TEACHER'S ANNIVERSARY DATE, A TEACHER EMPLOYED UNDER THE AUTHORITY OF THE
29 DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES SHALL ADVANCE ONE STEP ON THE
30 APPROPRIATE PAY SCHEDULE ADOPTED IN 2-18-313.

1 (V) ON THE FIRST DAY OF THE FIRST PAY PERIOD THAT INCLUDES OCTOBER 1 OF EACH
 2 FISCAL YEAR, A TEACHER EMPLOYED BY THE MONTANA SCHOOL FOR THE DEAF AND BLIND SHALL
 3 ADVANCE ONE STEP ON THE TEACHER PAY MATRIX USED BY THE SCHOOL.

4 (b) (i) The pay schedules provided in 2-18-314 indicate the maximum hourly compensation for
 5 fiscal years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for those employees in liquor store
 6 occupations who have collectively bargained separate classification and pay plans.

7 (ii) The compensation of each employee on the first day of the first pay period in fiscal year ~~1994~~
 8 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
 9 fiscal year.

10 (c) (i) The pay schedules provided in 2-18-315 indicate the maximum hourly compensation for fiscal
 11 years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for employees in apprentice trades and crafts
 12 and other blue-collar occupations recognized in the state blue-collar classification plan who are members
 13 of units that have collectively bargained separate classification and pay plans.

14 (ii) The compensation of each employee on the first day of the first pay period in fiscal year ~~1994~~
 15 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
 16 fiscal year.

17 (4) (a) (i) A member of a bargaining unit may not receive a pay increase until the employer's
 18 collective bargaining representative receives written notice that the employee's bargaining unit has ratified
 19 a completely integrated collective bargaining agreement covering the biennium ending June 30, 1997.

20 (ii) If ratification of a completely integrated collective bargaining agreement, as required by
 21 subsection (4)(a)(i), is not completed by July 1, 1995, retroactivity to that date may be negotiated.

22 (iii) If ratification of a completely integrated collective bargaining agreement, as required by
 23 subsection (4)(a)(i), is not completed by July 1, 1995, members of the bargaining unit must continue to
 24 receive the compensation that they were receiving as of June 30, 1995, until an agreement is ratified.

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

28 ~~(4)(5)~~ The current wage or salary of an employee may not be reduced by the implementation of
 29 the pay schedules provided for in 2-18-312 through 2-18-315.

30 ~~(6)(6)~~ The department may authorize a separate pay schedule for medical doctors if the rates

1 provided in 2-18-312 are not sufficient to attract and retain fully licensed and qualified physicians at the
2 state institutions.

3 ~~(6)~~(7) The department may develop programs that enable the department to mitigate problems
4 associated with difficult recruitment, retention, transfer, or other exceptional circumstances. Insofar as the
5 program may apply to employees within a collective bargaining unit, it is a negotiable subject under
6 39-31-305.

7 ~~(7)~~(8) The department shall review the competitiveness of the compensation provided to all
8 occupations under this part. If the department finds that substantial problems exist with recruitment and
9 retention because of inadequate salaries when compared to competing employers, the department may
10 establish criteria allowing an adjustment in pay or classification to mitigate the problems. Insofar as these
11 adjustments may apply to employees within a collective bargaining unit, the implementation of these
12 adjustments is a negotiable subject under 39-31-305."

13

14 **Section 7.** Section 2-18-304, MCA, is amended to read:

15 "**2-18-304. Longevity allowance.** (1) (a) ~~(i) In~~ Effective July 1, 1995, through the last day of the
16 pay period immediately preceding the pay period that includes October 1, 1995, in addition to the
17 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
18 has completed 5 years of uninterrupted state service shall must receive the greater of:

19 ~~(i) \$10 a month; or~~

20 ~~(ii) 9/10 of 1% of the employee's base salary multiplied by the number of completed, contiguous~~
21 ~~5-year periods of uninterrupted state service.~~

22 (ii) Effective on the first day of the pay period that includes October 1, 1995, in addition to the
23 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
24 has completed 5 years of uninterrupted state service must receive 1.5% of the employee's base salary
25 multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service.

26 (b) Service to the state is not interrupted by authorized leaves of absence.

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

29 (i) 2,080 hours of service following ~~his~~ the employee's date of employment; an employee must be
30 credited with 80 hours of service for each biweekly pay period in which ~~he~~ the employee is in a pay status

1 or on an authorized leave of absence without pay, regardless of the number of hours of service in the pay
 2 period; or

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

8 (b) State agencies, other than the university system and a school at a state institution, shall use
 9 the method provided in subsection (2)(a)(i) to calculate years of service under this section."
 10

11 **Section 8.** Section 2-18-312, MCA, is amended to read:

12 **"2-18-312. Statewide pay schedules for fiscal years ~~1994~~ 1996 and ~~1995~~ 1997.** (1) The statewide
 13 classification pay schedule for the period fiscal year ~~1994~~ from July 1, 1995, until the first day of the pay
 14 period that includes October 1, 1996, is as follows:

15 Annual Hours -- 2080 Note: Does Not Include Insurance
 16 Pay Matrix -- State Matrix Type -- Annual
 17 Pay Range: Entry Salary to Market Salary

18 GRADE	ENTRY SALARY	MARKET SALARY
19 1	8,679	10,210
20 2	9,349	11,025
21 3	10,070	11,903
22 4	10,852	12,858
23 5	11,727	13,927
24 6	12,672	15,086
25 7	13,688	16,334
26 8	14,836	17,747
27 9	16,064	19,262
28 10	17,424	20,942
29 11	18,904	22,775
30 12	20,545	24,812

1	13	22,325	27,027
2	14	24,295	29,485
3	15	26,465	32,196
4	16	28,885	35,226
5	17	31,585	38,613
6	18	34,562	42,355
7	19	37,897	46,557
8	20	41,618	51,254
9	21	45,754	56,487
10	22	50,373	62,343
11	23	55,584	68,963
12	24	61,434	76,410
13	25	67,907	84,673

14 (2) The Effective on the first day of the pay period that includes October 1, 1996, the statewide
 15 classification pay schedule for fiscal year 1995 is as follows:

16 Annual Hours -- 2080 Note: Does Not Include Insurance

17 Pay Matrix -- State Matrix Type -- Annual

18 Pay Range: Entry Salary to Market Salary

19	GRADE	ENTRY SALARY	MARKET SALARY
20	1	8,670	10,210
21	2	9,340	11,025
22	3	10,070	11,903
23	4	10,852	12,858
24	5	11,727	13,927
25	6	12,672	15,086
26	7	13,688	16,334
27	8	14,836	17,747
28	9	16,064	19,262
29	10	17,424	20,942
30	11	18,904	22,775

1	12	20,545	24,812
2	13	22,325	27,027
3	14	24,295	29,485
4	15	26,465	32,196
5	16	28,885	35,226
6	17	31,585	38,613
7	18	34,562	42,355
8	19	37,897	46,557
9	20	41,618	51,254
10	21	45,754	56,487
11	22	50,373	62,343
12	23	55,584	68,963
13	24	61,434	76,410
14	25	67,907	84,673
15	<u>1</u>	<u>8,897</u>	<u>10,466</u>
16	<u>2</u>	<u>9,583</u>	<u>11,300</u>
17	<u>3</u>	<u>10,321</u>	<u>12,201</u>
18	<u>4</u>	<u>11,123</u>	<u>13,180</u>
19	<u>5</u>	<u>12,020</u>	<u>14,276</u>
20	<u>6</u>	<u>12,988</u>	<u>15,463</u>
21	<u>7</u>	<u>14,031</u>	<u>16,743</u>
22	<u>8</u>	<u>15,208</u>	<u>18,190</u>
23	<u>9</u>	<u>16,465</u>	<u>19,744</u>
24	<u>10</u>	<u>17,860</u>	<u>21,465</u>
25	<u>11</u>	<u>19,376</u>	<u>23,345</u>
26	<u>12</u>	<u>21,058</u>	<u>25,433</u>
27	<u>13</u>	<u>22,883</u>	<u>27,703</u>
28	<u>14</u>	<u>24,902</u>	<u>30,221</u>
29	<u>15</u>	<u>27,128</u>	<u>33,001</u>
30	<u>16</u>	<u>29,607</u>	<u>36,108</u>

1	<u>17</u>	<u>32,374</u>	<u>39,578</u>
2	<u>18</u>	<u>35,425</u>	<u>43,414</u>
3	<u>19</u>	<u>38,845</u>	<u>47,721</u>
4	<u>20</u>	<u>42,659</u>	<u>52,535</u>
5	<u>21</u>	<u>46,898</u>	<u>57,899</u>
6	<u>22</u>	<u>51,633</u>	<u>63,902</u>
7	<u>23</u>	<u>56,973</u>	<u>70,686</u>
8	<u>24</u>	<u>62,971</u>	<u>78,321</u>
9	<u>25</u>	<u>69,606</u>	<u>86,789"</u>

10

11 **Section 9.** Section 2-18-313, MCA, is amended to read:

12 **"2-18-313. Teachers' pay schedules.** (1) ~~(a)~~ The 12-month pay schedule for teachers for fiscal year
 13 ~~1994 and for the first 6 months of fiscal year 1995~~ the period from July 1, THAT INCLUDES OCTOBER 1,
 14 1995, until the first day of the pay period that includes October 1, 1996, is as follows:

15	Annual Hours -- 2080	Note: Does Not Include Insurance					
16	Term -- Twelve Months	Matrix Type -- Annual					
17		Education Level					
18	STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
19	1	22,412	23,071	23,713	24,034	24,357	25,016
20	2	23,167	23,883	24,600	24,959	25,322	26,065
21	3	23,922	24,713	25,496	25,909	26,323	27,138
22	4	24,678	25,556	26,421	26,878	27,334	28,208
23	5	25,438	26,421	27,353	27,848	28,346	29,280
24	6	26,226	27,297	28,288	28,822	29,358	30,352
25	7	27,016	28,166	29,217	29,793	30,367	31,420
26	8	27,810	29,039	30,153	30,767	31,381	32,490
27	9	28,603	29,910	31,085	31,737	32,394	33,561
28	10	29,396	30,786	32,016	32,709	33,403	34,633
29	11	30,191	31,628	32,945	33,680	34,415	35,702
30	12	30,191	31,628	32,945	33,680	34,415	35,702

1	13	30,191	31,628	32,945	33,680	34,415	35,702
2	1	22,748	23,417	24,069	24,395	24,722	25,391
3	2	23,515	24,241	24,969	25,333	25,702	26,456
4	3	24,281	25,084	25,877	26,298	26,718	27,545
5	4	25,048	25,939	26,817	27,281	27,744	28,631
6	5	25,820	26,817	27,763	28,266	28,771	29,719
7	6	26,619	27,706	28,712	29,254	29,798	30,807
8	7	27,421	28,588	29,655	30,240	30,823	31,891
9	8	28,227	29,475	30,605	31,229	31,852	32,977
10	9	29,032	30,359	31,551	32,213	32,880	34,064
11	10	29,837	31,248	32,496	33,200	33,904	35,152
12	11	30,644	32,102	33,439	34,185	34,931	36,238
13	12	30,644	32,102	33,439	34,185	34,931	36,238
14	13	30,644	32,102	33,439	34,185	34,931	36,238
15	<u>1</u>	<u>23,150</u>	<u>23,763</u>	<u>24,393</u>	<u>25,040</u>	<u>25,703</u>	<u>26,384</u>
16	<u>2</u>	<u>23,752</u>	<u>24,381</u>	<u>25,027</u>	<u>25,691</u>	<u>26,371</u>	<u>27,070</u>
17	<u>3</u>	<u>24,369</u>	<u>25,015</u>	<u>25,678</u>	<u>26,359</u>	<u>27,057</u>	<u>27,774</u>
18	<u>4</u>	<u>25,003</u>	<u>25,666</u>	<u>26,346</u>	<u>27,044</u>	<u>27,761</u>	<u>28,496</u>
19	<u>5</u>	<u>25,653</u>	<u>26,333</u>	<u>27,031</u>	<u>27,747</u>	<u>28,482</u>	<u>29,237</u>
20	<u>6</u>	<u>26,320</u>	<u>27,018</u>	<u>27,734</u>	<u>28,469</u>	<u>29,223</u>	<u>29,997</u>
21	<u>7</u>	<u>27,004</u>	<u>27,720</u>	<u>28,455</u>	<u>29,209</u>	<u>29,983</u>	<u>30,777</u>
22	<u>8</u>	<u>27,707</u>	<u>28,441</u>	<u>29,194</u>	<u>29,968</u>	<u>30,762</u>	<u>31,577</u>
23	<u>9</u>	<u>28,427</u>	<u>29,180</u>	<u>29,954</u>	<u>30,747</u>	<u>31,562</u>	<u>32,398</u>
24	<u>10</u>	<u>29,166</u>	<u>29,939</u>	<u>30,732</u>	<u>31,547</u>	<u>32,383</u>	<u>33,241</u>
25	<u>11</u>	<u>29,924</u>	<u>30,717</u>	<u>31,531</u>	<u>32,367</u>	<u>33,225</u>	<u>34,105</u>
26	<u>12</u>	<u>30,702</u>	<u>31,516</u>	<u>32,351</u>	<u>33,208</u>	<u>34,088</u>	<u>34,992</u>

27 (b) ~~The 9 month pay schedule for teachers for fiscal year 1994 and for the first 6 months of fiscal~~
 28 ~~year 1995 is as follows:~~

29 Annual Hours ~~1560~~ Note: Does Not Include Insurance
 30 Term ~~Nine Months~~ Matrix Type ~~Annual~~

	Education Level						
STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1	
1							
2							
3	1	17,924	18,432	18,953	19,207	19,462	19,983
4	2	18,521	19,087	19,654	19,937	20,222	20,788
5	3	19,117	19,742	20,355	20,670	20,982	21,594
6	4	19,716	20,401	21,056	21,400	21,743	22,400
7	5	20,311	21,056	21,757	22,130	22,504	23,207
8	6	20,909	21,716	22,461	22,862	23,265	24,013
9	7	21,503	22,368	23,160	23,593	24,025	24,817
10	8	22,101	23,026	23,864	24,325	24,788	25,622
11	9	22,698	23,681	24,565	25,056	25,549	26,443
12	10	23,295	24,339	25,266	25,786	26,321	27,292
13	11	23,892	24,974	25,968	26,537	27,119	28,135
14	12	23,892	24,974	25,968	26,537	27,119	28,135
15	13	23,892	24,974	25,968	26,537	27,119	28,135

(2) ~~(a) The 12-month~~ Effective on the first day of the pay period that includes October 1, 1996,

the pay schedule for teachers for the last 6 months of fiscal year 1995 is as follows:

Annual Hours -- 2080

Note: Does Not Include Insurance

Term -- Twelve Months

Matrix Type -- Annual

	Education Level						
STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1	
21							
22	1	22,748	23,417	24,069	24,395	24,722	25,391
23	2	23,515	24,241	24,969	25,333	25,702	26,456
24	3	24,281	25,084	25,877	26,298	26,718	27,545
25	4	25,048	25,939	26,817	27,281	27,744	28,631
26	5	25,820	26,817	27,763	28,266	28,771	29,719
27	6	26,619	27,706	28,712	29,254	29,798	30,807
28	7	27,421	28,588	29,655	30,240	30,823	31,891
29	8	28,227	29,475	30,605	31,229	31,852	32,977
30	9	29,032	30,359	31,551	32,213	32,880	34,064

1	10	29,837	31,248	32,496	33,200	33,904	35,152
2	11	30,644	32,102	33,439	34,185	34,931	36,238
3	12	30,644	32,102	33,439	34,185	34,931	36,238
4	13	30,644	32,102	33,439	34,185	34,931	36,238
5	1	23,317	24,002	24,670	25,004	25,340	26,026
6	2	24,102	24,847	25,593	25,967	26,344	27,117
7	3	24,888	25,711	26,524	26,955	27,386	28,234
8	4	25,674	26,588	27,488	27,963	28,438	29,347
9	5	26,465	27,488	28,457	28,972	29,490	30,462
10	6	27,286	28,399	29,430	29,986	30,543	31,577
11	7	28,107	29,303	30,397	30,996	31,603	32,689
12	8	28,933	30,211	31,370	32,009	32,648	33,802
13	9	29,758	31,118	32,340	33,018	33,702	34,916
14	10	30,583	32,029	33,309	34,030	34,752	36,031
15	11	31,410	32,905	34,275	35,040	35,805	37,143
16	12	31,410	32,905	34,275	35,040	35,805	37,143
17	13	31,410	32,905	34,275	35,040	35,805	37,143
18	<u>1</u>	<u>23,642</u>	<u>24,351</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>
19	<u>2</u>	<u>24,351</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>
20	<u>3</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>
21	<u>4</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>
22	<u>5</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>
23	<u>6</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>
24	<u>7</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>
25	<u>8</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>
26	<u>9</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>
27	<u>10</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>
28	<u>11</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>	<u>36,833</u>
29	<u>12</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>	<u>36,833</u>	<u>37,938</u>

30 (b) The 9 month pay schedule for teachers for the last 6 months of fiscal year 1995 is as follows:

1 Annual Hours ~~1560~~ Note: Does Not Include Insurance

2 Term ~~Nine Months~~ Matrix Type ~~Annual~~

3 Education Level

4 STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
5 1	18,193	18,708	19,237	19,495	19,754	20,283
6 2	18,799	19,373	19,949	20,236	20,525	21,100
7 3	19,404	20,038	20,660	20,980	21,297	21,918
8 4	20,012	20,707	21,372	21,721	22,069	22,736
9 5	20,616	21,372	22,093	22,462	22,842	23,555
10 6	21,223	22,041	22,798	23,205	23,614	24,373
11 7	21,826	22,704	23,507	23,947	24,385	25,189
12 8	22,433	23,371	24,192	24,690	25,160	26,006
13 9	23,038	24,036	24,933	25,432	25,932	26,840
14 10	23,644	24,704	25,645	26,173	26,716	27,701
15 11	24,250	25,349	26,358	26,935	27,526	28,557
16 12	24,250	25,349	26,358	26,935	27,526	28,557
17 13	24,250	25,349	26,358	26,935	27,526	28,557"

18

19 Section 10. Section 2-18-314, MCA, is amended to read:

20 "2-18-314. Liquor store occupations pay schedules. (1) The pay schedule for liquor store

21 occupations for ~~fiscal year 1994 and for the first 6 months of fiscal year 1995~~ the period from July 1,

22 1995, through September 29, 1995, is as follows:

23 Annual Hours -- 2080 Note: Does Not Include Insurance

24 Pay Matrix -- ~~Retail Clerk~~ Matrix Type -- Hourly

25 Liquor Store Occupations

26	Grade	Hour
27	L1	0.000
28	L2	8.609
29	L3	9.109
30	L4	9.389

1	L6	9.679
2	L6	10.289
3	L7	10.949
4	L8	11.699
5	<u>L1</u>	<u>0.000</u>
6	<u>L2</u>	<u>8.754</u>
7	<u>L3</u>	<u>9.254</u>
8	<u>L4</u>	<u>9.534</u>
9	<u>L5</u>	<u>9.824</u>
10	<u>L6</u>	<u>10.434</u>
11	<u>L7</u>	<u>11.094</u>
12	<u>L8</u>	<u>11.844</u>

13 (2) The Effective September 30, 1995, until the first day of the pay period that includes October
 14 1, 1996, the pay schedule for liquor store occupations for the last 6 months of fiscal year 1995 is as
 15 follows:

16 Annual Hours -- 2080 Note: Does Not Include Insurance
 17 Pay Matrix -- ~~Retail Clerk~~ Matrix Type -- Hourly

18 Liquor Store Occupations

19	Grade	Hour
20	L1	0.000
21	L2	8.754
22	L3	9.254
23	L4	9.534
24	L5	9.824
25	L6	10.434
26	L7	11.094
27	L8	11.844
28	<u>L1</u>	<u>0.000</u>
29	<u>L2</u>	<u>8.985</u>
30	<u>L3</u>	<u>9.485</u>

1	<u>L4</u>	<u>9.765</u>
2	<u>L5</u>	<u>10.055</u>
3	<u>L6</u>	<u>10.665</u>
4	<u>L7</u>	<u>11.325</u>
5	<u>L8</u>	<u>12.075</u>

6 (3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule
 7 for liquor store occupations is as follows:

8 Annual Hours -- 2080 Note: Does Not Include Insurance

9 Pay Matrix -- Liquor Store Occupations Matrix Type -- Hourly

10	<u>Grade</u>	<u>Hour</u>
11	<u>L1</u>	<u>0.000</u>
12	<u>L2</u>	<u>9.326</u>
13	<u>L3</u>	<u>9.826</u>
14	<u>L4</u>	<u>10.106</u>
15	<u>L5</u>	<u>10.396</u>
16	<u>L6</u>	<u>11.006</u>
17	<u>L7</u>	<u>11.666</u>
18	<u>L8</u>	<u>12.416"</u>

19
 20 **Section 11.** Section 2-18-315, MCA, is amended to read:
 21 **"2-18-315. Blue-collar pay schedules.** (1) The pay schedule for blue-collar workers for ~~fiscal year~~
 22 ~~1994 and for the first 6 months of fiscal year 1995~~ the period from July 1, 1995, through September 29,
 23 1995, is as follows:

24 Annual Hours -- 2080 Note: Does Not Include Insurance

25 Pay Matrix -- Blue-Collar Matrix Type -- Hourly

26	<u>Grade</u>	<u>Hour</u>
27	<u>B1</u>	<u>9.084</u>
28	<u>B2</u>	<u>9.484</u>
29	<u>B3</u>	<u>9.884</u>
30	<u>B4</u>	<u>10.284</u>

1	B5	10.684
2	B6	11.084
3	B7	11.484
4	B8	11.884
5	B9	12.284
6	B10	12.684
7	B11	13.084
8	B12	13.484
9	B00	13.884
10	<u>B1</u>	<u>9.266</u>
11	<u>B2</u>	<u>9.666</u>
12	<u>B3</u>	<u>10.066</u>
13	<u>B4</u>	<u>10.466</u>
14	<u>B5</u>	<u>10.866</u>
15	<u>B6</u>	<u>11.266</u>
16	<u>B7</u>	<u>11.666</u>
17	<u>B8</u>	<u>12.066</u>
18	<u>B9</u>	<u>12.466</u>
19	<u>B10</u>	<u>12.866</u>
20	<u>B11</u>	<u>13.266</u>
21	<u>B12</u>	<u>13.666</u>
22	<u>B00</u>	<u>14.066</u>

(2) The Effective September 30, 1995, until the first day of the pay period that includes October, 1996, the pay schedule for blue-collar workers for the last 6 months of fiscal year 1995 is as follows:

Annual Hours -- 2080 Note: Does Not Include Insurance

Pay Matrix -- Blue-Collar Matrix Type -- Hourly

	Grade	Hour
27		
28	B1	9.266
29	B2	9.666
30	B3	10.066

1	B4	10.466
2	B5	10.866
3	B6	11.266
4	B7	11.666
5	B8	12.066
6	B9	12.466
7	B10	12.866
8	B11	13.266
9	B12	13.666
10	B00	14.066
11	<u>B1</u>	<u>9.561</u>
12	<u>B2</u>	<u>9.961</u>
13	<u>B3</u>	<u>10.361</u>
14	<u>B4</u>	<u>10.761</u>
15	<u>B5</u>	<u>11.161</u>
16	<u>B6</u>	<u>11.561</u>
17	<u>B7</u>	<u>11.961</u>
18	<u>B8</u>	<u>12.361</u>
19	<u>B9</u>	<u>12.761</u>
20	<u>B10</u>	<u>13.161</u>
21	<u>B11</u>	<u>13.561</u>
22	<u>B12</u>	<u>13.961</u>
23	<u>B00</u>	<u>14.361</u>

(3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule for blue-collar workers is as follows:

<u>Annual Hours -- 2080</u>	<u>Note: Does Not Include Insurance</u>
<u>Pay Matrix -- Blue-Collar</u>	<u>Matrix Type -- Hourly</u>
<u>Grade</u>	<u>Hour</u>
<u>B1</u>	<u>9.995</u>
<u>B2</u>	<u>10.395</u>

1	<u>B3</u>	<u>10.795</u>
2	<u>B4</u>	<u>11.195</u>
3	<u>B5</u>	<u>11.595</u>
4	<u>B6</u>	<u>11.995</u>
5	<u>B7</u>	<u>12.395</u>
6	<u>B8</u>	<u>12.795</u>
7	<u>B9</u>	<u>13.195</u>
8	<u>B10</u>	<u>13.595</u>
9	<u>B11</u>	<u>13.995</u>
10	<u>B12</u>	<u>14.395</u>
11	<u>B00</u>	<u>14.795"</u>

12

13 **Section 12.** Section 2-18-703, MCA, is amended to read:

14 **"2-18-703. Contributions.** (1) Each agency, as defined in 2-18-601, shall contribute the amount
15 specified in this section towards the group benefits cost.

16 (2) For employees defined in 2-18-701, ~~other than members of collective bargaining units,~~ and for
17 members of the legislature, the employer contribution for group benefits is ~~\$240~~ \$220 per month for the
18 fiscal year ending June 30, ~~1994~~ 1996, and ~~\$230 per~~ \$225 a month for the fiscal year ending June 30,
19 ~~1995~~ 1997, and for each fiscal year thereafter. When a state employee is terminated to achieve a reduction
20 in force, the continuation of contributions for group benefits beyond the termination date is subject to
21 negotiation under 39-31-305. Permanent part-time, seasonal part-time, and temporary part-time employees
22 who are regularly scheduled to work less than 20 hours a week are not eligible for the group benefit
23 contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not
24 receive the state contribution ~~as wages~~. A portion of the employer contribution for group benefits may be
25 applied to an employee's costs for participation in Part B of medicare under Title XVIII of the Social Security
26 Act of 1965, as amended, if the state group benefit plan is the secondary payer and medicare the primary
27 payer.

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

30 (4) Unused employer contributions for any state employee must be transferred to an account

1 established for this purpose by the department of administration and upon transfer may be used to offset
2 losses occurring to the group of which the employee is eligible to be a member.

3 (5) Unused employer contributions for any government employee may be transferred to an account
4 established for this purpose by a self-insured government and upon transfer may be used to offset losses
5 occurring to the group of which the employee is eligible to be a member or to increase the reserves of the
6 group.

7 (6) The laws prohibiting discrimination on the basis of marital status in Title 49 do not prohibit bona
8 fide group insurance plans from providing greater or additional contributions for insurance benefits to
9 employees with dependents than to employees without dependents or with fewer dependents."

10

11 **SECTION 13. SECTION 3-2-104, MCA, IS AMENDED TO READ:**

12 "3-2-104. Salaries -- expenses. (1) The salaries of justices of the supreme court are provided for
13 in ~~2-16-404~~ [section 16].

14 (2) Actual and necessary travel expenses of the justices of the supreme court shall be the travel
15 expenses, as defined and provided in 2-18-501 through 2-18-503, incurred in the performance of their
16 official duties."

17

18 **SECTION 14. SECTION 3-5-211, MCA, IS AMENDED TO READ:**

19 "3-5-211. Salaries and expenses of district judges. (1) ~~The~~ Subject to subsection (2), the annual
20 salary of each district judge is as follows:

21 (a) ~~\$57,178 beginning July 1, 1991;~~

22 (b) ~~\$59,178 beginning January 1, 1992;~~

23 (c) ~~\$61,178 beginning July 1, 1992;~~

24 (d) ~~\$63,178 beginning January 1, 1993, and each fiscal year thereafter;~~

25 (b) \$64,979 beginning July 1, 1995;

26 (c) \$67,513 beginning January 1, 1996.

27 (2) Prior to June 30, 1996, and prior to June 30 of each even-numbered year thereafter, the
28 department of administration shall conduct a salary survey of judges of courts of general jurisdiction similar
29 to the Montana district courts for the states of North Dakota, South Dakota, Wyoming, and Idaho. The
30 department shall include the salary for a Montana district court judge in determining the average salary.

1 If the average salary is greater than the salary for a district court judge in Montana, then beginning July 1,
2 1997, the average is the new salary for that position. In each year following the year in which a survey is
3 conducted, the average salary is the new salary for the position. A district court judge's salary may not
4 be reduced.

5 ~~(2)~~(3) Actual and necessary expenses for each district judge shall be the travel expenses, as
6 defined and provided in 2-18-501 through 2-18-503, incurred in the performance of his official duties."
7

8 **SECTION 15. SECTION 5-2-301, MCA, IS AMENDED TO READ:**

9 **"5-2-301. Compensation and expenses for members while in session.** (1) Except as provided in
10 subsection ~~(7)~~(8), legislators are entitled to a salary commensurate to that of the daily rate of an entry
11 grade 8 classified state employee in effect when the regular session of the legislature in which they serve
12 is convened under 5-2-103 for those days during which the legislature is in session. The president of the
13 senate and the speaker of the house shall receive an additional \$5 a day in salary for those days during
14 which the legislature is in session.

15 (2) Legislators may serve for no salary.

16 (3) ~~Legislators~~ Subject to subsection (4), legislators are entitled to \$50 a day, 7 days a week,
17 during a legislative session, as reimbursement for expenses incurred in attending a session. Expense
18 payments shall stop when the legislature recesses for more than 3 days and shall resume when the
19 legislature reconvenes.

20 (4) After November 15, 1996, and prior to December 15, 1996, and prior to December 15 of each
21 even-numbered year thereafter, the department of administration shall conduct a survey of the allowance
22 for daily expenses of legislators for the states of North Dakota, South Dakota, Wyoming, and Idaho. The
23 department shall include the average daily expense allowance for Montana legislators in determining the
24 average daily rate for legislators. If the average daily rate is greater than the daily rate for legislators in
25 Montana, the average is the new daily rate for legislators for those days during which the legislature is in
26 session. The expense allowance is effective when the next regular session of the legislature in which the
27 legislators serve is convened under 5-2-103.

28 ~~(4)~~(5) Legislators are entitled to a mileage allowance as provided in 2-18-503 for each mile of travel
29 to the place of the holding of the session and to return to their place of residence at the conclusion of the
30 session.

1 ~~(5)~~(6) In addition to the mileage allowance provided for in subsection ~~(4)~~(5), legislators, upon
 2 submittal of an appropriate claim for such mileage reimbursement to the office of the legislative council,
 3 are entitled to:

4 (a) three additional round trips to their place of residence during each regular session; and

5 (b) such additional round trips as are authorized by the legislature during special session.

6 ~~(6)~~(7) Legislators are not entitled to any additional mileage allowance under subsection ~~(4)~~ (5) for
 7 a special session if it is convened within 7 days of a regular session.

8 ~~(7)~~(8) In lieu of the salary provided for in subsection (1) and the expense allowance provided for
 9 in subsection ~~(3)~~ (4), a legislator may receive remuneration for services performed during a legislative
 10 session. A legislator choosing to receive remuneration for services performed shall file a request to receive
 11 payment under this subsection with the accounting office of the legislative council. A legislator exercising
 12 the option to receive remuneration for services performed may not receive more remuneration than
 13 legislators paid pursuant to subsections (1) and ~~(3)~~ (4). Remuneration for services performed must be
 14 reduced \$50 a day when the legislature recesses for more than 3 days."

15
 16 NEW SECTION. SECTION 16. SALARIES OF SUPREME COURT JUSTICES. (1) SUBJECT TO
 17 SUBSECTION (3), THE SALARY OF THE CHIEF JUSTICE OF THE SUPREME COURT IS AS FOLLOWS:

18 (A) \$67,595 BEGINNING JULY 1, 1995;

19 (B) \$70,231 BEGINNING JANUARY 1, 1996.

20 (2) SUBJECT TO SUBSECTION (3), THE SALARY OF A JUSTICE OF THE SUPREME COURT IS AS
 21 FOLLOWS:

22 (A) \$66,289 BEGINNING JULY 1, 1995;

23 (B) \$68,874 BEGINNING JANUARY 1, 1996.

24 (3) PRIOR TO JUNE 30, 1996, AND PRIOR TO JUNE 30 OF EACH EVEN-NUMBERED YEAR
 25 THEREAFTER, THE DEPARTMENT OF ADMINISTRATION SHALL CONDUCT A SALARY SURVEY OF
 26 JUSTICES AND CHIEF JUSTICES OF THE HIGHEST APPELLATE COURTS SIMILAR TO THE MONTANA
 27 SUPREME COURT FOR THE STATES OF NORTH DAKOTA, SOUTH DAKOTA, WYOMING, AND IDAHO.
 28 THE DEPARTMENT SHALL INCLUDE THE SALARY FOR A MONTANA SUPREME COURT JUSTICE OR THE
 29 CHIEF JUSTICE IN DETERMINING THE AVERAGE SALARY FOR A JUSTICE AND THE AVERAGE SALARY
 30 FOR THE CHIEF JUSTICE. IF THE AVERAGE SALARIES ARE GREATER THAN THE SALARIES FOR A

1 SUPREME COURT JUSTICE OR THE CHIEF JUSTICE IN MONTANA, THEN BEGINNING JULY 1, 1997, THE
 2 AVERAGE SALARIES ARE THE NEW SALARIES FOR A SUPREME COURT JUSTICE OR THE CHIEF
 3 JUSTICE. IN EACH YEAR FOLLOWING THE YEAR IN WHICH A SURVEY IS CONDUCTED, THE AVERAGE
 4 SALARY IS THE NEW SALARY FOR THE POSITION. A JUSTICE'S SALARY OR THE CHIEF JUSTICE'S
 5 SALARY MAY NOT BE REDUCED.

6

7 **SECTION 17. SECTION 15-2-102, MCA, IS AMENDED TO READ:**

8 "15-2-102. **Qualification and compensation.** (1) To be appointed a member of the state tax appeal
 9 board, a person must possess knowledge of the subject of taxation and skill in matters pertaining thereto.
 10 No person so appointed may hold any other state or any office under the government of the United States
 11 or under the government of any other state. ~~He~~ The person shall devote ~~his~~ the entire time to the duties
 12 of the office and shall not hold any other position of trust or profit or engage in any occupation or business
 13 interfering or inconsistent with ~~his~~ the person's duties. The state tax appeal board is transferred to the
 14 department of administration for administrative purposes only as is specified in 2-15-121. However, the
 15 board may hire its own personnel, and 2-15-121(2)(d) does not apply.

16 (2) ~~The member designated chairman as provided for in 15-2-103 shall receive a salary equivalent~~
 17 ~~to that of an entry grade 17 salary, plus 5%. The remaining state~~ State tax appeal board members shall
 18 be paid a salary equivalent to that of ~~an entry a~~ an entry a grade 17 salary as provided in 2-18-312. State tax appeal
 19 board members must receive pay and pay adjustments consistent with those required by the legislature for
 20 classified state employees in 2-18-303 and 2-18-304. The member designated as presiding officer as
 21 provided for in 15-2-103 must have an additional 5% added to the salary. All members of the board shall
 22 receive travel expenses as provided for in 2-18-501 through 2-18-503, as amended, when away from the
 23 capital on official business."

24

25 **SECTION 18. SECTION 19-5-101, MCA, IS AMENDED TO READ:**

26 "19-5-101. **Definitions.** Unless a different meaning is plainly implied by the context, the following
 27 definitions apply in this chapter:

28 (1) "Compensation" means remuneration as defined in ~~2-16-404~~ [section 16], 3-5-211, and
 29 3-7-222 paid to a member.

30 (2) "Current salary" means the current compensation for the office retired from.

(3) "Involuntary retirement" means a retirement not for cause and before retirement age.

(4) "Retired judge" means any judge or justice in receipt of a retirement benefit under this chapter."

SECTION 19. SECTION 44-4-101, MCA, IS AMENDED TO READ:

"44-4-101. Position established -- salary. There is created within the department of justice the position of training coordinator for county attorneys. The position of training coordinator for county attorneys is an exempt position as provided in 2-18-103. The salary for this position is the same as that provided in 7-4-2503 for a county attorney in a county with a population in excess of 30,000."

NEW SECTION. Section 20. Appropriation. (1) The following money for the indicated fiscal years is appropriated to the listed agencies to implement the adjustments provided for in [sections ~~1 through 10~~ **4 THROUGH 12**]:

	Fiscal 1996		Fiscal 1997	
	General Fund	Other Funds	General Fund	Other Funds
Legislative Auditor	21,937	19,740	57,203	50,750
	<u>51,284</u>	<u>45,662</u>	<u>104,006</u>	<u>92,602</u>
Legislative Fiscal Analyst	12,238	0	31,432	0
	<u>21,466</u>		<u>55,772</u>	
Legislative Council	17,643	9,625	62,278	13,688
	<u>30,879</u>	<u>16,846</u>	<u>99,067</u>	<u>21,774</u>
Environmental Quality Council	4,148	0	10,660	0
	<u>8,064</u>		<u>20,591</u>	
Consumer Counsel	0	4,947	0	12,299
		<u>12,416</u>		<u>28,959</u>
Judiciary				

1	14,252	6,028	47,690	18,293
2	University System (including Commissioner of Higher Education)			
3	2,329,558	858,315	4,709,719	1,909,246
4	Office of Budget and Program Planning (for distribution to all other agencies)			
5	2,419,353	3,795,564	6,451,503	10,770,645

6 (2) There is appropriated from the general fund to the state personnel division:

7 (a) \$10,000 for changes in the payroll/personnel/position control system for the fiscal year ending
8 June 30, 1996. Any unexpended portion of this appropriation is reappropriated for the biennium ending
9 June 30, 1997.

10 (b) \$20,000 to conduct a salary survey as required under 2-18-301(2).

11
12 **NEW SECTION. Section 21. Repealer. Section SECTIONS 2-16-404 AND 2-18-305, MCA, is ARE**
13 **repealed.**

14
15 **NEW SECTION. SECTION 22. CODIFICATION INSTRUCTION. [SECTION 16] IS INTENDED TO BE**
16 **CODIFIED AS AN INTEGRAL PART OF TITLE 2, CHAPTER 16, PART 4, AND THE PROVISIONS OF TITLE**
17 **2, CHAPTER 16, PART 4, APPLY TO [SECTION 16].**

18
19 **NEW SECTION. SECTION 23. RETROACTIVE APPLICABILITY. [SECTION 17] APPLIES**
20 **RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO A MEMBER OF THE STATE TAX APPEAL**
21 **BOARD WHO WAS A MEMBER ON DECEMBER 31, 1994.**

22
23 **NEW SECTION. Section 24. Effective dates. (1) [Sections 1 through 40 19, 22, AND 23] and this**
24 **section are effective on passage and approval.**

25 (2) [Sections 41 and 42 20 AND 21] are effective July 1, 1995.

26 -END-

HOUSE BILL NO. 17

INTRODUCED BY WISEMAN

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PAY ADJUSTMENTS FOR STATE EMPLOYEES IN THE STATEWIDE, TEACHERS', LIQUOR STORE OCCUPATIONS, AND BLUE-COLLAR PAY PLANS; PROVIDING PAY ADJUSTMENTS FOR JUDGES AND ELECTED STATE OFFICIALS; PROVIDING EXPENSE PAYMENT ADJUSTMENTS FOR LEGISLATORS; PROVIDING THAT THE SALARY FOR THE POSITION IN THE DEPARTMENT OF JUSTICE OF TRAINING COORDINATOR FOR COUNTY ATTORNEYS IS THE SAME AS THAT ESTABLISHED FOR A FULL-TIME COUNTY ATTORNEY IN A COUNTY WITH A POPULATION IN EXCESS OF 30,000; GENERALLY REVISING THE LAWS RELATING TO STATE EMPLOYEE COMPENSATION AND THE STATEWIDE CLASSIFICATION PLAN; PROVIDING AN APPROPRIATION TO FUND PAY ADJUSTMENTS; REQUIRING THAT EMPLOYEES IN COLLECTIVE BARGAINING UNITS RATIFY COLLECTIVE BARGAINING AGREEMENTS PRIOR TO RECEIVING PAY ADJUSTMENTS; PROVIDING PAY ADJUSTMENTS FOR MEMBERS OF THE STATE TAX APPEAL BOARD; AMENDING SECTIONS 2-16-405, 2-18-101, 2-18-103, 2-18-203, 2-18-301, 2-18-303, 2-18-304, 2-18-312, 2-18-313, 2-18-314, 2-18-315, AND 2-18-703, 3-2-104, 3-5-211, 5-2-301, 15-2-102, 19-5-101, AND 44-4-101, MCA; REPEALING SECTION SECTIONS 2-16-404 AND 2-18-305, MCA; AND PROVIDING EFFECTIVE DATES AND A RETROACTIVE APPLICABILITY DATE."

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

SECTION 1. SECTION 2-16-405, MCA, IS AMENDED TO READ:

"2-16-405. Salaries of certain elected state officials. (1) The Subject to subsection (2), the salaries paid to certain elected officials of the state of Montana for fiscal year 1992 and following years are:

Fiscal Year	_____	Following
1992	_____	June 30, 1992

- (a) Governor; \$54,254
- (i) \$55,502;
- (ii) \$57,084 beginning July 1, 1995;

1	<u>(iii) \$59,310 beginning January 1, 1996.</u>	
2	<u>(b) Lieutenant governor:</u>	\$39,218
3	<u>(i) \$40,466;</u>	
4	<u>(ii) \$41,619 beginning July 1, 1995;</u>	
5	<u>(iii) \$43,242 beginning January 1, 1996.</u>	
6	<u>(c) Attorney general:</u>	\$49,593
7	<u>(i) \$50,841;</u>	
8	<u>(ii) \$52,290 beginning July 1, 1995;</u>	
9	<u>(iii) \$54,329 beginning January 1, 1996.</u>	
10	<u>(d) State auditor:</u>	\$36,278
11	<u>(i) \$37,526;</u>	
12	<u>(ii) \$38,595 beginning July 1, 1995;</u>	
13	<u>(iii) \$40,101 beginning January 1, 1996.</u>	
14	<u>(e) Superintendent of public</u>	
15	<u>instruction:</u>	\$42,929
16	<u>(i) \$44,177;</u>	
17	<u>(ii) \$45,436 beginning July 1, 1995;</u>	
18	<u>(iii) \$47,208 beginning January 1, 1996.</u>	
19	<u>(f) Public service commission</u>	
20	<u>chairman presiding officer:</u>	\$40,502
21	<u>(i) \$41,750;</u>	
22	<u>(ii) \$42,940 beginning July 1, 1995;</u>	
23	<u>(iii) \$44,615 beginning January 1, 1996.</u>	
24	<u>(g) Public service commissioners, other</u>	
25	<u>than chairman presiding officer:</u>	\$39,218
26	<u>(i) \$40,466;</u>	
27	<u>(ii) \$41,619 beginning July 1, 1995;</u>	
28	<u>(iii) \$43,242 beginning January 1, 1996.</u>	
29	<u>(h) Secretary of state:</u>	\$36,278
30	<u>(i) \$37,526;</u>	

1 (ii) \$38,595 beginning July 1, 1995;

2 (iii) \$40,101 beginning January 1, 1996.

3 (i) Clerk of the supreme court; \$36,289

4 (i) \$36,537;

5 (ii) \$37,578 beginning July 1, 1995;

6 (iii) \$39,044 beginning January 1, 1996.

7 (2) Prior to June 30, 1996, and prior to June 30 of each even-numbered year thereafter, the
 8 department of administration shall conduct a salary survey of executive branch officials similar to the
 9 Montana officials listed in subsection (1) for the states of North Dakota, South Dakota, Wyoming, and
 10 Idaho. The department shall include the salary for the Montana official in determining the average salary
 11 for the similar position. If the average salary is greater than the salary for the similar position in Montana,
 12 then beginning July 1, 1997, the average is the new salary for that position. In each year following the year
 13 in which a survey is conducted, the average salary is the new salary for the position."

14
 15 **Section 2.** Section 2-18-101, MCA, is amended to read:

16 **"2-18-101. Definitions.** As used in parts 1 through 3 and part 10 of this chapter, the following
 17 definitions apply:

18 (1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state
 19 government recognized in the state budget.

20 (2) "Anniversary date", except as modified in part 3 of this chapter, means the month and day on
 21 which an employee began the most recent period of uninterrupted state service.

22 ~~(2)(3)~~ "Base salary" means the amount of compensation paid to an employee, excluding:

23 (a) state contributions to group benefits provided in 2-18-703;

24 (b) overtime;

25 (c) fringe benefits as defined in 39-2-903; and

26 (d) the longevity allowance provided in 2-18-304.

27 ~~(3)(4)~~ "Board" means the board of personnel appeals established in 2-15-1705.

28 ~~(4)(5)~~ "Class" means one or more positions substantially similar with respect to the kind or nature
 29 of duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may
 30 be used to designate each position allocated to the class, similar qualifications may be required of persons

1 appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.

2 (6) "Class series benchmark" means a representative position within a class series that is used to
 3 illustrate the application of the job evaluation factors that are used to classify positions in the classification
 4 plan. A benchmark description describes the duties and responsibilities assigned and the factors applied to
 5 the class series benchmark.

6 ~~(5)~~(7) "Class specification" means a written descriptive statement of the duties and responsibilities
 7 characteristic of a class of positions and includes the education, experience, knowledge, skills, abilities, and
 8 qualifications necessary to perform the work of the class.

9 ~~(6)~~(8) "Compensation" means the annual or hourly wage or salary and includes the state
 10 contribution to group benefits under the provisions of 2-18-703.

11 ~~(7)~~(9) "Department" means the department of administration created in 2-15-1001.

12 ~~(8)~~(10) Except in 2-18-306, "employee" means any state employee other than an employee
 13 excepted under 2-18-103 or 2-18-104 from the statewide classification system.

14 ~~(9)~~(11) "Entry salary" means the entry-level base salary for each grade provided in 2-18-312.

15 ~~(10)~~(12) "Grade" means the number assigned to a pay range within a pay schedule in part 3 of this
 16 chapter.

17 ~~(11)~~(13) "Job sharing" means the sharing by two or more persons of a position that is considered
 18 an aggregate or permanent position.

19 (14) "Market ratio" means an employee's base salary divided by the market salary for the
 20 employee's pay grade.

21 ~~(12)~~(15) "Market salary" means the midpoint in a pay grade provided in 2-18-312, based on the
 22 average base salary that other employers pay to employees in comparable occupations ~~comparable to~~
 23 ~~occupations in a grade provided in 2-18-312,~~ as determined by the department's salary survey of the
 24 relevant labor market.

25 ~~(13)~~(16) "Permanent position" means a position so designated on the appropriate agency list of
 26 authorized positions referenced in 2-18-206 and approved as such in the biennium budget.

27 ~~(14)~~(17) "Permanent status" means the state an employee attains after satisfactorily completing
 28 an appropriate probationary period in a permanent position.

29 ~~(15)~~(18) "Personal staff" means those positions occupied by employees appointed by the elected
 30 officials enumerated in Article VI, section 1, of the Montana constitution or by the public service

1 commission as a whole.

2 ~~(16)~~(19) "Position" means a collection of duties and responsibilities currently assigned or delegated
3 by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

4 ~~(17)~~(20) "Program" means a combination of planned efforts to provide a service.

5 ~~(18)~~(21) "Seasonal position" means a position so designated on the appropriate agency list of
6 authorized positions referenced in 2-18-206 and ~~which~~ that is a permanent position but ~~which~~ that is
7 interrupted by the seasonal nature of the position.

8 ~~(19)~~(22) "Temporary position" means a position so designated on the appropriate agency list of
9 authorized positions referenced in 2-18-206, created for a definite period of time not to exceed 9 months."

10

11 **SECTION 3. SECTION 2-18-103, MCA, IS AMENDED TO READ:**

12 **"2-18-103. Officers and employees excepted.** Parts 1 and 2 do not apply to the following positions
13 in state government:

14 (1) elected officials;

15 (2) county assessors and their chief deputy;

16 (3) officers and employees of the legislative branch;

17 (4) judges and employees of the judicial branch;

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

20 (6) officers or members of the militia;

21 (7) agency heads appointed by the governor;

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

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

27 (10) teachers under the authority of the department of corrections and human services or family
28 services;

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

- 1 (12) four professional staff positions under the board of oil and gas conservation;
- 2 (13) assistant director for security of the Montana state lottery;
- 3 (14) executive director and senior investment officer of the Montana board of science and
4 technology development;
- 5 (15) executive director and employees of the state compensation insurance fund;
- 6 (16) state racing stewards employed by the executive secretary of the Montana board of
7 horseracing;
- 8 (17) executive director of the Montana wheat and barley committee; ~~and~~
- 9 (18) commissioner of banking and financial institutions; and
- 10 (19) training coordinator for county attorneys."
- 11

12 **Section 4.** Section 2-18-203, MCA, is amended to read:

13 **"2-18-203. Review of positions -- change in classification.** (1) The department shall continuously
14 review all positions on a regular basis and adjust classifications to reflect significant changes in duties and
15 responsibilities. In the event that adjustments are to be made to ~~the classification~~ class specifications, class
16 series benchmarks, or criteria utilized used for allocating positions ~~in the classification specifications to~~
17 classes affecting employees within a bargaining unit, the department shall consult with the representative
18 of the bargaining unit prior to implementation of the adjustments, except for blue-collar, ~~teachers~~ teachers',
19 and liquor store ~~clerks~~ clerks' classification plans, which ~~shall~~ plans must remain mandatory negotiable
20 items under ~~the Collective Bargaining Act~~ Title 39, chapter 31.

21 (2) Employees and employee organizations ~~will~~ must be given the opportunity to appeal the
22 allocation or reallocation of a position to a class. The grade assigned to a class ~~is~~ and factors assigned to
23 class series benchmarks are not an appealable ~~subject~~ subjects under 2-18-1011 through 2-18-1013.

24 (3) The period of time for which retroactive pay for a classification appeal may be awarded under
25 ~~parts 1 through 3 of this chapter or under 2-18-1011 through 2-18-1013 or under parts 1 through 3 of this~~
26 chapter may not extend beyond 30 days prior to the date on which the appeal was filed. ~~This provision~~
27 ~~shall not affect a classification or position appeal already in process on April 26, 1977."~~

28

29 **Section 5.** Section 2-18-301, MCA, is amended to read:

30 **"2-18-301. Purpose and intent of part -- rules.** (1) The purpose of this part is to provide the

1 market-based compensation necessary to attract and retain competent and qualified employees in order to
2 perform the services that the state is required to provide to its citizens.

3 (2) It is the intent of the legislature that compensation plans for state employees, excluding those
4 employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313,
5 ~~2-18-314~~, and through 2-18-315, be based on an analysis of the labor market as provided by the
6 department in a salary survey. The salary survey must be submitted to the office of budget and program
7 planning as a part of the information required by 17-7-111.

8 (3) Except as provided in 2-18-110, ~~and 2-18-305(4)~~, pay adjustments and pay schedules provided
9 for in 2-18-303 and in 2-18-312 through 2-18-315 supersede any other plan or systems established
10 through collective bargaining after the adjournment of the ~~53rd~~ 54th legislature.

11 (4) Pay levels provided for in 2-18-312 through 2-18-315 may not be increased through collective
12 bargaining after adjournment of the ~~53rd~~ 54th legislature.

13 (5) Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315
14 for any employee group or bargaining unit may not be increased through collective bargaining over the
15 amount appropriated by the ~~53rd~~ 54th legislature.

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

18 (7) The department may promulgate rules not inconsistent with the provisions of this part,
19 collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."
20

21 **Section 6.** Section 2-18-303, MCA, is amended to read:

22 **"2-18-303. Procedures for ~~utilizing~~ using pay schedules.** (1) The pay schedules provided in
23 2-18-312 must be implemented as follows:

24 (a) The pay schedules provided in 2-18-312 indicate the entry salary and market salary ~~for the~~
25 ~~fiscal years ending June 30, 1994, and June 30, 1995~~, for each grade for positions classified under the
26 provisions of part 2 of this chapter.

27 (b) Each employee newly hired by the state of Montana must be hired at the entry rate, except as
28 provided in subsections ~~(6)~~ (7) and ~~(7)~~ (8).

29 (c) ~~Except as provided in subsection (1)(e), on~~ On the first day of the first complete pay period in
30 fiscal year ~~1994~~ 1996, each employee hired before July 1, ~~1993~~ 1995, is entitled to the amount of the

1 employee's base salary as it was on June 30, ~~1993~~ 1995, plus, on the employee's anniversary date that
 2 occurs on or after September 30, 1995, the increases provided in subsection (1)(d), if applicable.

3 (d) (i) Effective on the first day of the pay period that includes an employee's anniversary date
 4 during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be
 5 compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's
 6 grade level and completed years of uninterrupted state service. For employees hired on or before
 7 September 30, 1994, the anniversary date is October 1.

8 (ii) As provided in subsection (1)(d)(i), the following matrix must be used to compare an employee's
 9 market ratio to the target market ratio that corresponds to the employee's grade level and completed years
 10 of uninterrupted state service:

11 TARGET MARKET RATIOS

12	<u>Years</u>	<u>Grade</u>										
13	<u>GRADE</u>	<u>YEARS</u>										
14		<u>0</u>	<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>
15	<u>4</u>	<u>0.844</u>	<u>0.874</u>	<u>0.904</u>	<u>0.935</u>	<u>0.967</u>	<u>0.999</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
16	<u>5</u>	<u>0.842</u>	<u>0.871</u>	<u>0.900</u>	<u>0.930</u>	<u>0.961</u>	<u>0.992</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
17	<u>6</u>	<u>0.840</u>	<u>0.868</u>	<u>0.896</u>	<u>0.925</u>	<u>0.955</u>	<u>0.985</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
18	<u>7</u>	<u>0.838</u>	<u>0.865</u>	<u>0.892</u>	<u>0.920</u>	<u>0.949</u>	<u>0.978</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
19	<u>8</u>	<u>0.836</u>	<u>0.862</u>	<u>0.889</u>	<u>0.916</u>	<u>0.944</u>	<u>0.972</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
20	<u>9</u>	<u>0.834</u>	<u>0.859</u>	<u>0.885</u>	<u>0.911</u>	<u>0.938</u>	<u>0.965</u>	<u>0.993</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
21	<u>10</u>	<u>0.832</u>	<u>0.857</u>	<u>0.882</u>	<u>0.908</u>	<u>0.934</u>	<u>0.961</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
22	<u>11</u>	<u>0.830</u>	<u>0.854</u>	<u>0.878</u>	<u>0.903</u>	<u>0.928</u>	<u>0.954</u>	<u>0.980</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
23	<u>12</u>	<u>0.828</u>	<u>0.851</u>	<u>0.875</u>	<u>0.899</u>	<u>0.924</u>	<u>0.949</u>	<u>0.975</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
24	<u>13</u>	<u>0.826</u>	<u>0.849</u>	<u>0.872</u>	<u>0.896</u>	<u>0.920</u>	<u>0.945</u>	<u>0.970</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
25	<u>14</u>	<u>0.824</u>	<u>0.846</u>	<u>0.869</u>	<u>0.892</u>	<u>0.915</u>	<u>0.939</u>	<u>0.963</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
26	<u>15</u>	<u>0.822</u>	<u>0.844</u>	<u>0.866</u>	<u>0.888</u>	<u>0.911</u>	<u>0.934</u>	<u>0.958</u>	<u>0.982</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
27	<u>16</u>	<u>0.820</u>	<u>0.841</u>	<u>0.863</u>	<u>0.885</u>	<u>0.907</u>	<u>0.930</u>	<u>0.953</u>	<u>0.977</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
28	<u>17</u>	<u>0.818</u>	<u>0.839</u>	<u>0.862</u>	<u>0.884</u>	<u>0.903</u>	<u>0.926</u>	<u>0.949</u>	<u>0.972</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>
29				<u>0.860</u>	<u>0.882</u>	<u>0.904</u>						
30	<u>18</u>	<u>0.816</u>	<u>0.836</u>	<u>0.857</u>	<u>0.878</u>	<u>0.899</u>	<u>0.921</u>	<u>0.943</u>	<u>0.966</u>	<u>0.989</u>	<u>1.000</u>	<u>1.000</u>

1	<u>19</u>	<u>0.814</u>	<u>0.834</u>	<u>0.854</u>	<u>0.875</u>	<u>0.896</u>	<u>0.917</u>	<u>0.939</u>	<u>0.961</u>	<u>0.984</u>	<u>1.000</u>	<u>1.000</u>
2	<u>20</u>	<u>0.812</u>	<u>0.831</u>	<u>0.851</u>	<u>0.871</u>	<u>0.892</u>	<u>0.913</u>	<u>0.935</u>	<u>0.957</u>	<u>0.979</u>	<u>1.000</u>	<u>1.000</u>
3	<u>21</u>	<u>0.810</u>	<u>0.829</u>	<u>0.849</u>	<u>0.869</u>	<u>0.889</u>	<u>0.910</u>	<u>0.931</u>	<u>0.953</u>	<u>0.975</u>	<u>0.997</u>	<u>1.000</u>
4	<u>22</u>	<u>0.808</u>	<u>0.827</u>	<u>0.846</u>	<u>0.866</u>	<u>0.886</u>	<u>0.906</u>	<u>0.927</u>	<u>0.948</u>	<u>0.970</u>	<u>0.992</u>	<u>1.000</u>
5	<u>23</u>	<u>0.806</u>	<u>0.825</u>	<u>0.844</u>	<u>0.863</u>	<u>0.883</u>	<u>0.903</u>	<u>0.923</u>	<u>0.944</u>	<u>0.965</u>	<u>0.987</u>	0.999
6												<u>1.000</u>
7	<u>24</u>	<u>0.804</u>	<u>0.822</u>	<u>0.841</u>	<u>0.860</u>	<u>0.879</u>	<u>0.899</u>	<u>0.919</u>	<u>0.940</u>	<u>0.961</u>	<u>0.982</u>	<u>1.000</u>
8	<u>25</u>	<u>0.802</u>	<u>0.820</u>	<u>0.838</u>	<u>0.857</u>	<u>0.876</u>	<u>0.895</u>	<u>0.915</u>	<u>0.935</u>	<u>0.956</u>	<u>0.977</u>	<u>0.999</u>

9 (iii) If, on the first day of the pay period that includes an employee’s anniversary date during the
10 fiscal year ending June 30, 1996, the employee’s market ratio is less than the target market ratio that
11 corresponds to the employee’s grade level and completed years of uninterrupted state service, the
12 employee’s base salary must be increased to the lesser of:

13 (A) the market salary for the employee’s grade multiplied by the target ratio that corresponds to the
14 employee’s grade level and completed years of uninterrupted state service; or

15 (B) the employee’s base salary as it was on the last day of the pay period immediately preceding
16 the pay period that includes October 1, 1995, plus 5%.

17 (iv) If, on the first day of the pay period that includes an employee’s anniversary date during the
18 fiscal year ending June 30, 1997, the employee’s market ratio is less than the target market ratio that
19 corresponds to the employee’s grade level and completed years of uninterrupted state service, the
20 employee’s base salary must be increased to the lesser of:

21 (A) the market salary for the employee’s grade multiplied by the target ratio that corresponds to
22 the employee’s grade level and completed years of uninterrupted state service; or

23 (B) the employee’s base salary as it was on the last day of the pay period immediately preceding
24 the pay period that includes October 1, 1996, plus 6%.

25 ~~(d) Except as provided in subsection (1)(e), on the first day of the first complete pay period in~~
26 ~~January 1995, each employee hired before January 1, 1995, is entitled to the amount of the employee’s~~
27 ~~base salary as it was on December 31, 1994, plus 1.5%.~~

28 (e) An employee’s base salary may be no less than the entry salary for the employee’s assigned
29 grade.

30 (f) An employee’s base salary may not exceed the maximum salary for the employee’s grade. The

1 salary of an employee may not be reduced because of this provision.

2 (g) The maximum salary for each grade is determined by subtracting the entry salary from the
3 market salary and adding that amount to the market salary.

4 (h) An employee's market ratio, as it was on the last day of the pay period immediately preceding
5 the pay period that includes October 1, 1996, may not be reduced as a result of the adjustment of the pay
6 ranges provided in 2-18-312(2).

7 (2) The pay schedules provided in 2-18-312 and the provisions of subsection (1) of this section
8 do not apply to those teachers, liquor store occupations, or blue-collar occupations compensated under the
9 pay schedules provided in 2-18-313 through 2-18-315.

10 (3) The pay schedules provided in 2-18-313 through 2-18-315 must be implemented as follows:

11 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for ~~the~~
12 ~~contracted school term for~~ teachers employed under the authority of the department of corrections and
13 human services or the department of family services for fiscal years ~~1994~~ 1996 and ~~1995~~ 1997.

14 (ii) The compensation of each teacher ~~on the first day of the first pay period in July 1993~~ ON JULY
15 1, 1995, is determined by the teacher's level of academic achievement and completed years of experience
16 THE SAME AS IT WAS ON JUNE 30, 1995.

17 ~~(iii) On the first day of the first complete pay period of each fiscal year, each teacher shall advance~~
18 ~~one step on the appropriate pay schedule adopted in 2-18-313.~~

19 ~~(iv) On the first day of the first complete pay period of each fiscal year, each teacher employed by~~
20 ~~the Montana school for the deaf and blind shall advance one step on the teacher pay matrix used by the~~
21 ~~school.~~

22 (III) ON THE FIRST DAY OF THE FIRST PAY PERIOD THAT INCLUDES OCTOBER 1 OF EACH
23 FISCAL YEAR, A TEACHER EMPLOYED UNDER THE AUTHORITY OF THE DEPARTMENT OF FAMILY
24 SERVICES PRIOR TO OCTOBER 1, 1994, SHALL ADVANCE ONE STEP ON THE APPROPRIATE PAY
25 SCHEDULE ADOPTED IN 2-18-313. A TEACHER HIRED AFTER OCTOBER 1, 1994, SHALL ADVANCE ON
26 THE TEACHER'S ACTUAL ANNIVERSARY DATE.

27 (IV) ON THE FIRST DAY OF THE FIRST FULL PAY PERIOD DURING THE MONTH THAT INCLUDES
28 THE TEACHER'S ANNIVERSARY DATE, A TEACHER EMPLOYED UNDER THE AUTHORITY OF THE
29 DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES SHALL ADVANCE ONE STEP ON THE
30 APPROPRIATE PAY SCHEDULE ADOPTED IN 2-18-313.

1 (V) ON THE FIRST DAY OF THE FIRST PAY PERIOD THAT INCLUDES OCTOBER 1 OF EACH
 2 FISCAL YEAR, A TEACHER EMPLOYED BY THE MONTANA SCHOOL FOR THE DEAF AND BLIND SHALL
 3 ADVANCE ONE STEP ON THE TEACHER PAY MATRIX USED BY THE SCHOOL.

4 (b) (i) The pay schedules provided in 2-18-314 indicate the maximum hourly compensation for
 5 fiscal years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for those employees in liquor store
 6 occupations who have collectively bargained separate classification and pay plans.

7 (ii) The compensation of each employee on the first day of the first pay period in fiscal year ~~1994~~
 8 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
 9 fiscal year.

10 (c) (i) The pay schedules provided in 2-18-315 indicate the maximum hourly compensation for fiscal
 11 years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for employees in apprentice trades and crafts
 12 and other blue-collar occupations recognized in the state blue-collar classification plan who are members
 13 of units that have collectively bargained separate classification and pay plans.

14 (ii) The compensation of each employee on the first day of the first pay period in fiscal year ~~1994~~
 15 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
 16 fiscal year.

17 (4) (a) (i) A member of a bargaining unit may not receive a pay increase until the employer's
 18 collective bargaining representative receives written notice that the employee's bargaining unit has ratified
 19 a completely integrated collective bargaining agreement covering the biennium ending June 30, 1997.

20 (ii) If ratification of a completely integrated collective bargaining agreement, as required by
 21 subsection (4)(a)(i), is not completed by July 1, 1995, retroactivity to that date may be negotiated.

22 (iii) If ratification of a completely integrated collective bargaining agreement, as required by
 23 subsection (4)(a)(i), is not completed by July 1, 1995, members of the bargaining unit must continue to
 24 receive the compensation that they were receiving as of June 30, 1995, until an agreement is ratified.

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

28 ~~(4)(5)~~ The current wage or salary of an employee may not be reduced by the implementation of
 29 the pay schedules provided for in 2-18-312 through 2-18-315.

30 ~~(5)(6)~~ The department may authorize a separate pay schedule for medical doctors if the rates

1 provided in 2-18-312 are not sufficient to attract and retain fully licensed and qualified physicians at the
2 state institutions.

3 ~~(6)~~(7) The department may develop programs that enable the department to mitigate problems
4 associated with difficult recruitment, retention, transfer, or other exceptional circumstances. Insofar as the
5 program may apply to employees within a collective bargaining unit, it is a negotiable subject under
6 39-31-305.

7 ~~(7)~~(8) The department shall review the competitiveness of the compensation provided to all
8 occupations under this part. If the department finds that substantial problems exist with recruitment and
9 retention because of inadequate salaries when compared to competing employers, the department may
10 establish criteria allowing an adjustment in pay or classification to mitigate the problems. Insofar as these
11 adjustments may apply to employees within a collective bargaining unit, the implementation of these
12 adjustments is a negotiable subject under 39-31-305."

13

14 **Section 7.** Section 2-18-304, MCA, is amended to read:

15 "**2-18-304. Longevity allowance.** (1) (a) (i) ~~is~~ Effective July 1, 1995, through the last day of the
16 pay period immediately preceding the pay period that includes October 1, 1995, in addition to the
17 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
18 has completed 5 years of uninterrupted state service shall ~~must~~ receive the greater of:

19 (i) ~~\$10 a month; or~~

20 ~~9/10 of 1% of the employee's base salary multiplied by the number of completed, contiguous~~
21 ~~5-year periods of uninterrupted state service.~~

22 (ii) Effective on the first day of the pay period that includes October 1, 1995, in addition to the
23 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
24 has completed 5 years of uninterrupted state service must receive 1.5% of the employee's base salary
25 multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service.

26 (b) Service to the state is not interrupted by authorized leaves of absence.

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

29 (i) 2,080 hours of service following ~~his~~ the employee's date of employment; an employee must be
30 credited with 80 hours of service for each biweekly pay period in which ~~he~~ the employee is in a pay status

1 or on an authorized leave of absence without pay, regardless of the number of hours of service in the pay
2 period; or

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

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

10

11 **Section 8.** Section 2-18-312, MCA, is amended to read:

12 **"2-18-312. Statewide pay schedules for fiscal years ~~1994 1996~~ and ~~1995 1997~~.** (1) The statewide
13 classification pay schedule for the period fiscal year ~~1994~~ from July 1, 1995, until the first day of the pay
14 period that includes October 1, 1996, is as follows:

15 Annual Hours -- 2080 Note: Does Not Include Insurance

16 Pay Matrix -- State Matrix Type -- Annual

17 Pay Range: Entry Salary to Market Salary

18 GRADE	ENTRY SALARY	MARKET SALARY
19 1	8,679	10,210
20 2	9,349	11,025
21 3	10,070	11,903
22 4	10,852	12,858
23 5	11,727	13,927
24 6	12,672	15,086
25 7	13,688	16,334
26 8	14,836	17,747
27 9	16,064	19,262
28 10	17,424	20,942
29 11	18,904	22,775
30 12	20,545	24,812

1	13	22,325	27,027
2	14	24,295	29,485
3	15	26,465	32,196
4	16	28,885	35,226
5	17	31,585	38,613
6	18	34,562	42,355
7	19	37,897	46,557
8	20	41,618	51,254
9	21	45,754	56,487
10	22	50,373	62,343
11	23	55,584	68,963
12	24	61,434	76,410
13	25	67,907	84,673

14 (2) The Effective on the first day of the pay period that includes October 1, 1996, the statewide
 15 classification pay schedule ~~for fiscal year 1995~~ is as follows:

16 Annual Hours -- 2080 Note: Does Not Include Insurance
 17 Pay Matrix -- State Matrix Type -- Annual
 18 Pay Range: Entry Salary to Market Salary

19	GRADE	ENTRY SALARY	MARKET SALARY
20	1	8,679	10,210
21	2	9,349	11,025
22	3	10,070	11,903
23	4	10,852	12,858
24	5	11,727	13,927
25	6	12,672	15,086
26	7	13,688	16,334
27	8	14,836	17,747
28	9	16,064	19,262
29	10	17,424	20,942
30	11	18,904	22,775

1	12	20,545	24,812
2	13	22,325	27,027
3	14	24,295	29,485
4	15	26,465	32,196
5	16	28,885	35,226
6	17	31,585	38,613
7	18	34,562	42,355
8	19	37,897	46,557
9	20	41,618	51,254
10	21	45,754	56,487
11	22	50,373	62,343
12	23	55,584	68,963
13	24	61,434	76,410
14	25	67,907	84,673
15	<u>1</u>	<u>8,897</u>	<u>10,466</u>
16	<u>2</u>	<u>9,583</u>	<u>11,300</u>
17	<u>3</u>	<u>10,321</u>	<u>12,201</u>
18	<u>4</u>	<u>11,123</u>	<u>13,180</u>
19	<u>5</u>	<u>12,020</u>	<u>14,276</u>
20	<u>6</u>	<u>12,988</u>	<u>15,463</u>
21	<u>7</u>	<u>14,031</u>	<u>16,743</u>
22	<u>8</u>	<u>15,208</u>	<u>18,190</u>
23	<u>9</u>	<u>16,465</u>	<u>19,744</u>
24	<u>10</u>	<u>17,860</u>	<u>21,465</u>
25	<u>11</u>	<u>19,376</u>	<u>23,345</u>
26	<u>12</u>	<u>21,058</u>	<u>25,433</u>
27	<u>13</u>	<u>22,883</u>	<u>27,703</u>
28	<u>14</u>	<u>24,902</u>	<u>30,221</u>
29	<u>15</u>	<u>27,128</u>	<u>33,001</u>
30	<u>16</u>	<u>29,607</u>	<u>36,108</u>

1	<u>17</u>	<u>32,374</u>	<u>39,578</u>
2	<u>18</u>	<u>35,425</u>	<u>43,414</u>
3	<u>19</u>	<u>38,845</u>	<u>47,721</u>
4	<u>20</u>	<u>42,659</u>	<u>52,535</u>
5	<u>21</u>	<u>46,898</u>	<u>57,899</u>
6	<u>22</u>	<u>51,633</u>	<u>63,902</u>
7	<u>23</u>	<u>56,973</u>	<u>70,686</u>
8	<u>24</u>	<u>62,971</u>	<u>78,321</u>
9	<u>25</u>	<u>69,606</u>	<u>86,789"</u>

10

11 **Section 9.** Section 2-18-313, MCA, is amended to read:

12 **"2-18-313. Teachers' pay schedules.** 1) ~~(a) The 12-month pay schedule for teachers for fiscal year~~
 13 ~~1994 and for the first 6 months of fiscal year 1995 the period from July 1, THAT INCLUDES OCTOBER 1,~~
 14 ~~1995, until the first day of the pay period that includes October 1, 1996, is as follows:~~

15	Annual Hours -- 2080	Note: Does Not Include Insurance					
16	Term -- Twelve Months	Matrix Type -- Annual					
17		Education Level					
18	STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
19	1	22,412	23,071	23,713	24,034	24,357	25,016
20	2	23,167	23,883	24,600	24,959	25,322	26,065
21	3	23,922	24,713	25,495	25,909	26,323	27,138
22	4	24,678	25,556	26,421	26,878	27,334	28,208
23	5	25,438	26,421	27,353	27,848	28,346	29,280
24	6	26,226	27,297	28,288	28,822	29,358	30,352
25	7	27,016	28,166	29,217	29,793	30,367	31,420
26	8	27,810	29,039	30,153	30,767	31,381	32,490
27	9	28,603	29,910	31,085	31,737	32,394	33,561
28	10	29,396	30,786	32,016	32,708	33,403	34,633
29	11	30,191	31,628	32,945	33,680	34,415	35,702
30	12	30,191	31,628	32,945	33,680	34,415	35,702

1	13	30,191	31,628	32,945	33,680	34,415	35,702
2	1	22,748	23,417	24,069	24,395	24,722	25,391
3	2	23,515	24,241	24,969	25,333	25,702	26,456
4	3	24,281	25,084	25,877	26,298	26,718	27,545
5	4	25,048	25,939	26,817	27,281	27,744	28,631
6	5	25,820	26,817	27,763	28,266	28,771	29,719
7	6	26,619	27,706	28,712	29,254	29,798	30,807
8	7	27,421	28,588	29,655	30,240	30,823	31,891
9	8	28,227	29,475	30,605	31,229	31,852	32,977
10	9	29,032	30,359	31,551	32,213	32,880	34,064
11	10	29,837	31,248	32,496	33,200	33,904	35,152
12	11	30,644	32,102	33,439	34,185	34,931	36,238
13	12	30,644	32,102	33,439	34,185	34,931	36,238
14	13	30,644	32,102	33,439	34,185	34,931	36,238
15	<u>1</u>	<u>23,150</u>	<u>23,763</u>	<u>24,393</u>	<u>25,040</u>	<u>25,703</u>	<u>26,384</u>
16	<u>2</u>	<u>23,752</u>	<u>24,381</u>	<u>25,027</u>	<u>25,691</u>	<u>26,371</u>	<u>27,070</u>
17	<u>3</u>	<u>24,369</u>	<u>25,015</u>	<u>25,678</u>	<u>26,359</u>	<u>27,057</u>	<u>27,774</u>
18	<u>4</u>	<u>25,003</u>	<u>25,666</u>	<u>26,346</u>	<u>27,044</u>	<u>27,761</u>	<u>28,496</u>
19	<u>5</u>	<u>25,653</u>	<u>26,333</u>	<u>27,031</u>	<u>27,747</u>	<u>28,482</u>	<u>29,237</u>
20	<u>6</u>	<u>26,320</u>	<u>27,018</u>	<u>27,734</u>	<u>28,469</u>	<u>29,223</u>	<u>29,997</u>
21	<u>7</u>	<u>27,004</u>	<u>27,720</u>	<u>28,455</u>	<u>29,209</u>	<u>29,983</u>	<u>30,777</u>
22	<u>8</u>	<u>27,707</u>	<u>28,441</u>	<u>29,194</u>	<u>29,968</u>	<u>30,762</u>	<u>31,577</u>
23	<u>9</u>	<u>28,427</u>	<u>29,180</u>	<u>29,954</u>	<u>30,747</u>	<u>31,562</u>	<u>32,398</u>
24	<u>10</u>	<u>29,166</u>	<u>29,939</u>	<u>30,732</u>	<u>31,547</u>	<u>32,383</u>	<u>33,241</u>
25	<u>11</u>	<u>29,924</u>	<u>30,717</u>	<u>31,531</u>	<u>32,367</u>	<u>33,225</u>	<u>34,105</u>
26	<u>12</u>	<u>30,702</u>	<u>31,516</u>	<u>32,351</u>	<u>33,208</u>	<u>34,088</u>	<u>34,992</u>

27 (b) ~~The 9 month pay schedule for teachers for fiscal year 1994 and for the first 6 months of fiscal~~
 28 ~~year 1995 is as follows:~~

29 Annual Hours ~~1560~~ Note: Does Not Include Insurance
 30 Term ~~Nine Months~~ Matrix Type ~~Annual~~

		Education Level						
STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1		
1	17,924	18,432	18,953	19,207	19,462	19,983		
2	18,521	19,087	19,654	19,937	20,222	20,788		
3	19,117	19,742	20,355	20,670	20,982	21,594		
4	19,716	20,401	21,056	21,400	21,743	22,400		
5	20,311	21,056	21,757	22,130	22,504	23,207		
6	20,909	21,715	22,461	22,862	23,265	24,013		
7	21,503	22,368	23,160	23,593	24,025	24,817		
8	22,101	23,026	23,864	24,325	24,788	25,622		
9	22,698	23,681	24,565	25,056	25,549	26,443		
10	23,295	24,339	25,266	25,786	26,321	27,292		
11	23,892	24,974	25,968	26,537	27,119	28,135		
12	23,892	24,974	25,968	26,537	27,119	28,135		
13	23,892	24,974	25,968	26,537	27,119	28,135		

(2) (a) ~~The 12 month~~ Effective on the first day of the pay period that includes October 1, 1996,
~~the pay schedule for teachers for the last 6 months of fiscal year 1995~~ is as follows:

Annual Hours -- 2080 Note: Does Not Include Insurance

Term -- Twelve Months Matrix Type -- Annual

		Education Level						
STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1		
1	22,748	23,417	24,069	24,395	24,722	25,391		
2	23,516	24,241	24,969	25,333	25,702	26,456		
3	24,281	25,084	25,877	26,298	26,718	27,545		
4	25,048	25,939	26,817	27,281	27,744	28,634		
5	25,820	26,817	27,763	28,266	28,771	29,719		
6	26,619	27,706	28,712	29,254	29,798	30,807		
7	27,421	28,588	29,655	30,240	30,823	31,891		
8	28,227	29,475	30,605	31,229	31,852	32,977		
9	29,032	30,359	31,551	32,213	32,880	34,064		

1	10	29,837	31,248	32,496	33,200	33,904	35,152
2	11	30,644	32,102	33,439	34,185	34,931	36,238
3	12	30,644	32,102	33,439	34,185	34,931	36,238
4	13	30,644	32,102	33,439	34,185	34,931	36,238
5	1	23,317	24,002	24,670	25,004	25,340	26,026
6	2	24,102	24,847	25,593	25,967	26,344	27,117
7	3	24,888	25,711	26,524	26,955	27,386	28,234
8	4	25,674	26,588	27,488	27,963	28,438	29,347
9	5	26,465	27,488	28,467	28,972	29,490	30,462
10	6	27,285	28,399	29,430	29,986	30,543	31,577
11	7	28,107	29,303	30,397	30,996	31,593	32,689
12	8	28,933	30,211	31,370	32,009	32,648	33,802
13	9	29,758	31,118	32,340	33,018	33,702	34,916
14	10	30,583	32,029	33,309	34,030	34,752	36,031
15	11	31,410	32,905	34,275	35,040	35,805	37,143
16	12	31,410	32,905	34,275	35,040	35,805	37,143
17	13	31,410	32,905	34,275	35,040	35,805	37,143
18	<u>1</u>	<u>23,642</u>	<u>24,351</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>
19	<u>2</u>	<u>24,351</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>
20	<u>3</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>
21	<u>4</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>
22	<u>5</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>
23	<u>6</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>
24	<u>7</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>
25	<u>8</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>
26	<u>9</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>
27	<u>10</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>
28	<u>11</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>	<u>36,833</u>
29	<u>12</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>	<u>36,833</u>	<u>37,938</u>

30 (b) The 9 month pay schedule for teachers for the last 6 months of fiscal year 1995 is as follows:

1 Annual Hours ~~1560~~ Note: Does Not Include Insurance
 2 Term ~~Nine Months~~ Matrix Type ~~Annual~~
 3 Education Level

4 STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
5 1	18,193	18,708	19,237	19,495	19,754	20,283
6 2	18,799	19,373	19,949	20,236	20,525	21,100
7 3	19,404	20,038	20,660	20,980	21,297	21,918
8 4	20,012	20,707	21,372	21,721	22,069	22,736
9 5	20,616	21,372	22,083	22,462	22,842	23,556
10 6	21,223	22,041	22,798	23,206	23,614	24,373
11 7	21,826	22,704	23,507	23,947	24,385	25,189
12 8	22,433	23,371	24,192	24,690	25,160	26,006
13 9	23,038	24,036	24,933	25,432	25,932	26,840
14 10	23,644	24,704	25,645	26,173	26,716	27,701
15 11	24,250	25,349	26,358	26,935	27,526	28,557
16 12	24,250	25,349	26,358	26,935	27,526	28,557
17 13	24,250	25,349	26,358	26,935	27,526	28,557"

18

19 Section 10. Section 2-18-314, MCA, is amended to read:

20 "2-18-314. Liquor store occupations pay schedules. (1) The pay schedule for liquor store
 21 occupations for ~~fiscal year 1994 and for the first 6 months of fiscal year 1995~~ the period from July 1,
 22 1995, through September 29, 1995, is as follows:

23 Annual Hours -- 2080 Note: Does Not Include Insurance
 24 Pay Matrix -- ~~Retail Clerk~~ Matrix Type -- Hourly

25 Liquor Store Occupations

26	Grade	Hour
27	L1	0.000
28	L2	8.609
29	L3	9.109
30	L4	9.389

1	L5	9.679
2	L6	10.289
3	L7	10.949
4	L8	11.699
5	<u>L1</u>	<u>0.000</u>
6	<u>L2</u>	<u>8.754</u>
7	<u>L3</u>	<u>9.254</u>
8	<u>L4</u>	<u>9.534</u>
9	<u>L5</u>	<u>9.824</u>
10	<u>L6</u>	<u>10.434</u>
11	<u>L7</u>	<u>11.094</u>
12	<u>L8</u>	<u>11.844</u>

13 (2) ~~The~~ Effective September 30, 1995, until the first day of the pay period that includes October
 14 1, 1996, the pay schedule for liquor store occupations for the last 6 months of fiscal year 1995 is as
 15 follows:

16 Annual Hours -- 2080 Note: Does Not Include Insurance
 17 Pay Matrix -- ~~Retail Clerk~~ Matrix Type -- Hourly

18 Liquor Store Occupations

19	Grade	Hour
20	L1	0.000
21	L2	8.754
22	L3	9.254
23	L4	9.534
24	L5	9.824
25	L6	10.434
26	L7	11.094
27	L8	11.844
28	<u>L1</u>	<u>0.000</u>
29	<u>L2</u>	<u>8.985</u>
30	<u>L3</u>	<u>9.485</u>

1	<u>L4</u>	<u>9.765</u>
2	<u>L5</u>	<u>10.055</u>
3	<u>L6</u>	<u>10.665</u>
4	<u>L7</u>	<u>11.325</u>
5	<u>L8</u>	<u>12.075</u>

6 (3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule
 7 for liquor store occupations is as follows:

8 Annual Hours -- 2080 Note: Does Not Include Insurance
 9 Pay Matrix -- Liquor Store Occupations Matrix Type -- Hourly

10	<u>Grade</u>	<u>Hour</u>
11	<u>L1</u>	<u>0.000</u>
12	<u>L2</u>	<u>9.326</u>
13	<u>L3</u>	<u>9.826</u>
14	<u>L4</u>	<u>10.106</u>
15	<u>L5</u>	<u>10.396</u>
16	<u>L6</u>	<u>11.006</u>
17	<u>L7</u>	<u>11.666</u>
18	<u>L8</u>	<u>12.416"</u>

19
 20 **Section 11.** Section 2-18-315, MCA, is amended to read:
 21 **"2-18-315. Blue-collar pay schedules.** (1) The pay schedule for blue-collar workers for ~~fiscal year~~
 22 ~~1994 and for the first 6 months of fiscal year 1995~~ the period from July 1, 1995, through September 29,
 23 1995, is as follows:

24	<u>Annual Hours -- 2080</u>	<u>Note: Does Not Include Insurance</u>
25	<u>Pay Matrix -- Blue-Collar</u>	<u>Matrix Type -- Hourly</u>
26	<u>Grade</u>	<u>Hour</u>
27	<u>B1</u>	<u>9.084</u>
28	<u>B2</u>	<u>9.484</u>
29	<u>B3</u>	<u>9.884</u>
30	<u>B4</u>	<u>10.284</u>

1	B5	10.684
2	B6	11.084
3	B7	11.484
4	B8	11.884
5	B9	12.284
6	B10	12.684
7	B11	13.084
8	B12	13.484
9	B00	13.884
10	<u>B1</u>	<u>9.266</u>
11	<u>B2</u>	<u>9.666</u>
12	<u>B3</u>	<u>10.066</u>
13	<u>B4</u>	<u>10.466</u>
14	<u>B5</u>	<u>10.866</u>
15	<u>B6</u>	<u>11.266</u>
16	<u>B7</u>	<u>11.666</u>
17	<u>B8</u>	<u>12.066</u>
18	<u>B9</u>	<u>12.466</u>
19	<u>B10</u>	<u>12.866</u>
20	<u>B11</u>	<u>13.266</u>
21	<u>B12</u>	<u>13.666</u>
22	<u>B00</u>	<u>14.066</u>

23 (2) ~~The Effective September 30, 1995, until the first day of the pay period that includes October,~~
 24 ~~1996, the pay schedule for blue-collar workers for the last 6 months of fiscal year 1995~~ is as follows:

25 Annual Hours -- 2080 Note: Does Not Include Insurance
 26 Pay Matrix -- Blue-Collar Matrix Type -- Hourly

27	Grade	Hour
28	<u>B1</u>	<u>9.266</u>
29	<u>B2</u>	<u>9.666</u>
30	<u>B3</u>	<u>10.066</u>

1	B4	10.466
2	B5	10.866
3	B6	11.266
4	B7	11.666
5	B8	12.066
6	B9	12.466
7	B10	12.866
8	B11	13.266
9	B12	13.666
10	B00	14.066
11	<u>B1</u>	<u>9.561</u>
12	<u>B2</u>	<u>9.961</u>
13	<u>B3</u>	<u>10.361</u>
14	<u>B4</u>	<u>10.761</u>
15	<u>B5</u>	<u>11.161</u>
16	<u>B6</u>	<u>11.561</u>
17	<u>B7</u>	<u>11.961</u>
18	<u>B8</u>	<u>12.361</u>
19	<u>B9</u>	<u>12.761</u>
20	<u>B10</u>	<u>13.161</u>
21	<u>B11</u>	<u>13.561</u>
22	<u>B12</u>	<u>13.961</u>
23	<u>B00</u>	<u>14.361</u>

24 (3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule
 25 for blue-collar workers is as follows:

26	<u>Annual Hours -- 2080</u>	<u>Note: Does Not Include Insurance</u>
27	<u>Pay Matrix -- Blue-Collar</u>	<u>Matrix Type -- Hourly</u>
28	<u>Grade</u>	<u>Hour</u>
29	<u>B1</u>	<u>9.995</u>
30	<u>B2</u>	<u>10.395</u>

1	<u>B3</u>	<u>10.795</u>
2	<u>B4</u>	<u>11.195</u>
3	<u>B5</u>	<u>11.595</u>
4	<u>B6</u>	<u>11.995</u>
5	<u>B7</u>	<u>12.395</u>
6	<u>B8</u>	<u>12.795</u>
7	<u>B9</u>	<u>13.195</u>
8	<u>B10</u>	<u>13.595</u>
9	<u>B11</u>	<u>13.995</u>
10	<u>B12</u>	<u>14.395</u>
11	<u>B00</u>	<u>14.795"</u>

12

13 **Section 12.** Section 2-18-703, MCA, is amended to read:

14 **"2-18-703. Contributions.** (1) Each agency, as defined in 2-18-601, shall contribute the amount
15 specified in this section towards the group benefits cost.

16 (2) For employees defined in 2-18-701, ~~other than members of collective bargaining units,~~ and for
17 members of the legislature, the employer contribution for group benefits is ~~\$210~~ \$220 per month for the
18 fiscal year ending June 30, ~~1994~~ 1996, and ~~\$230 per~~ \$225 a month for the fiscal year ending June 30,
19 ~~1995~~ 1997, and for each fiscal year thereafter. When a state employee is terminated to achieve a reduction
20 in force, the continuation of contributions for group benefits beyond the termination date is subject to
21 negotiation under 39-31-305. Permanent part-time, seasonal part-time, and temporary part-time employees
22 who are regularly scheduled to work less than 20 hours a week are not eligible for the group benefit
23 contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not
24 receive the state contribution ~~as wages~~. A portion of the employer contribution for group benefits may be
25 applied to an employee's costs for participation in Part B of medicare under Title XVIII of the Social Security
26 Act of 1965, as amended, if the state group benefit plan is the secondary payer and medicare the primary
27 payer.

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

30 (4) Unused employer contributions for any state employee must be transferred to an account

1 established for this purpose by the department of administration and upon transfer may be used to offset
 2 losses occurring to the group of which the employee is eligible to be a member.

3 (5) Unused employer contributions for any government employee may be transferred to an account
 4 established for this purpose by a self-insured government and upon transfer may be used to offset losses
 5 occurring to the group of which the employee is eligible to be a member or to increase the reserves of the
 6 group.

7 (6) The laws prohibiting discrimination on the basis of marital status in Title 49 do not prohibit bona
 8 fide group insurance plans from providing greater or additional contributions for insurance benefits to
 9 employees with dependents than to employees without dependents or with fewer dependents."

10

11 **SECTION 13. SECTION 3-2-104, MCA, IS AMENDED TO READ:**

12 "3-2-104. Salaries -- expenses. (1) The salaries of justices of the supreme court are provided for
 13 in ~~2-16-404~~ [section 16].

14 (2) Actual and necessary travel expenses of the justices of the supreme court shall be the travel
 15 expenses, as defined and provided in 2-18-501 through 2-18-503, incurred in the performance of their
 16 official duties."

17

18 **SECTION 14. SECTION 3-5-211, MCA, IS AMENDED TO READ:**

19 "3-5-211. Salaries and expenses of district judges. (1) ~~The~~ Subject to subsection (2), the annual
 20 salary of each district judge is as follows:

21 (a) ~~\$57,178 beginning July 1, 1991;~~

22 (b) ~~\$59,178 beginning January 1, 1992;~~

23 (c) ~~\$61,178 beginning July 1, 1992;~~

24 (d) ~~\$63,178 beginning January 1, 1993, and each fiscal year thereafter;~~

25 (b) \$64,979 beginning July 1, 1995;

26 (c) \$67,513 beginning January 1, 1996.

27 (2) Prior to June 30, 1996, and prior to June 30 of each even-numbered year thereafter, the
 28 department of administration shall conduct a salary survey of judges of courts of general jurisdiction similar
 29 to the Montana district courts for the states of North Dakota, South Dakota, Wyoming, and Idaho. The
 30 department shall include the salary for a Montana district court judge in determining the average salary.

1 If the average salary is greater than the salary for a district court judge in Montana, then beginning July 1,
 2 1997, the average is the new salary for that position. In each year following the year in which a survey is
 3 conducted, the average salary is the new salary for the position. A district court judge's salary may not
 4 be reduced.

5 ~~(2)~~(3) Actual and necessary expenses for each district judge shall be the travel expenses, as
 6 defined and provided in 2-18-501 through 2-18-503, incurred in the performance of his official duties."
 7

8 **SECTION 15. SECTION 5-2-301, MCA, IS AMENDED TO READ:**

9 **"5-2-301. Compensation and expenses for members while in session.** (1) Except as provided in
 10 subsection ~~(7)~~(8), legislators are entitled to a salary commensurate to that of the daily rate of an entry
 11 grade 8 classified state employee in effect when the regular session of the legislature in which they serve
 12 is convened under 5-2-103 for those days during which the legislature is in session. The president of the
 13 senate and the speaker of the house shall receive an additional \$5 a day in salary for those days during
 14 which the legislature is in session.

15 (2) Legislators may serve for no salary.

16 (3) ~~Legislators~~ Subject to subsection (4), legislators are entitled to \$50 a day, 7 days a week,
 17 during a legislative session, as reimbursement for expenses incurred in attending a session. Expense
 18 payments shall stop when the legislature recesses for more than 3 days and shall resume when the
 19 legislature reconvenes.

20 (4) After November 15, 1996, and prior to December 15, 1996, and prior to December 15 of each
 21 even-numbered year thereafter, the department of administration shall conduct a survey of the allowance
 22 for daily expenses of legislators for the states of North Dakota, South Dakota, Wyoming, and Idaho. The
 23 department shall include the average daily expense allowance for Montana legislators in determining the
 24 average daily rate for legislators. If the average daily rate is greater than the daily rate for legislators in
 25 Montana, the average is the new daily rate for legislators for those days during which the legislature is in
 26 session. The expense allowance is effective when the next regular session of the legislature in which the
 27 legislators serve is convened under 5-2-103.

28 ~~(4)~~(5) Legislators are entitled to a mileage allowance as provided in 2-18-503 for each mile of travel
 29 to the place of the holding of the session and to return to their place of residence at the conclusion of the
 30 session.

1 ~~(5)~~(6) In addition to the mileage allowance provided for in subsection ~~(4)~~(5), legislators, upon
 2 submittal of an appropriate claim for such mileage reimbursement to the office of the legislative council,
 3 are entitled to:

4 (a) three additional round trips to their place of residence during each regular session; and

5 (b) such additional round trips as are authorized by the legislature during special session.

6 ~~(6)~~(7) Legislators are not entitled to any additional mileage allowance under subsection ~~(4)~~ (5) for
 7 a special session if it is convened within 7 days of a regular session.

8 ~~(7)~~(8) In lieu of the salary provided for in subsection (1) and the expense allowance provided for
 9 in subsection ~~(3)~~ (4), a legislator may receive remuneration for services performed during a legislative
 10 session. A legislator choosing to receive remuneration for services performed shall file a request to receive
 11 payment under this subsection with the accounting office of the legislative council. A legislator exercising
 12 the option to receive remuneration for services performed may not receive more remuneration than
 13 legislators paid pursuant to subsections (1) and ~~(3)~~ (4). Remuneration for services performed must be
 14 reduced \$50 a day when the legislature recesses for more than 3 days."

15

16 NEW SECTION. SECTION 16. SALARIES OF SUPREME COURT JUSTICES. (1) SUBJECT TO
 17 SUBSECTION (3), THE SALARY OF THE CHIEF JUSTICE OF THE SUPREME COURT IS AS FOLLOWS:

18 (A) \$67,595 BEGINNING JULY 1, 1995;

19 (B) \$70,231 BEGINNING JANUARY 1, 1996.

20 (2) SUBJECT TO SUBSECTION (3), THE SALARY OF A JUSTICE OF THE SUPREME COURT IS AS
 21 FOLLOWS:

22 (A) \$66,289 BEGINNING JULY 1, 1995;

23 (B) \$68,874 BEGINNING JANUARY 1, 1996.

24 (3) PRIOR TO JUNE 30, 1996, AND PRIOR TO JUNE 30 OF EACH EVEN-NUMBERED YEAR
 25 THEREAFTER, THE DEPARTMENT OF ADMINISTRATION SHALL CONDUCT A SALARY SURVEY OF
 26 JUSTICES AND CHIEF JUSTICES OF THE HIGHEST APPELLATE COURTS SIMILAR TO THE MONTANA
 27 SUPREME COURT FOR THE STATES OF NORTH DAKOTA, SOUTH DAKOTA, WYOMING, AND IDAHO.
 28 THE DEPARTMENT SHALL INCLUDE THE SALARY FOR A MONTANA SUPREME COURT JUSTICE OR THE
 29 CHIEF JUSTICE IN DETERMINING THE AVERAGE SALARY FOR A JUSTICE AND THE AVERAGE SALARY
 30 FOR THE CHIEF JUSTICE. IF THE AVERAGE SALARIES ARE GREATER THAN THE SALARIES FOR A

1 SUPREME COURT JUSTICE OR THE CHIEF JUSTICE IN MONTANA, THEN BEGINNING JULY 1, 1997, THE
 2 AVERAGE SALARIES ARE THE NEW SALARIES FOR A SUPREME COURT JUSTICE OR THE CHIEF
 3 JUSTICE. IN EACH YEAR FOLLOWING THE YEAR IN WHICH A SURVEY IS CONDUCTED, THE AVERAGE
 4 SALARY IS THE NEW SALARY FOR THE POSITION. A JUSTICE'S SALARY OR THE CHIEF JUSTICE'S
 5 SALARY MAY NOT BE REDUCED.

6
 7 **SECTION 17. SECTION 15-2-102, MCA, IS AMENDED TO READ:**

8 "15-2-102. **Qualification and compensation.** (1) To be appointed a member of the state tax appeal
 9 board, a person must possess knowledge of the subject of taxation and skill in matters pertaining thereto.
 10 No person so appointed may hold any other state or any office under the government of the United States
 11 or under the government of any other state. ~~He~~ The person shall devote ~~his~~ the entire time to the duties
 12 of the office and shall not hold any other position of trust or profit or engage in any occupation or business
 13 interfering or inconsistent with ~~his~~ the person's duties. The state tax appeal board is transferred to the
 14 department of administration for administrative purposes only as is specified in 2-15-121. However, the
 15 board may hire its own personnel, and 2-15-121(2)(d) does not apply.

16 (2) ~~The member designated chairman as provided for in 15-2-103 shall receive a salary equivalent~~
 17 ~~to that of an entry grade 17 salary, plus 5%. The remaining state~~ State tax appeal board members shall
 18 be paid a salary equivalent to that of ~~an entry a~~ an entry a grade 17 salary as provided in 2-18-312. State tax appeal
 19 board members must receive pay and pay adjustments consistent with those required by the legislature for
 20 classified state employees in 2-18-303 and 2-18-304. The member designated as presiding officer as
 21 provided for in 15-2-103 must have an additional 5% added to the salary. All members of the board shall
 22 receive travel expenses as provided for in 2-18-501 through 2-18-503, as amended, when away from the
 23 capital on official business."

24
 25 **SECTION 18. SECTION 19-5-101, MCA, IS AMENDED TO READ:**

26 "19-5-101. **Definitions.** Unless a different meaning is plainly implied by the context, the following
 27 definitions apply in this chapter:

28 (1) "Compensation" means remuneration as defined in ~~2-16-404~~ [section 16], 3-5-211, and
 29 3-7-222 paid to a member.

30 (2) "Current salary" means the current compensation for the office retired from.

- 1 (3) "Involuntary retirement" means a retirement not for cause and before retirement age.
- 2 (4) "Retired judge" means any judge or justice in receipt of a retirement benefit under this chapter."

3

4 **SECTION 19. SECTION 44-4-101, MCA, IS AMENDED TO READ:**

5 **"44-4-101. Position established -- salary.** There is created within the department of justice the

6 position of training coordinator for county attorneys. The position of training coordinator for county

7 attorneys is an exempt position as provided in 2-18-103. The salary for this position is the same as that

8 provided in 7-4-2503 for a county attorney in a county with a population in excess of 30,000."

9

10 **NEW SECTION. Section 20. Appropriation.** (1) The following money for the indicated fiscal years

11 is appropriated to the listed agencies to implement the adjustments provided for in [sections ~~4 through 10~~

12 **4 THROUGH 12]:**

	Fiscal 1996		Fiscal 1997	
	General Fund	Other Funds	General Fund	Other Funds
15 Legislative Auditor	21,937	19,740	57,203	50,750
	<u>51,284</u>	<u>45,662</u>	<u>104,006</u>	<u>92,602</u>
18 Legislative Fiscal Analyst	12,238	0	31,432	0
	<u>21,466</u>		<u>55,772</u>	
21 Legislative Council	17,643	9,625	62,278	13,688
	<u>30,879</u>	<u>16,846</u>	<u>99,067</u>	<u>21,774</u>
24 Environmental Quality Council	4,148	0	10,660	0
	<u>8,064</u>		<u>20,591</u>	
27 Consumer Counsel	0	4,947	0	12,299
		<u>12,416</u>		<u>28,959</u>
30 Judiciary				

1	14,252	6,028	47,690	18,293
2	<u>175,407</u>	<u>9,565</u>	<u>281,401</u>	<u>23,291</u>
3	University System (including Commissioner of Higher Education)			
4	2,329,558	858,315	4,709,719	1,909,246
5	<u>2,186,361</u>	<u>1,405,233</u>	<u>4,565,478</u>	<u>2,876,264</u>
6	Office of Budget and Program Planning (for distribution to all other agencies)			
7	2,419,353	3,795,564	6,451,503	10,770,645
8	<u>2,441,914</u>	<u>3,803,043</u>	<u>6,486,487</u>	<u>10,785,119</u>

9 (2) There is appropriated from the general fund to the state personnel division:

10 (a) \$10,000 for changes in the payroll/personnel/position control system for the fiscal year ending
11 June 30, 1996. Any unexpended portion of this appropriation is reappropriated for the biennium ending
12 June 30, 1997.

13 (b) \$20,000 to conduct a salary survey as required under 2-18-301(2).

15 NEW SECTION. Section 21. Repealer. Section SECTIONS 2-16-404 AND 2-18-305, MCA, is ARE
16 repealed.

18 NEW SECTION. SECTION 22. CODIFICATION INSTRUCTION. [SECTION 16] IS INTENDED TO BE
19 CODIFIED AS AN INTEGRAL PART OF TITLE 2, CHAPTER 16, PART 4, AND THE PROVISIONS OF TITLE
20 2, CHAPTER 16, PART 4, APPLY TO [SECTION 16].

22 NEW SECTION. SECTION 23. RETROACTIVE APPLICABILITY. [SECTION 17] APPLIES
23 RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO A MEMBER OF THE STATE TAX APPEAL
24 BOARD WHO WAS A MEMBER ON DECEMBER 31, 1994.

26 NEW SECTION. Section 24. Effective dates. (1) [Sections 1 through 40 19, 22, AND 23] and this
27 section are effective on passage and approval.

28 (2) [Sections ~~11 and 12~~ 20 AND 21] are effective July 1, 1995.

29 -END-

1 HOUSE BILL NO. 17
 2 INTRODUCED BY WISEMAN
 3 BY REQUEST OF THE GOVERNOR
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING PAY ADJUSTMENTS FOR STATE EMPLOYEES IN
 6 THE STATEWIDE, TEACHERS', LIQUOR STORE OCCUPATIONS, AND BLUE-COLLAR PAY PLANS;
 7 PROVIDING PAY ADJUSTMENTS FOR JUDGES AND ELECTED STATE OFFICIALS; PROVIDING EXPENSE
 8 PAYMENT ADJUSTMENTS FOR LEGISLATORS; PROVIDING THAT THE SALARY FOR THE POSITION IN
 9 THE DEPARTMENT OF JUSTICE OF TRAINING COORDINATOR FOR COUNTY ATTORNEYS IS THE SAME
 10 AS THAT ESTABLISHED FOR A FULL-TIME COUNTY ATTORNEY IN A COUNTY WITH A POPULATION IN
 11 EXCESS OF 30,000; GENERALLY REVISING THE LAWS RELATING TO STATE EMPLOYEE COMPENSATION
 12 AND THE STATEWIDE CLASSIFICATION PLAN; PROVIDING AN APPROPRIATION TO FUND PAY
 13 ADJUSTMENTS; REQUIRING THAT EMPLOYEES IN COLLECTIVE BARGAINING UNITS RATIFY COLLECTIVE
 14 BARGAINING AGREEMENTS PRIOR TO RECEIVING PAY ADJUSTMENTS; PROVIDING PAY ADJUSTMENTS
 15 FOR MEMBERS OF THE STATE TAX APPEAL BOARD; AMENDING SECTIONS 2-16-405, 2-18-101,
 16 2-18-103, 2-18-203, 2-18-301, 2-18-303, 2-18-304, 2-18-312, 2-18-313, 2-18-314, 2-18-315, AND
 17 2-18-703, 3-2-104, 3-5-211, 5-2-301, 15-2-102, 19-5-101, AND 44-4-101, MCA; REPEALING SECTION
 18 SECTIONS 2-16-404 AND 2-18-305, MCA; AND PROVIDING EFFECTIVE DATES AND A RETROACTIVE
 19 APPLICABILITY DATE."

20
 21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

22
 23 SECTION 1. SECTION 2-16-405, MCA, IS AMENDED TO READ:

24 "2-16-405. Salaries of certain elected state officials. (1) The Subject to subsection (2), the salaries
 25 paid to certain elected officials of the state of Montana for fiscal year 1992 and following years are:

	<u>Fiscal Year</u>	<u>Following</u>
	<u>1992</u>	<u>June 30, 1992</u>
26	(a) Governor;	<u>\$54,254</u>
27	(i) \$55,502;	
28	(ii) <u>\$57,084 beginning July 1, 1995;</u>	

1	<u>(iii) \$59,310 beginning January 1, 1996.</u>	
2	<u>(b) Lieutenant governor:</u>	\$39,218
3	<u>(i) \$40,466;</u>	
4	<u>(ii) \$41,619 beginning July 1, 1995;</u>	
5	<u>(iii) \$43,242 beginning January 1, 1996.</u>	
6	<u>(c) Attorney general:</u>	\$49,593
7	<u>(i) \$50,841;</u>	
8	<u>(ii) \$52,290 beginning July 1, 1995;</u>	
9	<u>(iii) \$54,329 beginning January 1, 1996.</u>	
10	<u>(d) State auditor:</u>	\$36,278
11	<u>(i) \$37,526;</u>	
12	<u>(ii) \$38,595 beginning July 1, 1995;</u>	
13	<u>(iii) \$40,101 beginning January 1, 1996.</u>	
14	<u>(e) Superintendent of public</u>	
15	<u>instruction:</u>	\$42,929
16	<u>(i) \$44,177;</u>	
17	<u>(ii) \$45,436 beginning July 1, 1995;</u>	
18	<u>(iii) \$47,208 beginning January 1, 1996.</u>	
19	<u>(f) Public service commission</u>	
20	<u>chairman presiding officer:</u>	\$40,502
21	<u>(i) \$41,750;</u>	
22	<u>(ii) \$42,940 beginning July 1, 1995;</u>	
23	<u>(iii) \$44,615 beginning January 1, 1996.</u>	
24	<u>(g) Public service commissioners, other</u>	
25	<u>than chairman presiding officer:</u>	\$39,218
26	<u>(i) \$40,466;</u>	
27	<u>(ii) \$41,619 beginning July 1, 1995;</u>	
28	<u>(iii) \$43,242 beginning January 1, 1996.</u>	
29	<u>(h) Secretary of state:</u>	\$36,278
30	<u>(i) \$37,526;</u>	

1 (ii) \$38,595 beginning July 1, 1995;

2 (iii) \$40,101 beginning January 1, 1996.

3 (i) Clerk of the supreme court; ~~\$35,289~~

4 (i) \$36,537;

5 (ii) \$37,578 beginning July 1, 1995;

6 (iii) \$39,044 beginning January 1, 1996.

7 (2) Prior to June 30, 1996, and prior to June 30 of each even-numbered year thereafter, the
 8 department of administration shall conduct a salary survey of executive branch officials similar to the
 9 Montana officials listed in subsection (1) for the states of North Dakota, South Dakota, Wyoming, and
 10 Idaho. The department shall include the salary for the Montana official in determining the average salary
 11 for the similar position. If the average salary is greater than the salary for the similar position in Montana,
 12 then beginning July 1, 1997, the average is the new salary for that position. In each year following the year
 13 in which a survey is conducted, the average salary is the new salary for the position."

14
 15 **Section 2.** Section 2-18-101, MCA, is amended to read:

16 **"2-18-101. Definitions.** As used in parts 1 through 3 and part 10 of this chapter, the following
 17 definitions apply:

18 (1) "Agency" means a department, board, commission, office, bureau, institution, or unit of state
 19 government recognized in the state budget.

20 (2) "Anniversary date", except as modified in part 3 of this chapter, means the month and day on
 21 which an employee began the most recent period of uninterrupted state service.

22 ~~(2)(3)~~ (3) "Base salary" means the amount of compensation paid to an employee, excluding:

23 (a) state contributions to group benefits provided in 2-18-703;

24 (b) overtime;

25 (c) fringe benefits as defined in 39-2-903; and

26 (d) the longevity allowance provided in 2-18-304.

27 ~~(3)(4)~~ (4) "Board" means the board of personnel appeals established in 2-15-1705.

28 ~~(4)(5)~~ (5) "Class" means one or more positions substantially similar with respect to the kind or nature
 29 of duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may
 30 be used to designate each position allocated to the class, similar qualifications may be required of persons

1 appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.

2 (6) "Class series benchmark" means a representative position within a class series that is used to
 3 illustrate the application of the job evaluation factors that are used to classify positions in the classification
 4 plan. A benchmark description describes the duties and responsibilities assigned and the factors applied to
 5 the class series benchmark.

6 ~~(6)~~(7) "Class specification" means a written descriptive statement of the duties and responsibilities
 7 characteristic of a class of positions and includes the education, experience, knowledge, skills, abilities, and
 8 qualifications necessary to perform the work of the class.

9 ~~(6)~~(8) "Compensation" means the annual or hourly wage or salary and includes the state
 10 contribution to group benefits under the provisions of 2-18-703.

11 ~~(7)~~(9) "Department" means the department of administration created in 2-15-1001.

12 ~~(8)~~(10) Except in 2-18-306, "employee" means any state employee other than an employee
 13 excepted under 2-18-103 or 2-18-104 from the statewide classification system.

14 ~~(9)~~(11) "Entry salary" means the entry-level base salary for each grade provided in 2-18-312.

15 ~~(10)~~(12) "Grade" means the number assigned to a pay range within a pay schedule in part 3 of this
 16 chapter.

17 ~~(11)~~(13) "Job sharing" means the sharing by two or more persons of a position that is considered
 18 an aggregate or permanent position.

19 (14) "Market ratio" means an employee's base salary divided by the market salary for the
 20 employee's pay grade.

21 ~~(12)~~(15) "Market salary" means the midpoint in a pay grade provided in 2-18-312, based on the
 22 average base salary that other employers pay to employees in comparable occupations comparable to
 23 occupations in a grade provided in 2-18-312, as determined by the department's salary survey of the
 24 relevant labor market.

25 ~~(13)~~(16) "Permanent position" means a position so designated on the appropriate agency list of
 26 authorized positions referenced in 2-18-206 and approved as such in the biennium budget.

27 ~~(14)~~(17) "Permanent status" means the state an employee attains after satisfactorily completing
 28 an appropriate probationary period in a permanent position.

29 ~~(15)~~(18) "Personal staff" means those positions occupied by employees appointed by the elected
 30 officials enumerated in Article VI, section 1, of the Montana constitution or by the public service

1 commission as a whole.

2 ~~(16)~~(19) "Position" means a collection of duties and responsibilities currently assigned or delegated
3 by competent authority, requiring the full-time, part-time, or intermittent employment of one person.

4 ~~(17)~~(20) "Program" means a combination of planned efforts to provide a service.

5 ~~(18)~~(21) "Seasonal position" means a position so designated on the appropriate agency list of
6 authorized positions referenced in 2-18-206 and ~~which~~ that is a permanent position but ~~which~~ that is
7 interrupted by the seasonal nature of the position.

8 ~~(19)~~(22) "Temporary position" means a position so designated on the appropriate agency list of
9 authorized positions referenced in 2-18-206, created for a definite period of time not to exceed 9 months."

10

11 **SECTION 3. SECTION 2-18-103, MCA, IS AMENDED TO READ:**

12 **"2-18-103. Officers and employees excepted. Parts 1 and 2 do not apply to the following positions**
13 **in state government:**

14 (1) elected officials;

15 (2) county assessors and their chief deputy;

16 (3) officers and employees of the legislative branch;

17 (4) judges and employees of the judicial branch;

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

20 (6) officers or members of the militia;

21 (7) agency heads appointed by the governor;

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

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

27 (10) teachers under the authority of the department of corrections and human services or family
28 services;

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

- 1 (12) four professional staff positions under the board of oil and gas conservation;
- 2 (13) assistant director for security of the Montana state lottery;
- 3 (14) executive director and senior investment officer of the Montana board of science and
4 technology development;
- 5 (15) executive director and employees of the state compensation insurance fund;
- 6 (16) state racing stewards employed by the executive secretary of the Montana board of
7 horseracing;
- 8 (17) executive director of the Montana wheat and barley committee; ~~and~~
- 9 (18) commissioner of banking and financial institutions; and
- 10 (19) training coordinator for county attorneys."

11

12 **Section 4.** Section 2-18-203, MCA, is amended to read:

13 **"2-18-203. Review of positions -- change in classification.** (1) The department shall continuously
14 review all positions on a regular basis and adjust classifications to reflect significant changes in duties and
15 responsibilities. In the event that adjustments are to be made to ~~the classification class~~ class specifications, class
16 series benchmarks, or criteria ~~utilized~~ used for allocating positions ~~in the classification specifications to~~
17 classes affecting employees within a bargaining unit, the department shall consult with the representative
18 of the bargaining unit prior to implementation of the adjustments, except for blue-collar, ~~teachers~~ teachers',
19 and liquor store ~~clerks~~ clerks' classification plans, which ~~shall~~ plans must remain mandatory negotiable
20 items under ~~the Collective Bargaining Act~~ Title 39, chapter 31.

21 (2) Employees and employee organizations ~~will~~ must be given the opportunity to appeal the
22 allocation or reallocation of a position to a class. The grade assigned to a class ~~is~~ and factors assigned to
23 class series benchmarks are not ~~an~~ appealable subject subjects under 2-18-1011 through 2-18-1013.

24 (3) The period of time for which retroactive pay for a classification appeal may be awarded under
25 ~~parts 1 through 3 of this chapter or under~~ 2-18-1011 through 2-18-1013 or under parts 1 through 3 of this
26 chapter may not extend beyond 30 days prior to the date on which the appeal was filed. ~~This provision~~
27 ~~shall not affect a classification or position appeal already in process on April 26, 1977."~~

28

29 **Section 5.** Section 2-18-301, MCA, is amended to read:

30 **"2-18-301. Purpose and intent of part -- rules.** (1) The purpose of this part is to provide the

1 market-based compensation necessary to attract and retain competent and qualified employees in order to
2 perform the services that the state is required to provide to its citizens.

3 (2) It is the intent of the legislature that compensation plans for state employees, excluding those
4 employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313,
5 ~~2-18-314~~, and through 2-18-315, be based on an analysis of the labor market as provided by the
6 department in a salary survey. The salary survey must be submitted to the office of budget and program
7 planning as a part of the information required by 17-7-111.

8 (3) Except as provided in 2-18-110, ~~and 2-18-305(4)~~, pay adjustments and pay schedules provided
9 for in 2-18-303 and in 2-18-312 through 2-18-315 supersede any other plan or systems established
10 through collective bargaining after the adjournment of the ~~53rd~~ 54th legislature.

11 (4) Pay levels provided for in 2-18-312 through 2-18-315 may not be increased through collective
12 bargaining after adjournment of the ~~53rd~~ 54th legislature.

13 (5) Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315
14 for any employee group or bargaining unit may not be increased through collective bargaining over the
15 amount appropriated by the ~~53rd~~ 54th legislature.

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

18 (7) The department may promulgate rules not inconsistent with the provisions of this part,
19 collective bargaining statutes, or negotiated contracts to carry out the purposes of this part."
20

21 **Section 6.** Section 2-18-303, MCA, is amended to read:

22 **"2-18-303. Procedures for ~~utilizing~~ using pay schedules.** (1) The pay schedules provided in
23 2-18-312 must be implemented as follows:

24 (a) The pay schedules provided in 2-18-312 indicate the entry salary and market salary ~~for the~~
25 ~~fiscal years ending June 30, 1994, and June 30, 1995~~, for each grade for positions classified under the
26 provisions of part 2 of this chapter.

27 (b) Each employee newly hired by the state of Montana must be hired at the entry rate, except as
28 provided in subsections ~~(6)~~ (7) and ~~(7)~~ (8).

29 (c) ~~Except as provided in subsection (1)(e), on~~ On the first day of the first complete pay period in
30 fiscal year ~~1994~~ 1996, each employee hired before July 1, ~~1993~~ 1995, is entitled to the amount of the

1 employee's base salary as it was on June 30, ~~1993~~ 1995, plus, on the employee's anniversary date that
 2 occurs on or after September 30, 1995, the increases provided in subsection (1)(d), if applicable.

3 (d) (i) Effective on the first day of the pay period that includes an employee's anniversary date
 4 during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be
 5 compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's
 6 grade level and completed years of uninterrupted state service. For employees hired on or before
 7 September 30, 1994, the anniversary date is October 1.

8 (ii) As provided in subsection (1)(d)(i), the following matrix must be used to compare an employee's
 9 market ratio to the target market ratio that corresponds to the employee's grade level and completed years
 10 of uninterrupted state service:

11 TARGET MARKET RATIOS

12	<u>Years</u>											
13	<u>GRADE</u>	<u>YEARS</u>										
14		<u>0</u>	<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>
15	<u>4</u>	<u>0.844</u>	<u>0.874</u>	<u>0.904</u>	<u>0.935</u>	<u>0.967</u>	<u>0.999</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
16	<u>5</u>	<u>0.842</u>	<u>0.871</u>	<u>0.900</u>	<u>0.930</u>	<u>0.961</u>	<u>0.992</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
17	<u>6</u>	<u>0.840</u>	<u>0.868</u>	<u>0.896</u>	<u>0.925</u>	<u>0.955</u>	<u>0.985</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
18	<u>7</u>	<u>0.838</u>	<u>0.865</u>	<u>0.892</u>	<u>0.920</u>	<u>0.949</u>	<u>0.978</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
19	<u>8</u>	<u>0.836</u>	<u>0.862</u>	<u>0.889</u>	<u>0.916</u>	<u>0.944</u>	<u>0.972</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
20	<u>9</u>	<u>0.834</u>	<u>0.859</u>	<u>0.885</u>	<u>0.911</u>	<u>0.938</u>	<u>0.965</u>	<u>0.993</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
21	<u>10</u>	<u>0.832</u>	<u>0.857</u>	<u>0.882</u>	<u>0.908</u>	<u>0.934</u>	<u>0.961</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
22	<u>11</u>	<u>0.830</u>	<u>0.854</u>	<u>0.878</u>	<u>0.903</u>	<u>0.928</u>	<u>0.954</u>	<u>0.980</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
23	<u>12</u>	<u>0.828</u>	<u>0.851</u>	<u>0.875</u>	<u>0.899</u>	<u>0.924</u>	<u>0.949</u>	<u>0.975</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
24	<u>13</u>	<u>0.826</u>	<u>0.849</u>	<u>0.872</u>	<u>0.896</u>	<u>0.920</u>	<u>0.945</u>	<u>0.970</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
25	<u>14</u>	<u>0.824</u>	<u>0.846</u>	<u>0.869</u>	<u>0.892</u>	<u>0.915</u>	<u>0.939</u>	<u>0.963</u>	<u>0.988</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
26	<u>15</u>	<u>0.822</u>	<u>0.844</u>	<u>0.866</u>	<u>0.888</u>	<u>0.911</u>	<u>0.934</u>	<u>0.958</u>	<u>0.982</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
27	<u>16</u>	<u>0.820</u>	<u>0.841</u>	<u>0.863</u>	<u>0.885</u>	<u>0.907</u>	<u>0.930</u>	<u>0.953</u>	<u>0.977</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
28	<u>17</u>	<u>0.818</u>	<u>0.839</u>	<u>0.862</u>	<u>0.904</u>	<u>0.903</u>	<u>0.926</u>	<u>0.949</u>	<u>0.972</u>	<u>0.996</u>	<u>1.000</u>	<u>1.000</u>
29				<u>0.860</u>	<u>0.882</u>	<u>0.904</u>						
30	<u>18</u>	<u>0.816</u>	<u>0.836</u>	<u>0.857</u>	<u>0.878</u>	<u>0.899</u>	<u>0.921</u>	<u>0.943</u>	<u>0.966</u>	<u>0.989</u>	<u>1.000</u>	<u>1.000</u>

1	<u>19</u>	<u>0.814</u>	<u>0.834</u>	<u>0.854</u>	<u>0.875</u>	<u>0.896</u>	<u>0.917</u>	<u>0.939</u>	<u>0.961</u>	<u>0.984</u>	<u>1.000</u>	<u>1.000</u>
2	<u>20</u>	<u>0.812</u>	<u>0.831</u>	<u>0.851</u>	<u>0.871</u>	<u>0.892</u>	<u>0.913</u>	<u>0.935</u>	<u>0.957</u>	<u>0.979</u>	<u>1.000</u>	<u>1.000</u>
3	<u>21</u>	<u>0.810</u>	<u>0.829</u>	<u>0.849</u>	<u>0.869</u>	<u>0.889</u>	<u>0.910</u>	<u>0.931</u>	<u>0.953</u>	<u>0.975</u>	<u>0.997</u>	<u>1.000</u>
4	<u>22</u>	<u>0.808</u>	<u>0.827</u>	<u>0.846</u>	<u>0.866</u>	<u>0.886</u>	<u>0.906</u>	<u>0.927</u>	<u>0.948</u>	<u>0.970</u>	<u>0.992</u>	<u>1.000</u>
5	<u>23</u>	<u>0.806</u>	<u>0.825</u>	<u>0.844</u>	<u>0.863</u>	<u>0.883</u>	<u>0.903</u>	<u>0.923</u>	<u>0.944</u>	<u>0.965</u>	<u>0.987</u>	<u>0.999</u>
6												<u>1.000</u>
7	<u>24</u>	<u>0.804</u>	<u>0.822</u>	<u>0.841</u>	<u>0.860</u>	<u>0.879</u>	<u>0.899</u>	<u>0.919</u>	<u>0.940</u>	<u>0.961</u>	<u>0.982</u>	<u>1.000</u>
8	<u>25</u>	<u>0.802</u>	<u>0.820</u>	<u>0.838</u>	<u>0.857</u>	<u>0.876</u>	<u>0.895</u>	<u>0.915</u>	<u>0.935</u>	<u>0.956</u>	<u>0.977</u>	<u>0.999</u>

9 (iii) If, on the first day of the pay period that includes an employee's anniversary date during the
10 fiscal year ending June 30, 1996, the employee's market ratio is less than the target market ratio that
11 corresponds to the employee's grade level and completed years of uninterrupted state service, the
12 employee's base salary must be increased to the lesser of:

13 (A) the market salary for the employee's grade multiplied by the target ratio that corresponds to the
14 employee's grade level and completed years of uninterrupted state service; or

15 (B) the employee's base salary as it was on the last day of the pay period immediately preceding
16 the pay period that includes October 1, 1995, plus 5%.

17 (iv) If, on the first day of the pay period that includes an employee's anniversary date during the
18 fiscal year ending June 30, 1997, the employee's market ratio is less than the target market ratio that
19 corresponds to the employee's grade level and completed years of uninterrupted state service, the
20 employee's base salary must be increased to the lesser of:

21 (A) the market salary for the employee's grade multiplied by the target ratio that corresponds to
22 the employee's grade level and completed years of uninterrupted state service; or

23 (B) the employee's base salary as it was on the last day of the pay period immediately preceding
24 the pay period that includes October 1, 1996, plus 6%.

25 ~~(d) Except as provided in subsection (1)(e), on the first day of the first complete pay period in~~
26 ~~January 1995, each employee hired before January 1, 1995, is entitled to the amount of the employee's~~
27 ~~base salary as it was on December 31, 1994, plus 1.5%.~~

28 (e) An employee's base salary may be no less than the entry salary for the employee's assigned
29 grade.

30 (f) An employee's base salary may not exceed the maximum salary for the employee's grade. The

1 salary of an employee may not be reduced because of this provision.

2 (g) The maximum salary for each grade is determined by subtracting the entry salary from the
3 market salary and adding that amount to the market salary.

4 (h) An employee's market ratio, as it was on the last day of the pay period immediately preceding
5 the pay period that includes October 1, 1996, may not be reduced as a result of the adjustment of the pay
6 ranges provided in 2-18-312(2).

7 (2) The pay schedules provided in 2-18-312 and the provisions of subsection (1) of this section
8 do not apply to those teachers, liquor store occupations, or blue-collar occupations compensated under the
9 pay schedules provided in 2-18-313 through 2-18-315.

10 (3) The pay schedules provided in 2-18-313 through 2-18-315 must be implemented as follows:

11 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for ~~the~~
12 ~~contracted school term for~~ teachers employed under the authority of the department of corrections and
13 human services or the department of family services for fiscal years ~~1994~~ 1996 and ~~1995~~ 1997.

14 (ii) The compensation of each teacher ~~on the first day of the first pay period in July 1993~~ ON JULY
15 1, 1995, is determined by the teacher's level of academic achievement and completed years of experience
16 THE SAME AS IT WAS ON JUNE 30, 1995.

17 ~~(iii) On the first day of the first complete pay period of each fiscal year, each teacher shall advance~~
18 ~~one step on the appropriate pay schedule adopted in 2-18-313.~~

19 ~~(iv) On the first day of the first complete pay period of each fiscal year, each teacher employed by~~
20 ~~the Montana school for the deaf and blind shall advance one step on the teacher pay matrix used by the~~
21 ~~school.~~

22 (III) ON THE FIRST DAY OF THE FIRST PAY PERIOD THAT INCLUDES OCTOBER 1 OF EACH
23 FISCAL YEAR, A TEACHER EMPLOYED UNDER THE AUTHORITY OF THE DEPARTMENT OF FAMILY
24 SERVICES PRIOR TO OCTOBER 1, 1994, SHALL ADVANCE ONE STEP ON THE APPROPRIATE PAY
25 SCHEDULE ADOPTED IN 2-18-313. A TEACHER HIRED AFTER OCTOBER 1, 1994, SHALL ADVANCE ON
26 THE TEACHER'S ACTUAL ANNIVERSARY DATE.

27 (IV) ON THE FIRST DAY OF THE FIRST FULL PAY PERIOD DURING THE MONTH THAT INCLUDES
28 THE TEACHER'S ANNIVERSARY DATE, A TEACHER EMPLOYED UNDER THE AUTHORITY OF THE
29 DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES SHALL ADVANCE ONE STEP ON THE
30 APPROPRIATE PAY SCHEDULE ADOPTED IN 2-18-313.

1 (V) ON THE FIRST DAY OF THE FIRST PAY PERIOD THAT INCLUDES OCTOBER 1 OF EACH
 2 FISCAL YEAR, A TEACHER EMPLOYED BY THE MONTANA SCHOOL FOR THE DEAF AND BLIND SHALL
 3 ADVANCE ONE STEP ON THE TEACHER PAY MATRIX USED BY THE SCHOOL.

4 (b) (i) The pay schedules provided in 2-18-314 indicate the maximum hourly compensation for
 5 fiscal years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for those employees in liquor store
 6 occupations who have collectively bargained separate classification and pay plans.

7 (ii) The compensation of each employee on the first day of the first pay period in fiscal year ~~1994~~
 8 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
 9 fiscal year.

10 (c) (i) The pay schedules provided in 2-18-315 indicate the maximum hourly compensation for fiscal
 11 years ending June 30, ~~1994~~ 1996, and June 30, ~~1995~~ 1997, for employees in apprentice trades and crafts
 12 and other blue-collar occupations recognized in the state blue-collar classification plan who are members
 13 of units that have collectively bargained separate classification and pay plans.

14 (ii) The compensation of each employee on the first day of the first pay period in fiscal year ~~1994~~
 15 1996 or ~~1995~~ 1997 is that amount corresponding to the grade occupied on the last day of the preceding
 16 fiscal year.

17 (4) (a) (i) A member of a bargaining unit may not receive a pay increase until the employer's
 18 collective bargaining representative receives written notice that the employee's bargaining unit has ratified
 19 a completely integrated collective bargaining agreement covering the biennium ending June 30, 1997.

20 (ii) If ratification of a completely integrated collective bargaining agreement, as required by
 21 subsection (4)(a)(i), is not completed by July 1, 1995, retroactivity to that date may be negotiated.

22 (iii) If ratification of a completely integrated collective bargaining agreement, as required by
 23 subsection (4)(a)(i), is not completed by July 1, 1995, members of the bargaining unit must continue to
 24 receive the compensation that they were receiving as of June 30, 1995, until an agreement is ratified.

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

28 ~~(4)(5)~~ The current wage or salary of an employee may not be reduced by the implementation of
 29 the pay schedules provided for in 2-18-312 through 2-18-315.

30 ~~(5)(6)~~ The department may authorize a separate pay schedule for medical doctors if the rates

1 provided in 2-18-312 are not sufficient to attract and retain fully licensed and qualified physicians at the
2 state institutions.

3 ~~(6)~~(7) The department may develop programs that enable the department to mitigate problems
4 associated with difficult recruitment, retention, transfer, or other exceptional circumstances. Insofar as the
5 program may apply to employees within a collective bargaining unit, it is a negotiable subject under
6 39-31-305.

7 ~~(7)~~(8) The department shall review the competitiveness of the compensation provided to all
8 occupations under this part. If the department finds that substantial problems exist with recruitment and
9 retention because of inadequate salaries when compared to competing employers, the department may
10 establish criteria allowing an adjustment in pay or classification to mitigate the problems. Insofar as these
11 adjustments may apply to employees within a collective bargaining unit, the implementation of these
12 adjustments is a negotiable subject under 39-31-305."

13

14 **Section 7.** Section 2-18-304, MCA, is amended to read:

15 **"2-18-304. Longevity allowance.** (1) (a) (i) ~~is~~ Effective July 1, 1995, through the last day of the
16 pay period immediately preceding the pay period that includes October 1, 1995, in addition to the
17 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
18 has completed 5 years of uninterrupted state service shall must receive the greater of:

19 ~~(i) \$10 a month; or~~

20 ~~(ii) 9/10 of 1% of the employee's base salary multiplied by the number of completed, contiguous~~
21 ~~5-year periods of uninterrupted state service.~~

22 (ii) Effective on the first day of the pay period that includes October 1, 1995, in addition to the
23 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who
24 has completed 5 years of uninterrupted state service must receive 1.5% of the employee's base salary
25 multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service.

26 (b) Service to the state is not interrupted by authorized leaves of absence.

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

29 (i) 2,080 hours of service following ~~his~~ the employee's date of employment; an employee must be
30 credited with 80 hours of service for each biweekly pay period in which ~~he~~ the employee is in a pay status

1 or on an authorized leave of absence without pay, regardless of the number of hours of service in the pay
 2 period; or

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

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

10

11 **Section 8.** Section 2-18-312, MCA, is amended to read:

12 **"2-18-312. Statewide pay schedules for fiscal years ~~1994~~ 1996 and ~~1995~~ 1997.** (1) The statewide
 13 classification pay schedule for the period fiscal year ~~1994~~ from July 1, 1995, until the first day of the pay
 14 period that includes October 1, 1996, is as follows:

15 Annual Hours -- 2080 Note: Does Not Include Insurance

16 Pay Matrix -- State Matrix Type -- Annual

17 Pay Range: Entry Salary to Market Salary

18 GRADE	ENTRY SALARY	MARKET SALARY
19 1	8,679	10,210
20 2	9,349	11,025
21 3	10,070	11,903
22 4	10,852	12,858
23 5	11,727	13,927
24 6	12,672	15,086
25 7	13,688	16,334
26 8	14,836	17,747
27 9	16,064	19,262
28 10	17,424	20,942
29 11	18,904	22,775
30 12	20,545	24,812

1	13	22,325	27,027
2	14	24,295	29,485
3	15	26,465	32,196
4	16	28,885	35,226
5	17	31,585	38,613
6	18	34,562	42,355
7	19	37,897	46,557
8	20	41,618	51,254
9	21	45,754	56,487
10	22	50,373	62,343
11	23	55,584	68,963
12	24	61,434	76,410
13	25	67,907	84,673

14 (2) The Effective on the first day of the pay period that includes October 1, 1996, the statewide
 15 classification pay schedule for ~~fiscal year 1995~~ is as follows:

16 Annual Hours -- 2080 Note: Does Not Include Insurance

17 Pay Matrix -- State Matrix Type -- Annual

18 Pay Range: Entry Salary to Market Salary

19	GRADE	ENTRY SALARY	MARKET SALARY
20	1	8,679	10,210
21	2	9,348	11,026
22	3	10,070	11,903
23	4	10,862	12,858
24	5	11,727	13,927
25	6	12,672	15,086
26	7	13,688	16,334
27	8	14,836	17,747
28	9	16,064	19,262
29	10	17,424	20,942
30	11	18,904	22,776

1	12	20,545	24,812
2	13	22,325	27,027
3	14	24,295	29,485
4	15	26,465	32,196
5	16	28,885	35,226
6	17	31,585	38,613
7	18	34,562	42,355
8	19	37,897	46,557
9	20	41,618	51,254
10	21	45,754	56,487
11	22	50,373	62,343
12	23	55,584	68,963
13	24	61,434	76,410
14	25	67,907	84,673
15	<u>1</u>	<u>8,897</u>	<u>10,466</u>
16	<u>2</u>	<u>9,583</u>	<u>11,300</u>
17	<u>3</u>	<u>10,321</u>	<u>12,201</u>
18	<u>4</u>	<u>11,123</u>	<u>13,180</u>
19	<u>5</u>	<u>12,020</u>	<u>14,276</u>
20	<u>6</u>	<u>12,988</u>	<u>15,463</u>
21	<u>7</u>	<u>14,031</u>	<u>16,743</u>
22	<u>8</u>	<u>15,208</u>	<u>18,190</u>
23	<u>9</u>	<u>16,465</u>	<u>19,744</u>
24	<u>10</u>	<u>17,860</u>	<u>21,465</u>
25	<u>11</u>	<u>19,376</u>	<u>23,345</u>
26	<u>12</u>	<u>21,058</u>	<u>25,433</u>
27	<u>13</u>	<u>22,883</u>	<u>27,703</u>
28	<u>14</u>	<u>24,902</u>	<u>30,221</u>
29	<u>15</u>	<u>27,128</u>	<u>33,001</u>
30	<u>16</u>	<u>29,607</u>	<u>36,108</u>

1	<u>17</u>	<u>32,374</u>	<u>39,578</u>
2	<u>18</u>	<u>35,425</u>	<u>43,414</u>
3	<u>19</u>	<u>38,845</u>	<u>47,721</u>
4	<u>20</u>	<u>42,659</u>	<u>52,535</u>
5	<u>21</u>	<u>46,898</u>	<u>57,899</u>
6	<u>22</u>	<u>51,633</u>	<u>63,902</u>
7	<u>23</u>	<u>56,973</u>	<u>70,686</u>
8	<u>24</u>	<u>62,971</u>	<u>78,321</u>
9	<u>25</u>	<u>69,606</u>	<u>86,789"</u>

10

11 **Section 9.** Section 2-18-313, MCA, is amended to read:

12 **"2-18-313. Teachers' pay schedules.** (1) ~~(a) The 12-month pay schedule for teachers for fiscal year~~
 13 ~~1994 and for the first 6 months of fiscal year 1995 the period from July 1, THAT INCLUDES OCTOBER 1,~~
 14 ~~1995, until the first day of the pay period that includes October 1, 1996, is as follows:~~

15 Annual Hours -- 2080 Note: Does Not Include Insurance

16 Term -- Twelve Months Matrix Type -- Annual

17 Education Level

18 STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
19 1	22,412	23,071	23,713	24,034	24,357	25,016
20 2	23,167	23,883	24,600	24,959	25,322	26,065
21 3	23,922	24,713	25,495	25,909	26,323	27,138
22 4	24,678	25,556	26,421	26,878	27,334	28,208
23 5	25,438	26,421	27,353	27,848	28,346	29,280
24 6	26,226	27,297	28,288	28,822	29,358	30,362
25 7	27,016	28,166	29,217	29,793	30,367	31,420
26 8	27,810	29,039	30,153	30,767	31,381	32,490
27 9	28,603	29,910	31,085	31,737	32,394	33,561
28 10	29,396	30,786	32,016	32,709	33,403	34,633
29 11	30,191	31,628	32,945	33,680	34,415	35,702
30 12	30,191	31,628	32,945	33,680	34,415	35,702

1	13	30,191	31,628	32,945	33,680	34,415	35,702
2	1	22,748	23,417	24,069	24,395	24,722	25,391
3	2	23,515	24,241	24,969	25,333	25,702	26,456
4	3	24,281	25,084	25,877	26,298	26,718	27,545
5	4	25,048	25,939	26,817	27,281	27,744	28,631
6	5	25,820	26,817	27,763	28,266	28,771	29,719
7	6	26,619	27,706	28,712	29,254	29,798	30,807
8	7	27,421	28,588	29,655	30,240	30,823	31,891
9	8	28,227	29,475	30,605	31,229	31,852	32,977
10	9	29,032	30,359	31,551	32,213	32,880	34,064
11	10	29,837	31,248	32,496	33,200	33,904	35,152
12	11	30,644	32,102	33,439	34,185	34,931	36,238
13	12	30,644	32,102	33,439	34,185	34,931	36,238
14	13	30,644	32,102	33,439	34,185	34,931	36,238
15	<u>1</u>	<u>23,150</u>	<u>23,763</u>	<u>24,393</u>	<u>25,040</u>	<u>25,703</u>	<u>26,384</u>
16	<u>2</u>	<u>23,752</u>	<u>24,381</u>	<u>25,027</u>	<u>25,691</u>	<u>26,371</u>	<u>27,070</u>
17	<u>3</u>	<u>24,369</u>	<u>25,015</u>	<u>25,678</u>	<u>26,359</u>	<u>27,057</u>	<u>27,774</u>
18	<u>4</u>	<u>25,003</u>	<u>25,666</u>	<u>26,346</u>	<u>27,044</u>	<u>27,761</u>	<u>28,496</u>
19	<u>5</u>	<u>25,653</u>	<u>26,333</u>	<u>27,031</u>	<u>27,747</u>	<u>28,482</u>	<u>29,237</u>
20	<u>6</u>	<u>26,320</u>	<u>27,018</u>	<u>27,734</u>	<u>28,469</u>	<u>29,223</u>	<u>29,997</u>
21	<u>7</u>	<u>27,004</u>	<u>27,720</u>	<u>28,455</u>	<u>29,209</u>	<u>29,983</u>	<u>30,777</u>
22	<u>8</u>	<u>27,707</u>	<u>28,441</u>	<u>29,194</u>	<u>29,968</u>	<u>30,762</u>	<u>31,577</u>
23	<u>9</u>	<u>28,427</u>	<u>29,180</u>	<u>29,954</u>	<u>30,747</u>	<u>31,562</u>	<u>32,398</u>
24	<u>10</u>	<u>29,166</u>	<u>29,939</u>	<u>30,732</u>	<u>31,547</u>	<u>32,383</u>	<u>33,241</u>
25	<u>11</u>	<u>29,924</u>	<u>30,717</u>	<u>31,531</u>	<u>32,367</u>	<u>33,225</u>	<u>34,105</u>
26	<u>12</u>	<u>30,702</u>	<u>31,516</u>	<u>32,351</u>	<u>33,208</u>	<u>34,088</u>	<u>34,992</u>

27 ~~(b) The 9 month pay schedule for teachers for fiscal year 1994 and for the first 6 months of fiscal~~
 28 ~~year 1995 is as follows:~~

29 Annual Hours ~~1560~~ Note: Does Not Include Insurance
 30 Term ~~Nine Months~~ Matrix Type ~~Annual~~

	Education Level					
STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
1	17,924	18,432	18,953	19,207	19,462	19,983
2	18,521	19,087	19,654	19,937	20,222	20,788
3	19,117	19,742	20,355	20,670	20,982	21,594
4	19,716	20,401	21,056	21,400	21,743	22,400
5	20,311	21,056	21,757	22,130	22,504	23,207
6	20,909	21,715	22,461	22,862	23,265	24,013
7	21,503	22,368	23,160	23,593	24,026	24,817
8	22,101	23,026	23,864	24,325	24,788	25,622
9	22,698	23,681	24,565	25,056	25,540	26,443
10	23,295	24,339	25,266	25,786	26,321	27,292
11	23,892	24,974	25,968	26,537	27,119	28,135
12	23,892	24,974	25,968	26,537	27,119	28,135
13	23,892	24,974	25,968	26,537	27,119	28,135

(2) (a) ~~The 12-month~~ Effective on the first day of the pay period that includes October 1, 1996,
~~the pay schedule for teachers for the last 6 months of fiscal year 1996~~ is as follows:

Annual Hours -- 2080 Note: Does Not Include Insurance
 Term -- Twelve Months Matrix Type -- Annual

	Education Level					
STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
1	22,748	23,417	24,069	24,395	24,722	25,391
2	23,515	24,241	24,969	25,333	25,702	26,456
3	24,281	25,084	25,877	26,298	26,718	27,545
4	25,048	25,939	26,817	27,281	27,744	28,631
5	25,820	26,817	27,763	28,266	28,771	29,719
6	26,619	27,706	28,712	29,254	29,798	30,907
7	27,421	28,588	29,655	30,240	30,823	31,991
8	28,227	29,475	30,605	31,229	31,852	32,977
9	29,032	30,359	31,551	32,213	32,880	34,064

1	10	29,837	31,248	32,496	33,200	33,904	35,152
2	11	30,644	32,102	33,439	34,185	34,931	36,238
3	12	30,644	32,102	33,439	34,185	34,931	36,238
4	13	30,644	32,102	33,439	34,185	34,931	36,238
5	<u>1</u>	<u>23,317</u>	<u>24,002</u>	<u>24,670</u>	<u>25,004</u>	<u>25,340</u>	<u>26,026</u>
6	<u>2</u>	<u>24,102</u>	<u>24,847</u>	<u>25,593</u>	<u>25,967</u>	<u>26,344</u>	<u>27,117</u>
7	<u>3</u>	<u>24,888</u>	<u>25,711</u>	<u>26,524</u>	<u>26,955</u>	<u>27,386</u>	<u>28,234</u>
8	<u>4</u>	<u>25,674</u>	<u>26,588</u>	<u>27,488</u>	<u>27,963</u>	<u>28,438</u>	<u>29,347</u>
9	<u>5</u>	<u>26,465</u>	<u>27,488</u>	<u>28,467</u>	<u>28,972</u>	<u>29,490</u>	<u>30,462</u>
10	<u>6</u>	<u>27,285</u>	<u>28,399</u>	<u>29,430</u>	<u>29,986</u>	<u>30,543</u>	<u>31,577</u>
11	<u>7</u>	<u>28,107</u>	<u>29,303</u>	<u>30,397</u>	<u>30,996</u>	<u>31,593</u>	<u>32,689</u>
12	<u>8</u>	<u>28,933</u>	<u>30,211</u>	<u>31,370</u>	<u>32,009</u>	<u>32,648</u>	<u>33,802</u>
13	<u>9</u>	<u>29,758</u>	<u>31,118</u>	<u>32,340</u>	<u>33,018</u>	<u>33,702</u>	<u>34,916</u>
14	<u>10</u>	<u>30,583</u>	<u>32,029</u>	<u>33,309</u>	<u>34,030</u>	<u>34,752</u>	<u>36,031</u>
15	<u>11</u>	<u>31,410</u>	<u>32,905</u>	<u>34,275</u>	<u>35,040</u>	<u>35,805</u>	<u>37,143</u>
16	<u>12</u>	<u>31,410</u>	<u>32,905</u>	<u>34,275</u>	<u>35,040</u>	<u>35,805</u>	<u>37,143</u>
17	<u>13</u>	<u>31,410</u>	<u>32,905</u>	<u>34,275</u>	<u>35,040</u>	<u>35,805</u>	<u>37,143</u>
18	<u>1</u>	<u>23,642</u>	<u>24,351</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>
19	<u>2</u>	<u>24,351</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>
20	<u>3</u>	<u>25,082</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>
21	<u>4</u>	<u>25,834</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>
22	<u>5</u>	<u>26,609</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>
23	<u>6</u>	<u>27,407</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>
24	<u>7</u>	<u>28,230</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>
25	<u>8</u>	<u>29,077</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>
26	<u>9</u>	<u>29,949</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>
27	<u>10</u>	<u>30,847</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>
28	<u>11</u>	<u>31,773</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>	<u>36,833</u>
29	<u>12</u>	<u>32,726</u>	<u>33,708</u>	<u>34,719</u>	<u>35,761</u>	<u>36,833</u>	<u>37,938</u>

30 (b) ~~The 9 month pay schedule for teachers for the last 6 months of fiscal year 1995 is as follows:~~

1 Annual Hours ~~1560~~ Note: Does Not Include Insurance

2 Term ~~Nine Months~~ Matrix Type ~~Annual~~

3 Education Level

4 STEP	BA	BA + 1	BA + 2	BA + 3	MA	MA + 1
5 1	18,193	18,708	19,237	19,495	19,754	20,283
6 2	18,799	19,373	19,949	20,236	20,525	21,100
7 3	19,404	20,038	20,660	20,980	21,297	21,918
8 4	20,012	20,707	21,372	21,721	22,069	22,736
9 5	20,616	21,372	22,083	22,462	22,842	23,555
10 6	21,223	22,041	22,798	23,205	23,614	24,373
11 7	21,826	22,704	23,507	23,947	24,385	25,189
12 8	22,433	23,371	24,192	24,690	25,160	26,006
13 9	23,038	24,036	24,933	25,432	25,932	26,840
14 10	23,644	24,704	25,645	26,173	26,716	27,701
15 11	24,250	25,349	26,358	26,935	27,526	28,557
16 12	24,250	25,349	26,358	26,935	27,526	28,557
17 13	24,250	25,349	26,358	26,935	27,526	28,557"

18

19 Section 10. Section 2-18-314, MCA, is amended to read:

20 "2-18-314. Liquor store occupations pay schedules. (1) The pay schedule for liquor store

21 occupations for ~~fiscal year 1994 and for the first 6 months of fiscal year 1995~~ the period from July 1,

22 1995, through September 29, 1995, is as follows:

23 Annual Hours -- 2080 Note: Does Not Include Insurance

24 Pay Matrix -- ~~Retail Clerk~~ Matrix Type -- Hourly

25 Liquor Store Occupations

26	Grade	Hour
27	L1	0.000
28	L2	8.609
29	L3	9.109
30	L4	9.389

1	<u>L5</u>	<u>9.679</u>
2	<u>L6</u>	<u>10.289</u>
3	<u>L7</u>	<u>10.949</u>
4	<u>L8</u>	<u>11.609</u>
5	<u>L1</u>	<u>0.000</u>
6	<u>L2</u>	<u>8.754</u>
7	<u>L3</u>	<u>9.254</u>
8	<u>L4</u>	<u>9.534</u>
9	<u>L5</u>	<u>9.824</u>
10	<u>L6</u>	<u>10.434</u>
11	<u>L7</u>	<u>11.094</u>
12	<u>L8</u>	<u>11.844</u>

13 (2) The Effective September 30, 1995, until the first day of the pay period that includes October
 14 1, 1996, the pay schedule for liquor store occupations for the last 6 months of fiscal year 1995 is as
 15 follows:

16 Annual Hours -- 2080 Note: Does Not Include Insurance
 17 Pay Matrix -- Retail Clerk Matrix Type -- Hourly

18 Liquor Store Occupations

19	Grade	Hour
20	<u>L1</u>	<u>0.000</u>
21	<u>L2</u>	<u>8.754</u>
22	<u>L3</u>	<u>9.254</u>
23	<u>L4</u>	<u>9.534</u>
24	<u>L5</u>	<u>9.824</u>
25	<u>L6</u>	<u>10.434</u>
26	<u>L7</u>	<u>11.094</u>
27	<u>L8</u>	<u>11.844</u>
28	<u>L1</u>	<u>0.000</u>
29	<u>L2</u>	<u>8.985</u>
30	<u>L3</u>	<u>9.485</u>

1	<u>L4</u>	<u>9.765</u>
2	<u>L5</u>	<u>10.055</u>
3	<u>L6</u>	<u>10.665</u>
4	<u>L7</u>	<u>11.325</u>
5	<u>L8</u>	<u>12.075</u>

6 (3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule
 7 for liquor store occupations is as follows:

8 Annual Hours -- 2080 Note: Does Not Include Insurance
 9 Pay Matrix -- Liquor Store Occupations Matrix Type -- Hourly

10	<u>Grade</u>	<u>Hour</u>
11	<u>L1</u>	<u>0.000</u>
12	<u>L2</u>	<u>9.326</u>
13	<u>L3</u>	<u>9.826</u>
14	<u>L4</u>	<u>10.106</u>
15	<u>L5</u>	<u>10.396</u>
16	<u>L6</u>	<u>11.006</u>
17	<u>L7</u>	<u>11.666</u>
18	<u>L8</u>	<u>12.416"</u>

19
 20 **Section 11.** Section 2-18-315, MCA, is amended to read:

21 **"2-18-315. Blue-collar pay schedules.** (1) The pay schedule for blue-collar workers for fiscal year
 22 ~~1994 and for the first 6 months of fiscal year 1995~~ the period from July 1, 1995, through September 29,
 23 1995, is as follows:

24	<u>Annual Hours -- 2080</u>	<u>Note: Does Not Include Insurance</u>
25	<u>Pay Matrix -- Blue-Collar</u>	<u>Matrix Type -- Hourly</u>
26	<u>Grade</u>	<u>Hour</u>
27	<u>B1</u>	<u>9.084</u>
28	<u>B2</u>	<u>9.484</u>
29	<u>B3</u>	<u>9.884</u>
30	<u>B4</u>	<u>10.284</u>

1	B5	10.684
2	B6	11.084
3	B7	11.484
4	B8	11.884
5	B9	12.284
6	B10	12.684
7	B11	13.084
8	B12	13.484
9	B00	13.884
10	<u>B1</u>	<u>9.266</u>
11	<u>B2</u>	<u>9.666</u>
12	<u>B3</u>	<u>10.066</u>
13	<u>B4</u>	<u>10.466</u>
14	<u>B5</u>	<u>10.866</u>
15	<u>B6</u>	<u>11.266</u>
16	<u>B7</u>	<u>11.666</u>
17	<u>B8</u>	<u>12.066</u>
18	<u>B9</u>	<u>12.466</u>
19	<u>B10</u>	<u>12.866</u>
20	<u>B11</u>	<u>13.266</u>
21	<u>B12</u>	<u>13.666</u>
22	<u>B00</u>	<u>14.066</u>

23 (2) ~~The Effective September 30, 1995, until the first day of the pay period that includes October,~~
 24 ~~1996, the pay schedule for blue-collar workers for the last 6 months of fiscal year 1995~~ is as follows:

25 Annual Hours -- 2080 Note: Does Not Include Insurance

26 Pay Matrix -- Blue-Collar Matrix Type -- Hourly

27	Grade	Hour
28	B1	9.266
29	B2	9.666
30	B3	10.066

1	B4	10.466
2	B5	10.866
3	B6	11.266
4	B7	11.666
5	B8	12.066
6	B9	12.466
7	B10	12.866
8	B11	13.266
9	B12	13.666
10	B00	14.066
11	<u>B1</u>	<u>9.561</u>
12	<u>B2</u>	<u>9.961</u>
13	<u>B3</u>	<u>10.361</u>
14	<u>B4</u>	<u>10.761</u>
15	<u>B5</u>	<u>11.161</u>
16	<u>B6</u>	<u>11.561</u>
17	<u>B7</u>	<u>11.961</u>
18	<u>B8</u>	<u>12.361</u>
19	<u>B9</u>	<u>12.761</u>
20	<u>B10</u>	<u>13.161</u>
21	<u>B11</u>	<u>13.561</u>
22	<u>B12</u>	<u>13.961</u>
23	<u>B00</u>	<u>14.361</u>

24 (3) Effective on the first day of the pay period that includes October 1, 1996, the pay schedule
 25 for blue-collar workers is as follows:

26	<u>Annual Hours -- 2080</u>	<u>Note: Does Not Include Insurance</u>
27	<u>Pay Matrix -- Blue-Collar</u>	<u>Matrix Type -- Hourly</u>
28	<u>Grade</u>	<u>Hour</u>
29	<u>B1</u>	<u>9.995</u>
30	<u>B2</u>	<u>10.395</u>

1	<u>B3</u>	<u>10.795</u>
2	<u>B4</u>	<u>11.195</u>
3	<u>B5</u>	<u>11.595</u>
4	<u>B6</u>	<u>11.995</u>
5	<u>B7</u>	<u>12.395</u>
6	<u>B8</u>	<u>12.795</u>
7	<u>B9</u>	<u>13.195</u>
8	<u>B10</u>	<u>13.595</u>
9	<u>B11</u>	<u>13.995</u>
10	<u>B12</u>	<u>14.395</u>
11	<u>B00</u>	<u>14.795"</u>

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Section 12. Section 2-18-703, MCA, is amended to read:

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

(2) For employees defined in 2-18-701, ~~other than members of collective bargaining units,~~ and for members of the legislature, the employer contribution for group benefits is ~~\$210~~ \$220 per month for the fiscal year ending June 30, ~~1994~~ 1996, and ~~\$230 per~~ \$225 a month for the fiscal year ending June 30, ~~1995~~ 1997, and for each fiscal year thereafter. When a state employee is terminated to achieve a reduction in force, the continuation of contributions for group benefits beyond the termination date is subject to negotiation under 39-31-305. Permanent part-time, seasonal part-time, and temporary part-time employees who are regularly scheduled to work less than 20 hours a week are not eligible for the group benefit contribution. An employee who elects not to be covered by a state-sponsored group benefit plan may not receive the state contribution ~~as wages~~. A portion of the employer contribution for group benefits may be applied to an employee's costs for participation in Part B of medicare under Title XVIII of the Social Security Act of 1965, as amended, if the state group benefit plan is the secondary payer and medicare the primary payer.

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

(4) Unused employer contributions for any state employee must be transferred to an account

1 established for this purpose by the department of administration and upon transfer may be used to offset
2 losses occurring to the group of which the employee is eligible to be a member.

3 (5) Unused employer contributions for any government employee may be transferred to an account
4 established for this purpose by a self-insured government and upon transfer may be used to offset losses
5 occurring to the group of which the employee is eligible to be a member or to increase the reserves of the
6 group.

7 (6) The laws prohibiting discrimination on the basis of marital status in Title 49 do not prohibit bona
8 fide group insurance plans from providing greater or additional contributions for insurance benefits to
9 employees with dependents than to employees without dependents or with fewer dependents."

10

11 **SECTION 13. SECTION 3-2-104, MCA, IS AMENDED TO READ:**

12 "3-2-104. **Salaries -- expenses.** (1) The salaries of justices of the supreme court are provided for
13 in ~~2-16-404~~ [section 16].

14 (2) Actual and necessary travel expenses of the justices of the supreme court shall be the travel
15 expenses, as defined and provided in 2-18-501 through 2-18-503, incurred in the performance of their
16 official duties."

17

18 **SECTION 14. SECTION 3-5-211, MCA, IS AMENDED TO READ:**

19 "3-5-211. **Salaries and expenses of district judges.** (1) ~~The~~ Subject to subsection (2), the annual
20 salary of each district judge is as follows:

21 (a) ~~\$57,178 beginning July 1, 1991;~~

22 (b) ~~\$59,178 beginning January 1, 1992;~~

23 (c) ~~\$61,178 beginning July 1, 1992;~~

24 (d) ~~\$63,178 beginning January 1, 1993, and each fiscal year thereafter;~~

25 (b) \$64,979 beginning July 1, 1995;

26 (c) \$67,513 beginning January 1, 1996.

27 (2) Prior to June 30, 1996, and prior to June 30 of each even-numbered year thereafter, the
28 department of administration shall conduct a salary survey of judges of courts of general jurisdiction similar
29 to the Montana district courts for the states of North Dakota, South Dakota, Wyoming, and Idaho. The
30 department shall include the salary for a Montana district court judge in determining the average salary.

1 If the average salary is greater than the salary for a district court judge in Montana, then beginning July 1,
 2 1997, the average is the new salary for that position. In each year following the year in which a survey is
 3 conducted, the average salary is the new salary for the position. A district court judge's salary may not
 4 be reduced.

5 ~~(2)~~(3) Actual and necessary expenses for each district judge shall be the travel expenses, as
 6 defined and provided in 2-18-501 through 2-18-503, incurred in the performance of his official duties."
 7

8 **SECTION 15. SECTION 5-2-301, MCA, IS AMENDED TO READ:**

9 **"5-2-301. Compensation and expenses for members while in session.** (1) Except as provided in
 10 subsection ~~(7)~~(8), legislators are entitled to a salary commensurate to that of the daily rate of an entry
 11 grade 8 classified state employee in effect when the regular session of the legislature in which they serve
 12 is convened under 5-2-103 for those days during which the legislature is in session. The president of the
 13 senate and the speaker of the house shall receive an additional \$5 a day in salary for those days during
 14 which the legislature is in session.

15 (2) Legislators may serve for no salary.

16 (3) ~~Legislators~~ Subject to subsection (4), legislators are entitled to \$50 a day, 7 days a week,
 17 during a legislative session, as reimbursement for expenses incurred in attending a session. Expense
 18 payments shall stop when the legislature recesses for more than 3 days and shall resume when the
 19 legislature reconvenes.

20 (4) After November 15, 1996, and prior to December 15, 1996, and prior to December 15 of each
 21 even-numbered year thereafter, the department of administration shall conduct a survey of the allowance
 22 for daily expenses of legislators for the states of North Dakota, South Dakota, Wyoming, and Idaho. The
 23 department shall include the average daily expense allowance for Montana legislators in determining the
 24 average daily rate for legislators. If the average daily rate is greater than the daily rate for legislators in
 25 Montana, the average is the new daily rate for legislators for those days during which the legislature is in
 26 session. The expense allowance is effective when the next regular session of the legislature in which the
 27 legislators serve is convened under 5-2-103.

28 ~~(4)~~(5) Legislators are entitled to a mileage allowance as provided in 2-18-503 for each mile of travel
 29 to the place of the holding of the session and to return to their place of residence at the conclusion of the
 30 session.

1 ~~(5)~~(6) In addition to the mileage allowance provided for in subsection ~~(4)~~(5), legislators, upon
2 submittal of an appropriate claim for such mileage reimbursement to the office of the legislative council,
3 are entitled to:

4 (a) three additional round trips to their place of residence during each regular session; and

5 (b) such additional round trips as are authorized by the legislature during special session.

6 ~~(6)~~(7) Legislators are not entitled to any additional mileage allowance under subsection ~~(4)~~ (5) for
7 a special session if it is convened within 7 days of a regular session.

8 ~~(7)~~(8) In lieu of the salary provided for in subsection (1) and the expense allowance provided for
9 in subsection ~~(3)~~ (4), a legislator may receive remuneration for services performed during a legislative
10 session. A legislator choosing to receive remuneration for services performed shall file a request to receive
11 payment under this subsection with the accounting office of the legislative council. A legislator exercising
12 the option to receive remuneration for services performed may not receive more remuneration than
13 legislators paid pursuant to subsections (1) and ~~(3)~~ (4). Remuneration for services performed must be
14 reduced \$50 a day when the legislature recesses for more than 3 days."

15
16 **NEW SECTION. SECTION 16. SALARIES OF SUPREME COURT JUSTICES. (1) SUBJECT TO**
17 **SUBSECTION (3), THE SALARY OF THE CHIEF JUSTICE OF THE SUPREME COURT IS AS FOLLOWS:**

18 **(A) \$67,595 BEGINNING JULY 1, 1995;**

19 **(B) \$70,231 BEGINNING JANUARY 1, 1996.**

20 **(2) SUBJECT TO SUBSECTION (3), THE SALARY OF A JUSTICE OF THE SUPREME COURT IS AS**
21 **FOLLOWS:**

22 **(A) \$66,289 BEGINNING JULY 1, 1995;**

23 **(B) \$68,874 BEGINNING JANUARY 1, 1996.**

24 **(3) PRIOR TO JUNE 30, 1996, AND PRIOR TO JUNE 30 OF EACH EVEN-NUMBERED YEAR**
25 **THEREAFTER, THE DEPARTMENT OF ADMINISTRATION SHALL CONDUCT A SALARY SURVEY OF**
26 **JUSTICES AND CHIEF JUSTICES OF THE HIGHEST APPELLATE COURTS SIMILAR TO THE MONTANA**
27 **SUPREME COURT FOR THE STATES OF NORTH DAKOTA, SOUTH DAKOTA, WYOMING, AND IDAHO.**
28 **THE DEPARTMENT SHALL INCLUDE THE SALARY FOR A MONTANA SUPREME COURT JUSTICE OR THE**
29 **CHIEF JUSTICE IN DETERMINING THE AVERAGE SALARY FOR A JUSTICE AND THE AVERAGE SALARY**
30 **FOR THE CHIEF JUSTICE. IF THE AVERAGE SALARIES ARE GREATER THAN THE SALARIES FOR A**

1 SUPREME COURT JUSTICE OR THE CHIEF JUSTICE IN MONTANA, THEN BEGINNING JULY 1, 1997, THE
 2 AVERAGE SALARIES ARE THE NEW SALARIES FOR A SUPREME COURT JUSTICE OR THE CHIEF
 3 JUSTICE. IN EACH YEAR FOLLOWING THE YEAR IN WHICH A SURVEY IS CONDUCTED, THE AVERAGE
 4 SALARY IS THE NEW SALARY FOR THE POSITION. A JUSTICE'S SALARY OR THE CHIEF JUSTICE'S
 5 SALARY MAY NOT BE REDUCED.

6

7 **SECTION 17. SECTION 15-2-102, MCA, IS AMENDED TO READ:**

8 "15-2-102. **Qualification and compensation.** (1) To be appointed a member of the state tax appeal
 9 board, a person must possess knowledge of the subject of taxation and skill in matters pertaining thereto.
 10 No person so appointed may hold any other state or any office under the government of the United States
 11 or under the government of any other state. ~~He~~ The person shall devote ~~his~~ the entire time to the duties
 12 of the office and shall not hold any other position of trust or profit or engage in any occupation or business
 13 interfering or inconsistent with ~~his~~ the person's duties. The state tax appeal board is transferred to the
 14 department of administration for administrative purposes only as is specified in 2-15-121. However, the
 15 board may hire its own personnel, and 2-15-121(2)(d) does not apply.

16 (2) ~~The member designated chairman as provided for in 15-2-103 shall receive a salary equivalent~~
 17 ~~to that of an entry grade 17 salary, plus 5%. The remaining state~~ State tax appeal board members shall
 18 be paid a salary equivalent to that of ~~an entry~~ a grade 17 salary as provided in 2-18-312. State tax appeal
 19 board members must receive pay and pay adjustments consistent with those required by the legislature for
 20 classified state employees in 2-18-303 and 2-18-304. The member designated as presiding officer as
 21 provided for in 15-2-103 must have an additional 5% added to the salary. All members of the board shall
 22 receive travel expenses as provided for in 2-18-501 through 2-18-503, as amended, when away from the
 23 capital on official business."

24

25 **SECTION 18. SECTION 19-5-101, MCA, IS AMENDED TO READ:**

26 "19-5-101. **Definitions.** Unless a different meaning is plainly implied by the context, the following
 27 definitions apply in this chapter:

28 (1) "Compensation" means remuneration as defined in ~~2-16-404~~ [section 16], 3-5-211, and
 29 3-7-222 paid to a member.

30 (2) "Current salary" means the current compensation for the office retired from.

(3) "Involuntary retirement" means a retirement not for cause and before retirement age.

(4) "Retired judge" means any judge or justice in receipt of a retirement benefit under this chapter."

SECTION 19. SECTION 44-4-101, MCA, IS AMENDED TO READ:

"44-4-101. Position established -- salary. There is created within the department of justice the position of training coordinator for county attorneys. The position of training coordinator for county attorneys is an exempt position as provided in 2-18-103. The salary for this position is the same as that provided in 7-4-2503 for a county attorney in a county with a population in excess of 30,000."

NEW SECTION. Section 20. Appropriation. (1) The following money for the indicated fiscal years is appropriated to the listed agencies to implement the adjustments provided for in [sections ~~4 through 10~~ 4 THROUGH 12]:

	Fiscal 1996		Fiscal 1997	
	General Fund	Other Funds	General Fund	Other Funds
Legislative Auditor	21,937	19,740	57,203	50,750
	<u>51,284</u>	<u>45,662</u>	<u>104,006</u>	<u>92,602</u>
Legislative Fiscal Analyst	12,238	0	31,432	0
	<u>21,466</u>		<u>55,772</u>	
Legislative Council	17,643	9,625	62,278	13,688
	<u>30,879</u>	<u>16,846</u>	<u>99,067</u>	<u>21,774</u>
Environmental Quality Council	4,148	0	10,660	0
	<u>8,064</u>		<u>20,591</u>	
Consumer Counsel	0	4,947	0	12,299
		<u>12,416</u>		<u>28,959</u>
Judiciary				

1		14,252	6,028	47,690	18,293
2		<u>175,407</u>	<u>9,565</u>	<u>281,401</u>	<u>23,291</u>
3	University System (including Commissioner of Higher Education)				
4		2,329,558	858,315	4,709,719	1,909,246
5		<u>2,186,361</u>	<u>1,405,233</u>	<u>4,565,478</u>	<u>2,876,264</u>
6	Office of Budget and Program Planning (for distribution to all other agencies)				
7		2,419,353	3,796,564	6,451,503	10,770,645
8		<u>2,441,914</u>	<u>3,803,043</u>	<u>6,486,487</u>	<u>10,785,119</u>

(2) There is appropriated from the general fund to the state personnel division:

(a) \$10,000 for changes in the payroll/personnel/position control system for the fiscal year ending June 30, 1996. Any unexpended portion of this appropriation is reappropriated for the biennium ending June 30, 1997.

(b) \$20,000 to conduct a salary survey as required under 2-18-301(2).

NEW SECTION. Section 21. Repealer. Section SECTIONS 2-16-404 AND 2-18-305, MCA, is ARE repealed.

NEW SECTION. SECTION 22. CODIFICATION INSTRUCTION. [SECTION 16] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 2, CHAPTER 16, PART 4, AND THE PROVISIONS OF TITLE 2, CHAPTER 16, PART 4, APPLY TO [SECTION 16].

NEW SECTION. SECTION 23. RETROACTIVE APPLICABILITY. [SECTION 17] APPLIES RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO A MEMBER OF THE STATE TAX APPEAL BOARD WHO WAS A MEMBER ON DECEMBER 31, 1994.

NEW SECTION. Section 24. Effective dates. (1) [Sections 1 through 40 19, 22, AND 23] and this section are effective on passage and approval.

(2) [Sections ~~41 and 12~~ 20 AND 21] are effective July 1, 1995.

-END-