

*Senate* BILL NO. *269*

INTRODUCED BY

*Bertie Sunggundajit* *Josh Kitzberger*  
*Julie Hamilton* *Cochiella* *Malvin Brady*

A BILL FOR AN ACT ENTITLED "AN ACT REQUIRING THE DEPARTMENT OF ADMINISTRATION TO DEVELOP, WITH THE CONCURRENCE OF THE DEPARTMENT OF JUSTICE, THE DEPARTMENT OF

TRANSPORTATION, AND THE DEPARTMENT OF CORRECTIONS, A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; DEFINING "PROTECTIVE SERVICES PROFESSIONAL" FOR THE PURPOSE OF COMPENSATION; PROVIDING FOR THE DEVELOPMENT AND IMPLEMENTATION OF A PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; PROVIDING FOR TRANSITION TO A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; REQUIRING THE DEPARTMENT OF ADMINISTRATION TO DEVELOP DRAFT LEGISLATION FOR REVIEW BY THE 56TH LEGISLATURE FOR THE IMPLEMENTATION OF A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; AMENDING SECTIONS 2-18-101, 2-18-301, 2-18-303, AND 2-18-304, MCA; AND PROVIDING EFFECTIVE DATES."

STATEMENT OF INTENT

A statement of intent is required for this bill because [section 6] authorizes the department of administration to develop rules for implementing a separate pay plan for protective services professionals.

It is the intent of the legislature that rules to be promulgated may address:

- (1) specific issues related to a separate pay plan that are and are not negotiable under 39-31-305;
- (2) the form and structure of a pay schedule to be adopted prior to July 1, 1999, whether by rule or by legislation; and
- (3) other matters consistent with the purposes of this bill.

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

**NEW SECTION. Section 1. Protective services professionals' pay schedules.** The department shall develop, with the concurrence of the department of justice, the department of transportation, and the department of corrections, a pay schedule for protective services professionals. The pay schedule must be implemented for the period beginning July 1, 1999, and ending June 30, 2001. Insofar as the pay



1 schedule applies to employees of a collective bargaining unit, its implementation is a negotiable subject  
2 under 39-31-305.

3

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

5 **"2-18-101. Definitions.** As used in parts 1 through 3 and part 10 of this chapter, the following  
6 definitions apply:

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

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

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

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

13 (b) overtime;

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

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

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

17 (5) "Class" means one or more positions substantially similar with respect to the kind or nature of  
18 duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may be  
19 used to designate each position allocated to the class, similar qualifications may be required of persons  
20 appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.

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

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

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

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

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

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

4 (12) "Grade" means the number assigned to a pay range within a pay schedule in part 3 of this  
5 chapter.

6 (13) "Job sharing" means the sharing by two or more persons of a position that is considered an  
7 aggregate or permanent position.

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

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

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

16 (17) "Permanent status" means the state that an employee attains after satisfactorily completing  
17 an appropriate probationary period in a permanent position.

18 (18) "Personal staff" means those positions occupied by employees appointed by the elected  
19 officials enumerated in Article VI, section 1, of the Montana constitution or by the public service  
20 commission as a whole.

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

23 (20) "Program" means a combination of planned efforts to provide a service.

24 (21) "Protective services professional" means:

25 (a) a highway patrol officer, as defined in 61-1-305, except the chief, as defined in 61-1-302;

26 (b) an agent, as described in 44-2-111;

27 (c) a person authorized by the department of transportation or the department of justice to conduct  
28 an inspection pursuant to 61-9-501; or

29 (d) a person whose primary work function is to supervise or otherwise guard persons incarcerated  
30 in a component of the department of corrections described in 53-1-202(2).

1           (22) "Seasonal position" means a position ~~so~~ designated as a seasonal position on the  
2 appropriate agency list of authorized positions referenced in 2-18-206 and that is a permanent position but  
3 that is interrupted by the seasonal nature of the position.

4           ~~(22)~~(23) "Temporary position" means a position ~~so~~ designated as a temporary position on the  
5 appropriate agency list of authorized positions referenced in 2-18-206, created for a definite period of time  
6 not to exceed 9 months."

7  
8           **Section 3.** Section 2-18-301, MCA, is amended to read:

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

12           (2) It is the intent of the legislature that compensation plans for state employees, excluding those  
13 employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313  
14 through 2-18-315 and [section 1], be based on an analysis of the labor market as provided by the  
15 department in a salary survey. The salary survey must be submitted to the office of budget and program  
16 planning as a part of the information required by 17-7-111.

17           (3) Except as provided in 2-18-110, pay adjustments and pay schedules provided for in 2-18-303  
18 ~~and in~~ 2-18-312 through 2-18-315, and [section 1] supersede any other plan or systems established  
19 through collective bargaining after the adjournment of the ~~54th~~ 56th legislature.

20           (4) Pay levels provided for in 2-18-312 through 2-18-315 and [section 1] may not be increased  
21 through collective bargaining after adjournment of the ~~54th~~ 56th legislature.

22           (5) Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315  
23 and [section 1] for any employee group or bargaining unit may not be increased through collective  
24 bargaining over the amount appropriated by the ~~54th~~ 56th legislature.

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

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

29  
30           **Section 4.** Section 2-18-303, MCA, is amended to read:

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

3           (a) The pay schedules provided in 2-18-312 indicate the entry salary and market salary for each  
 4 grade for positions classified under the provisions of part 2 of this chapter.

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

7           (c) On the first day of the first complete pay period in fiscal year 1996, each employee hired before  
 8 July 1, 1995, is entitled to the amount of the employee's base salary as it was on June 30, 1995, plus,  
 9 on the employee's anniversary date that occurs on or after September 30, 1995, the increases provided  
 10 in subsection (1)(d), if applicable.

11           (d) (i) Effective on the first day of the pay period that includes an employee's anniversary date  
 12 during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be  
 13 compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's  
 14 grade level and completed years of uninterrupted state service. For employees hired on or before September  
 15 30, 1994, the anniversary date is October 1.

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

TARGET MARKET RATIOS

Grade	Years											
	0	1	2	3	4	5	6	7	8	9	10	
4	0.844	0.874	0.904	0.935	0.967	0.999	1.000	1.000	1.000	1.000	1.000	1.000
5	0.842	0.871	0.900	0.930	0.961	0.992	1.000	1.000	1.000	1.000	1.000	1.000
6	0.840	0.868	0.896	0.925	0.955	0.985	1.000	1.000	1.000	1.000	1.000	1.000
7	0.838	0.865	0.892	0.920	0.949	0.978	1.000	1.000	1.000	1.000	1.000	1.000
8	0.836	0.862	0.889	0.916	0.944	0.972	1.000	1.000	1.000	1.000	1.000	1.000
9	0.834	0.859	0.885	0.911	0.938	0.965	0.993	1.000	1.000	1.000	1.000	1.000
10	0.832	0.857	0.882	0.908	0.934	0.961	0.988	1.000	1.000	1.000	1.000	1.000
11	0.830	0.854	0.878	0.903	0.928	0.954	0.980	1.000	1.000	1.000	1.000	1.000
12	0.828	0.851	0.875	0.899	0.924	0.949	0.975	1.000	1.000	1.000	1.000	1.000

1	13	0.826	0.849	0.872	0.896	0.920	0.945	0.970	0.996	1.000	1.000	1.000
2	14	0.824	0.846	0.869	0.892	0.915	0.939	0.963	0.988	1.000	1.000	1.000
3	15	0.822	0.844	0.866	0.888	0.911	0.934	0.958	0.982	1.000	1.000	1.000
4	16	0.820	0.841	0.863	0.885	0.907	0.930	0.953	0.977	1.000	1.000	1.000
5	17	0.818	0.839	0.860	0.882	0.904	0.926	0.949	0.972	0.996	1.000	1.000
6	18	0.816	0.836	0.857	0.878	0.899	0.921	0.943	0.966	0.989	1.000	1.000
7	19	0.814	0.834	0.854	0.875	0.896	0.917	0.939	0.961	0.984	1.000	1.000
8	20	0.812	0.831	0.851	0.871	0.892	0.913	0.935	0.957	0.979	1.000	1.000
9	21	0.810	0.829	0.849	0.869	0.889	0.910	0.931	0.953	0.975	0.997	1.000
10	22	0.808	0.827	0.846	0.866	0.886	0.906	0.927	0.948	0.970	0.992	1.000
11	23	0.806	0.825	0.844	0.863	0.883	0.903	0.923	0.944	0.965	0.987	1.000
12	24	0.804	0.822	0.841	0.860	0.879	0.899	0.919	0.940	0.961	0.982	1.000
13	25	0.802	0.820	0.838	0.857	0.876	0.895	0.915	0.935	0.956	0.977	0.999

14 (iii) If, on the first day of the pay period that includes an employee's anniversary date during the  
 15 fiscal year ending June 30, 1996, 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, 1995, plus 5%.

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

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

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

30 (e) An employee's base salary may be no less than the entry salary for the employee's assigned

1 grade.

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

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

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

9 (2) The pay schedules provided in 2-18-312 and the provisions of subsection (1) of this section  
10 do not apply to those teachers, liquor store occupations, ~~or~~ blue-collar occupations, or protective services  
11 professional occupations compensated under the pay schedules provided in 2-18-313 through 2-18-315  
12 and [section 1].

13 (3) The pay schedules provided in 2-18-313 through 2-18-315 and [section 1] must be  
14 implemented as follows:

15 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for teachers  
16 employed under the authority of the department of corrections or the department of public health and  
17 human services for fiscal years 1996 and 1997.

18 (ii) The compensation of each teacher on July 1, 1995, is the same as it was on June 30, 1995.

19 (iii) On the first day of the first pay period that includes October 1 of each fiscal year, a teacher  
20 employed under the authority of the department of public health and human services prior to October 1,  
21 1994, shall advance one step on the appropriate pay schedule adopted in 2-18-313. A teacher hired after  
22 October 1, 1994, shall advance on the teacher's actual anniversary date.

23 (iv) On the first day of the first full pay period during the month that includes the teacher's  
24 anniversary date, a teacher employed under the authority of the department of corrections shall advance  
25 one step on the appropriate pay schedule adopted in 2-18-313.

26 (v) On the first day of the first pay period that includes October 1 of each fiscal year, a teacher  
27 employed by the Montana school for the deaf and blind shall advance one step on the teacher pay matrix  
28 used by the school.

29 (b) (i) The pay schedules provided in 2-18-314 indicate the maximum hourly compensation for  
30 fiscal years ending June 30, 1996, and June 30, 1997, for those employees in liquor store occupations

1 who have collectively bargained separate classification and pay plans.

2 (ii) The compensation of each employee on the first day of the first pay period in fiscal year 1996  
3 or 1997 is that amount corresponding to the grade occupied on the last day of the preceding fiscal year.

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

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

10 (d) The pay schedule provided in [section 1] indicates the maximum compensation for fiscal years  
11 ending June 30, 2000, and June 30, 2001, for employees classified as protective services professionals.

12 (4) (a) (i) A member of a bargaining unit may not receive a pay increase until the employer's  
13 collective bargaining representative receives written notice that the employee's bargaining unit has ratified  
14 a completely integrated collective bargaining agreement covering the biennium ending June 30, ~~1997~~ 2001.

15 (ii) If ratification of a completely integrated collective bargaining agreement, as required by  
16 subsection (4)(a)(i), is not completed by July 1, ~~1995~~ 1999, retroactivity to that date may be negotiated.

17 (iii) If ratification of a completely integrated collective bargaining agreement, as required by  
18 subsection (4)(a)(i), is not completed by July 1, ~~1995~~ 1999, members of the bargaining unit must continue  
19 to receive the compensation that they were receiving as of June 30, ~~1995~~ 1998, until an agreement is  
20 ratified.

21 (b) Methods of administration not inconsistent with the purpose of this part and necessary to  
22 properly implement the pay schedules and adjustments provided in 2-18-312 through 2-18-315, [section  
23 1], and this section may be provided for in collective bargaining agreements.

24 (5) The current wage or salary of an employee may not be reduced by the implementation of the  
25 pay schedules provided for in 2-18-312 through 2-18-315 or [section 1].

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

29 (7) The department may develop programs that enable the department to mitigate problems  
30 associated with difficult recruitment, retention, transfer, or other exceptional circumstances. Insofar as the

1 program may apply to employees within a collective bargaining unit, it is a negotiable subject under  
2 39-31-305.

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

9

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

11 **"2-18-304. Longevity allowance.** (1) (a) ~~(i) Effective July 1, 1995, through the last day of the pay~~  
12 ~~period immediately preceding the pay period that includes October 1, 1995, in addition to the compensation~~  
13 ~~provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed~~  
14 ~~5 years of uninterrupted state service must receive 9/10 of 1% of the employee's base salary multiplied~~  
15 ~~by the number of completed, contiguous 5-year periods of uninterrupted state service.~~

16 ~~(ii) Effective on the first day of 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, or [section 1], each~~  
18 ~~employee who has completed 5 years of uninterrupted state service must receive 1.5% of the employee's~~  
19 ~~base salary multiplied by the number of completed, contiguous 5-year periods of uninterrupted state~~  
20 ~~service.~~

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

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

24 (i) 2,080 hours of service following the employee's date of employment; an employee must be  
25 credited with 80 hours of service for each biweekly pay period in which the employee is in a pay status or  
26 on an authorized leave of absence without pay, regardless of the number of hours of service in the pay  
27 period; or

28 (ii) 12 uninterrupted calendar months following the employee's date of employment in which the  
29 employee was in a pay status or on an authorized leave of absence without pay, regardless of the number  
30 of hours of service in any month. An employee of a school at a state institution or the university system

1 must be credited with 1 year of service if the employee is employed for an entire academic year.

2 (b) State agencies, other than the university system and a school at a state institution, shall use  
3 the method provided in subsection (2)(a)(i) to calculate years of service under this section."  
4

5 **NEW SECTION. Section 6. Transition.** (1) For the purposes of developing the pay schedule  
6 required in [section 1] and for otherwise implementing the provisions of 2-18-101, 2-18-301, 2-18-303,  
7 2-18-304, [section 1], and this section:

8 (a) it is the intent of the legislature to provide to protective services professionals market-based  
9 compensation that is based on an analysis of the labor market determined in a salary survey; and

10 (b) the labor market for protective services professionals includes all positions for which the  
11 essential functions are similarly comparable to the essential functions of protective services professionals  
12 in:

13 (i) Montana cities and counties of the first class; and

14 (ii) the states of Idaho, North Dakota, South Dakota, Wyoming, and Washington if the persons  
15 employed in the comparable positions are employed by any of the respective states.

16 (2) The salary survey must be submitted to the office of budget and program planning as a part  
17 of the information required by 17-7-111.

18 (3) Total funds required to implement the pay schedule provided for in [section 1] for any employee  
19 group or bargaining unit may not be increased through collective bargaining over the amount appropriated  
20 by the 56th legislature.

21 (4) The department of administration shall administer the pay schedule established in [section 1]  
22 on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

23 (5) The department of administration may promulgate rules consistent with the provisions of Title  
24 2, chapter 18, part 3, collective bargaining statutes, or negotiated contracts to carry out the purposes of  
25 2-18-101, 2-18-301, 2-18-303, 2-18-304, [section 1], and this section.

26 (6) By November 1, 1998, the department of administration shall submit to the 56th legislature in  
27 the form of proposed legislation the pay schedule developed pursuant to [section 1].  
28

29 **NEW SECTION. Section 7. Codification instruction.** [Section 1] is intended to be codified as an  
30 integral part of Title 2, chapter 18, part 3, and the provisions of Title 2, chapter 18, apply to [section 1].



STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0269, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill requiring the Department of Administration, with concurrence from the Departments of Corrections, Justice, and Transportation to prepare a separate pay schedule for "protective service professionals".

ASSUMPTIONS:

1. The Department of Administration will chair a task force during the 1999 biennium, with adequate representation from the Departments of Justice, Corrections, and Transportation to develop a separate pay plan for the "protective service professionals" in their departments.
2. All task force individuals from the four affected departments will come from existing staff, and no new FTEs will be required.
3. The separate pay plan will be ready to be presented to the 1999 Legislature.

FISCAL IMPACT:

Passage of SB 269 will have no fiscal impact on the state during the 1999 biennium.

LONG-RANGE IMPACT:

It is assumed the task force will develop a separate pay scale for protective services workers that generally increases compensation. The new pay plan will increase the present law base budget presented to the 2001 biennium.

Dave Lewis 2-10-97  
DAVE LEWIS, BUDGET DIRECTOR      DATE  
Office of Budget and Program Planning

Sue Bartlett 2-10-97  
SUE BARTLETT, PRIMARY SPONSOR      DATE

Fiscal Note for SB0269, as introduced  
**SB 269**

1 SENATE BILL NO. 269  
2 INTRODUCED BY BARTLETT, SWYSGOOD, LYNCH, TASH, KITZENBERG, BECK, ROSE, QUILICI,  
3 HARRINGTON, COCCHIARELLA, GALVIN, GRADY, MOHL, CLARK, CHRISTIAENS, SHEA, WATERMAN,  
4 MCCARTHY, THOMAS, NELSON, OHS, WILSON, TROPILA  
5

6 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE DEPARTMENT OF ADMINISTRATION TO  
7 DEVELOP, WITH THE CONCURRENCE OF THE DEPARTMENT OF JUSTICE, THE DEPARTMENT OF  
8 TRANSPORTATION, ~~AND~~ THE DEPARTMENT OF CORRECTIONS, AND CERTAIN OTHER STATE  
9 AGENCIES, A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; DEFINING  
10 "PROTECTIVE SERVICES PROFESSIONAL" FOR THE PURPOSE OF COMPENSATION; PROVIDING FOR THE  
11 DEVELOPMENT AND IMPLEMENTATION OF A PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS;  
12 PROVIDING FOR TRANSITION TO A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS;  
13 REQUIRING THE DEPARTMENT OF ADMINISTRATION TO DEVELOP DRAFT LEGISLATION FOR REVIEW  
14 BY THE 56TH LEGISLATURE FOR THE IMPLEMENTATION OF A SEPARATE PAY PLAN FOR PROTECTIVE  
15 SERVICES PROFESSIONALS; AMENDING SECTIONS 2-18-101, 2-18-301, 2-18-303, AND 2-18-304, MCA;  
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20 administration to develop rules for implementing a separate pay plan for protective services professionals.  
21 It is the intent of the legislature that rules to be promulgated may address:

- 22 (1) specific issues related to a separate pay plan that are and are not negotiable under 39-31-305;  
23 (2) the form and structure of a pay schedule to be adopted prior to July 1, 1999, whether by rule  
24 or by legislation; and  
25 (3) other matters consistent with the purposes of this bill.  
26

27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
28

29 NEW SECTION. Section 1. Protective services professionals' pay schedules. The department shall  
30 develop, with the concurrence of the department of justice, the department of transportation, ~~and~~ the

1 department of corrections, AND OTHER STATE AGENCIES WITH PERSONNEL WHO WILL BE INCLUDED  
2 ON THE SCHEDULE, a pay schedule for protective services professionals. The pay schedule must be  
3 implemented for the period beginning July 1, 1999, and ending June 30, 2001. Insofar as the pay schedule  
4 applies to employees of a collective bargaining unit, its implementation is a negotiable subject under  
5 39-31-305.

6  
7 **Section 2.** Section 2-18-101, MCA, is amended to read:

8 **"2-18-101. Definitions.** As used in parts 1 through 3 and part 10 of this chapter, the following  
9 definitions apply:

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

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

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

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

16 (b) overtime;

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

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

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

20 (5) "Class" means one or more positions substantially similar with respect to the kind or nature of  
21 duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may be  
22 used to designate each position allocated to the class, similar qualifications may be required of persons  
23 appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.

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

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

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

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

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

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

7 (12) "Grade" means the number assigned to a pay range within a pay schedule in part 3 of this  
8 chapter.

9 (13) "Job sharing" means the sharing by two or more persons of a position that is considered an  
10 aggregate or permanent position.

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

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

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

19 (17) "Permanent status" means the state that an employee attains after satisfactorily completing  
20 an appropriate probationary period in a permanent position.

21 (18) "Personal staff" means those positions occupied by employees appointed by the elected  
22 officials enumerated in Article VI, section 1, of the Montana constitution or by the public service  
23 commission as a whole.

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

26 (20) "Program" means a combination of planned efforts to provide a service.

27 (21) "Protective services professional" means:

28 (a) a highway patrol officer, as defined in 61-1-305, except the chief, as defined in 61-1-302;

29 (b) an agent, as described in 44-2-111;

30 (c) a person authorized by the department of transportation or the department of justice to conduct

1 an inspection pursuant to 61-9-501; or  
 2 (d) a person whose primary work function is to supervise or otherwise guard persons incarcerated  
 3 in a component of the department of corrections described in 53-1-202(2); OR

4 (E) A PERSON IN AN OCCUPATION IDENTIFIED BY THE DEPARTMENT THAT IS SIMILAR TO  
 5 THOSE IN SUBSECTIONS (A) THROUGH (D).

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

9 ~~(22)~~(23) "Temporary position" means a position ~~or~~ designated as a temporary position on the  
 10 appropriate agency list of authorized positions referenced in 2-18-206, created for a definite period of time  
 11 not to exceed 9 months."

12

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

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

17 (2) It is the intent of the legislature that compensation plans for state employees, excluding those  
 18 employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313  
 19 through 2-18-315 and [section 1], be based on an analysis of the labor market as provided by the  
 20 department in a salary survey. The salary survey must be submitted to the office of budget and program  
 21 planning as a part of the information required by 17-7-111.

22 (3) Except as provided in 2-18-110, pay adjustments and pay schedules provided for in 2-18-303  
 23 ~~and in~~ 2-18-312 through 2-18-315, and [section 1] supersede any other plan or systems established  
 24 through collective bargaining after the adjournment of the ~~54th~~ 56th legislature.

25 (4) Pay levels provided for in 2-18-312 through 2-18-315 and [section 1] may not be increased  
 26 through collective bargaining after adjournment of the ~~54th~~ 56th legislature.

27 (5) Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315  
 28 and [section 1] for any employee group or bargaining unit may not be increased through collective  
 29 bargaining over the amount appropriated by the ~~54th~~ 56th legislature.

30 (6) The department shall administer the pay program established by the legislature on the basis of

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

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

4

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

6 **"2-18-303. Procedures for using pay schedules.** (1) The pay schedules provided in 2-18-312 must  
7 be implemented as follows:

8 (a) The pay schedules provided in 2-18-312 indicate the entry salary and market salary for each  
9 grade for positions classified under the provisions of part 2 of this chapter.

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

12 (c) On the first day of the first complete pay period in fiscal year 1996, each employee hired before  
13 July 1, 1995, is entitled to the amount of the employee's base salary as it was on June 30, 1995, plus,  
14 on the employee's anniversary date that occurs on or after September 30, 1995, the increases provided  
15 in subsection (1)(d), if applicable.

16 (d) (i) Effective on the first day of the pay period that includes an employee's anniversary date  
17 during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be  
18 compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's  
19 grade level and completed years of uninterrupted state service. For employees hired on or before September  
20 30, 1994, the anniversary date is October 1.

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

24

TARGET MARKET RATIOS

25 Grade

Years

	0	1	2	3	4	5	6	7	8	9	10
26 4	0.844	0.874	0.904	0.935	0.967	0.999	1.000	1.000	1.000	1.000	1.000
27 5	0.842	0.871	0.900	0.930	0.961	0.992	1.000	1.000	1.000	1.000	1.000
28 6	0.840	0.868	0.896	0.925	0.955	0.985	1.000	1.000	1.000	1.000	1.000
29 7	0.838	0.865	0.892	0.920	0.949	0.978	1.000	1.000	1.000	1.000	1.000

1	8	0.836	0.862	0.889	0.916	0.944	0.972	1.000	1.000	1.000	1.000	1.000
2	9	0.834	0.859	0.885	0.911	0.938	0.965	0.993	1.000	1.000	1.000	1.000
3	10	0.832	0.857	0.882	0.908	0.934	0.961	0.988	1.000	1.000	1.000	1.000
4	11	0.830	0.854	0.878	0.903	0.928	0.954	0.980	1.000	1.000	1.000	1.000
5	12	0.828	0.851	0.875	0.899	0.924	0.949	0.975	1.000	1.000	1.000	1.000
6	13	0.826	0.849	0.872	0.896	0.920	0.945	0.970	0.996	1.000	1.000	1.000
7	14	0.824	0.846	0.869	0.892	0.915	0.939	0.963	0.988	1.000	1.000	1.000
8	15	0.822	0.844	0.866	0.888	0.911	0.934	0.958	0.982	1.000	1.000	1.000
9	16	0.820	0.841	0.863	0.885	0.907	0.930	0.953	0.977	1.000	1.000	1.000
10	17	0.818	0.839	0.860	0.882	0.904	0.926	0.949	0.972	0.996	1.000	1.000
11	18	0.816	0.836	0.857	0.878	0.899	0.921	0.943	0.966	0.989	1.000	1.000
12	19	0.814	0.834	0.854	0.875	0.896	0.917	0.939	0.961	0.984	1.000	1.000
13	20	0.812	0.831	0.851	0.871	0.892	0.913	0.935	0.957	0.979	1.000	1.000
14	21	0.810	0.829	0.849	0.869	0.889	0.910	0.931	0.953	0.975	0.997	1.000
15	22	0.808	0.827	0.846	0.866	0.886	0.906	0.927	0.948	0.970	0.992	1.000
16	23	0.806	0.825	0.844	0.863	0.883	0.903	0.923	0.944	0.965	0.987	1.000
17	24	0.804	0.822	0.841	0.860	0.879	0.899	0.919	0.940	0.961	0.982	1.000
18	25	0.802	0.820	0.838	0.857	0.876	0.895	0.915	0.935	0.956	0.977	0.999

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

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

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

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

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

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

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

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

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

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

14 (2) The pay schedules provided in 2-18-312 and the provisions of subsection (1) of this section  
15 do not apply to those teachers, liquor store occupations, ~~or blue-collar occupations~~, or protective services  
16 professional occupations compensated under the pay schedules provided in 2-18-313 through 2-18-315  
17 and [section 1].

18 (3) The pay schedules provided in 2-18-313 through 2-18-315 and [section 1] must be  
19 implemented as follows:

20 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for teachers  
21 employed under the authority of the department of corrections or the department of public health and  
22 human services for fiscal years 1996 and 1997.

23 (ii) The compensation of each teacher on July 1, 1995, is the same as it was on June 30, 1995.

24 (iii) On the first day of the first pay period that includes October 1 of each fiscal year, a teacher  
25 employed under the authority of the department of public health and human services prior to October 1,  
26 1994, shall advance one step on the appropriate pay schedule adopted in 2-18-313. A teacher hired after  
27 October 1, 1994, shall advance on the teacher's actual anniversary date.

28 (iv) On the first day of the first full pay period during the month that includes the teacher's  
29 anniversary date, a teacher employed under the authority of the department of corrections shall advance  
30 one step on the 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 fiscal year, a teacher  
2 employed by the Montana school for the deaf and blind shall advance one step on the teacher pay matrix  
3 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, 1996, and June 30, 1997, for those employees in liquor store occupations  
6 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 1996  
8 or 1997 is that amount corresponding to the grade occupied on the last day of the preceding fiscal year.

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

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

15 (d) The pay schedule provided in [section 1] indicates the maximum compensation for fiscal years  
16 ending June 30, 2000, and June 30, 2001, for employees classified as protective services professionals.

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~~ 2001.

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, ~~1996~~ 1999, 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, ~~1996~~ 1999, members of the bargaining unit must continue  
24 to receive the compensation that they were receiving as of June 30, ~~1996~~ 1998, until an agreement is  
25 ratified.

26 (b) Methods of administration not inconsistent with the purpose of this part and necessary to  
27 properly implement the pay schedules and adjustments provided in 2-18-312 through 2-18-315, [section  
28 1], and this section may be provided for in collective bargaining agreements.

29 (5) The current wage or salary of an employee may not be reduced by the implementation of the  
30 pay schedules provided for in 2-18-312 through 2-18-315 or [section 1].

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

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

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

14  
15 **Section 5.** Section 2-18-304, MCA, is amended to read:

16 **"2-18-304. Longevity allowance.** (1) (a) ~~(i) Effective July 1, 1995, through the last day of the pay~~  
17 ~~period immediately preceding the pay period that includes October 1, 1995, in addition to the compensation~~  
18 ~~provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed~~  
19 ~~5 years of uninterrupted state service must receive 9/10 of 1% of the employee's base salary multiplied~~  
20 ~~by the number of completed, contiguous 5-year periods of uninterrupted state service.~~

21 ~~(ii)~~ Effective on the first day of the pay period that includes October 1, 1995, in addition to the  
22 compensation provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, ~~or~~ 2-18-315, or [section 1], each  
23 employee who has completed 5 years of uninterrupted state service must receive 1.5% of the employee's  
24 base salary multiplied by the number of completed, contiguous 5-year periods of uninterrupted state  
25 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 the employee's date of employment; an employee must be  
30 credited with 80 hours of service for each biweekly pay period in which the employee is in a pay status or

1 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 the employee's date of employment in which the  
4 employee was in a pay status or on an authorized leave of absence without pay, regardless of the number  
5 of hours of service in any month. An employee of a school at a state institution or the university system  
6 must be credited with 1 year of service if the employee is employed for an entire academic year.

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

10 **NEW SECTION. Section 6. Transition.** (1) For the purposes of developing the pay schedule  
11 required in [section 1] and for otherwise implementing the provisions of 2-18-101, 2-18-301, 2-18-303,  
12 2-18-304, [section 1], and this section:

13 (a) it is the intent of the legislature to provide to protective services professionals market-based  
14 compensation that is based on an analysis of the labor market determined in a salary survey; and

15 (b) the labor market for protective services professionals includes all positions for which the  
16 essential functions are similarly comparable to the essential functions of protective services professionals  
17 in:

18 (i) Montana cities and counties of the first class; and

19 (ii) the states of Idaho, North Dakota, South Dakota, AND Wyoming, ~~and Washington~~ if the persons  
20 employed in the comparable positions are employed by any of the respective states.

21 (2) The salary survey must be submitted to the office of budget and program planning as a part  
22 of the information required by 17-7-111.

23 (3) Total funds required to implement the pay schedule provided for in [section 1] for any employee  
24 group or bargaining unit may not be increased through collective bargaining over the amount appropriated  
25 by the 56th legislature.

26 (4) The department of administration shall administer the pay schedule established in [section 1]  
27 on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.

28 (5) The department of administration may promulgate rules consistent with the provisions of Title  
29 2, chapter 18, part 3, collective bargaining statutes, or negotiated contracts to carry out the purposes of  
30 2-18-101, 2-18-301, 2-18-303, 2-18-304, [section 1], and this section.



## 1 SENATE BILL NO. 269

2 INTRODUCED BY BARTLETT, SWYSGOOD, LYNCH, TASH, KITZENBERG, BECK, ROSE, QUILICI,  
3 HARRINGTON, COCCHIARELLA, GALVIN, GRADY, MOHL, CLARK, CHRISTIAENS, SHEA, WATERMAN,  
4 MCCARTHY, THOMAS, NELSON, OHS, WILSON, TROPILA

5  
6 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE DEPARTMENT OF ADMINISTRATION TO  
7 DEVELOP, WITH THE CONCURRENCE OF THE DEPARTMENT OF JUSTICE, THE DEPARTMENT OF  
8 TRANSPORTATION, ~~AND~~ THE DEPARTMENT OF CORRECTIONS, AND CERTAIN OTHER STATE  
9 AGENCIES, A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; DEFINING  
10 "PROTECTIVE SERVICES PROFESSIONAL" FOR THE PURPOSE OF COMPENSATION; PROVIDING FOR THE  
11 DEVELOPMENT AND IMPLEMENTATION OF A PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS;  
12 PROVIDING FOR TRANSITION TO A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS;  
13 REQUIRING THE DEPARTMENT OF ADMINISTRATION TO DEVELOP DRAFT LEGISLATION FOR REVIEW  
14 BY THE 56TH LEGISLATURE FOR THE IMPLEMENTATION OF A SEPARATE PAY PLAN FOR PROTECTIVE  
15 SERVICES PROFESSIONALS; AMENDING SECTIONS 2-18-101, 2-18-301, 2-18-303, AND 2-18-304, MCA;  
16 AND PROVIDING EFFECTIVE DATES."

**THERE ARE NO CHANGES IN THIS BILL AND IT WILL NOT BE  
REPRINTED. PLEASE REFER TO SECOND READING COPY  
(YELLOW) FOR COMPLETE TEXT.**

## SENATE BILL NO. 269

INTRODUCED BY BARTLETT, SWYSGOOD, LYNCH, TASH, KITZENBERG, BECK, ROSE, QUILICI,  
HARRINGTON, COCCHIARELLA, GALVIN, GRADY, MOHL, CLARK, CHRISTIAENS, SHEA, WATERMAN,  
MCCARTHY, THOMAS, NELSON, OHS, WILSON, TROPILA

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING AUTHORIZING THE DEPARTMENT OF  
ADMINISTRATION TO ~~DEVELOP~~ STUDY, WITH THE ~~CONCURRENCE~~ COOPERATION OF THE  
DEPARTMENT OF JUSTICE, THE DEPARTMENT OF TRANSPORTATION, ~~AND~~ THE DEPARTMENT OF  
CORRECTIONS, AND CERTAIN OTHER STATE AGENCIES, A SEPARATE PAY PLAN FOR PROTECTIVE  
SERVICES PROFESSIONALS; DEFINING "PROTECTIVE SERVICES PROFESSIONAL" FOR THE PURPOSE OF  
COMPENSATION THE STUDY; ~~PROVIDING FOR THE DEVELOPMENT AND IMPLEMENTATION OF A PAY~~  
~~PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; PROVIDING FOR TRANSITION TO A SEPARATE PAY~~  
~~PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; REQUIRING~~ AUTHORIZING THE DEPARTMENT OF  
ADMINISTRATION TO DEVELOP DRAFT LEGISLATION FOR REVIEW BY THE 56TH LEGISLATURE FOR THE  
IMPLEMENTATION OF A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS;  
~~AMENDING SECTIONS 2-18-101, 2-18-301, 2-18-303, AND 2-18-304, MCA; AND PROVIDING AN~~  
EFFECTIVE DATES DATE."

## STATEMENT OF INTENT

~~A statement of intent is required for this bill because [section 6] authorizes the department of  
administration to develop rules for implementing a separate pay plan for protective services professionals.  
It is the intent of the legislature that rules to be promulgated may address:~~

~~(1) specific issues related to a separate pay plan that are and are not negotiable under 39-31-305;~~

~~(2) the form and structure of a pay schedule to be adopted prior to July 1, 1999, whether by rule  
or by legislation; and~~

~~(3) other matters consistent with the purposes of this bill.~~

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

NEW SECTION. Section 1. Protective services professionals' pay schedules. (1) The department

1 shall ~~develop~~ STUDY, with the ~~concurrence~~ COOPERATION of the department of justice, the department  
 2 of transportation, ~~and~~ the department of corrections, AND OTHER STATE AGENCIES WITH PERSONNEL  
 3 WHO WILL BE INCLUDED ON THE SCHEDULE, a pay schedule for protective services professionals. The  
 4 pay schedule must be implemented for the period beginning July 1, 1999, and ending June 30, 2001.  
 5 Insofar as the pay schedule applies to employees of a collective bargaining unit, its implementation is a  
 6 negotiable subject under 39-31-305.

7 (2) "PROTECTIVE SERVICES PROFESSIONAL" MEANS:

8 (A) A HIGHWAY PATROL OFFICER, AS DEFINED IN 61-1-305, EXCEPT THE CHIEF, AS DEFINED  
 9 IN 61-1-302;

10 (B) AN AGENT, AS DESCRIBED IN 44-2-111;

11 (C) A PERSON AUTHORIZED BY THE DEPARTMENT OF TRANSPORTATION OR THE DEPARTMENT  
 12 OF JUSTICE TO CONDUCT AN INSPECTION PURSUANT TO 61-9-501;

13 (D) A PERSON WHOSE PRIMARY WORK FUNCTION IS TO SUPERVISE OR OTHERWISE GUARD  
 14 PERSONS INCARCERATED IN A COMPONENT OF THE DEPARTMENT OF CORRECTIONS DESCRIBED IN  
 15 53-1-202(2); OR

16 (E) A PERSON IN AN OCCUPATION IDENTIFIED BY THE DEPARTMENT THAT IS SIMILAR TO  
 17 THOSE IN SUBSECTIONS (2)(A) THROUGH (2)(D).

18  
 19 ~~Section 2. Section 2-18-101, MCA, is amended to read:~~

20 ~~"2-18-101. Definitions. As used in parts 1 through 3 and part 10 of this chapter, the following~~  
 21 ~~definitions apply:~~

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

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

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

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

28 ~~(b) overtime;~~

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

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

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

2           ~~(5) "Class" means one or more positions substantially similar with respect to the kind or nature of~~  
3 ~~duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may be~~  
4 ~~used to designate each position allocated to the class, similar qualifications may be required of persons~~  
5 ~~appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.~~

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

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

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

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

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

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

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

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

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

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

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

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

3 ~~(18) "Personal staff" means those positions occupied by employees appointed by the elected~~  
 4 ~~officials enumerated in Article VI, section 1, of the Montana constitution or by the public service~~  
 5 ~~commission as a whole.~~

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

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

9 ~~(21) "Protective services professional" means:~~

10 ~~(a) a highway patrol officer, as defined in 61-1-305, except the chief, as defined in 61-1-302;~~

11 ~~(b) an agent, as described in 44-2-111;~~

12 ~~(c) a person authorized by the department of transportation or the department of justice to conduct~~  
 13 ~~an inspection pursuant to 61-9-501; or~~

14 ~~(d) a person whose primary work function is to supervise or otherwise guard persons incarcerated~~  
 15 ~~in a component of the department of corrections described in 53-1-202(2); OR~~

16 ~~(E) A PERSON IN AN OCCUPATION IDENTIFIED BY THE DEPARTMENT THAT IS SIMILAR TO~~  
 17 ~~THOSE IN SUBSECTIONS (A) THROUGH (D).~~

18 ~~(22) "Seasonal position" means a position so designated as a seasonal position on the~~  
 19 ~~appropriate agency list of authorized positions referenced in 2-18-206 and that is a permanent position but~~  
 20 ~~that is interrupted by the seasonal nature of the position.~~

21 ~~(22)(23) "Temporary position" means a position so designated as a temporary position on the~~  
 22 ~~appropriate agency list of authorized positions referenced in 2-18-206, created for a definite period of time~~  
 23 ~~not to exceed 9 months."~~

24  
 25 **Section 3.** ~~Section 2-18-301, MCA, is amended to read:~~

26 ~~"2-18-301. Purpose and intent of part — rules. (1) The purpose of this part is to provide the~~  
 27 ~~market-based compensation necessary to attract and retain competent and qualified employees in order to~~  
 28 ~~perform the services that the state is required to provide to its citizens.~~

29 ~~(2) It is the intent of the legislature that compensation plans for state employees, excluding those~~  
 30 ~~employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313~~

1 through ~~2-18-315 and [section 1]~~, be based on an analysis of the labor market as provided by the  
 2 department in a salary survey. The salary survey must be submitted to the office of budget and program  
 3 planning as a part of the information required by ~~17-7-111~~.

4 (3) ~~Except as provided in 2-18-110, pay adjustments and pay schedules provided for in 2-18-303~~  
 5 ~~and in 2-18-312 through 2-18-315, and [section 1] supersede any other plan or systems established~~  
 6 ~~through collective bargaining after the adjournment of the 54th 56th legislature.~~

7 (4) ~~Pay levels provided for in 2-18-312 through 2-18-315 and [section 1] may not be increased~~  
 8 ~~through collective bargaining after adjournment of the 54th 56th legislature.~~

9 (5) ~~Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315~~  
 10 ~~and [section 1] for any employee group or bargaining unit may not be increased through collective~~  
 11 ~~bargaining over the amount appropriated by the 54th 56th legislature.~~

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

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

16  
 17 **Section 4.** ~~Section 2-18-303, MCA, is amended to read:~~

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

20 (a) ~~The pay schedules provided in 2-18-312 indicate the entry salary and market salary for each~~  
 21 ~~grade for positions classified under the provisions of part 2 of this chapter.~~

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

24 (c) ~~On the first day of the first complete pay period in fiscal year 1996, each employee hired before~~  
 25 ~~July 1, 1995, is entitled to the amount of the employee's base salary as it was on June 30, 1995, plus,~~  
 26 ~~on the employee's anniversary date that occurs on or after September 30, 1995, the increases provided~~  
 27 ~~in subsection (1)(d), if applicable.~~

28 (d) (i) ~~Effective on the first day of the pay period that includes an employee's anniversary date~~  
 29 ~~during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be~~  
 30 ~~compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's~~

1 ~~grade level and completed years of uninterrupted state service. For employees hired on or before September~~  
 2 ~~30, 1994, the anniversary date is October 1.~~

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

~~TARGET MARKET RATIOS~~

Grade	Years										
	0	1	2	3	4	5	6	7	8	9	10
4	0.844	0.874	0.904	0.935	0.967	0.999	1.000	1.000	1.000	1.000	1.000
5	0.842	0.871	0.900	0.930	0.961	0.992	1.000	1.000	1.000	1.000	1.000
6	0.840	0.868	0.896	0.925	0.955	0.985	1.000	1.000	1.000	1.000	1.000
7	0.838	0.865	0.892	0.920	0.949	0.978	1.000	1.000	1.000	1.000	1.000
8	0.836	0.862	0.889	0.916	0.944	0.972	1.000	1.000	1.000	1.000	1.000
9	0.834	0.859	0.885	0.911	0.938	0.965	0.993	1.000	1.000	1.000	1.000
10	0.832	0.857	0.882	0.908	0.934	0.961	0.988	1.000	1.000	1.000	1.000
11	0.830	0.854	0.878	0.903	0.928	0.954	0.980	1.000	1.000	1.000	1.000
12	0.828	0.851	0.875	0.899	0.924	0.949	0.975	1.000	1.000	1.000	1.000
13	0.826	0.849	0.872	0.896	0.920	0.945	0.970	0.996	1.000	1.000	1.000
14	0.824	0.846	0.869	0.892	0.915	0.939	0.963	0.988	1.000	1.000	1.000
15	0.822	0.844	0.866	0.888	0.911	0.934	0.958	0.982	1.000	1.000	1.000
16	0.820	0.841	0.863	0.885	0.907	0.930	0.953	0.977	1.000	1.000	1.000
17	0.818	0.839	0.860	0.882	0.904	0.926	0.949	0.972	0.996	1.000	1.000
18	0.816	0.836	0.857	0.878	0.899	0.921	0.943	0.966	0.989	1.000	1.000
19	0.814	0.834	0.854	0.875	0.896	0.917	0.939	0.961	0.984	1.000	1.000
20	0.812	0.831	0.851	0.871	0.892	0.913	0.935	0.957	0.979	1.000	1.000
21	0.810	0.829	0.849	0.869	0.889	0.910	0.931	0.953	0.975	0.997	1.000
22	0.808	0.827	0.846	0.866	0.886	0.906	0.927	0.948	0.970	0.992	1.000
23	0.806	0.825	0.844	0.863	0.883	0.903	0.923	0.944	0.965	0.987	1.000
24	0.804	0.822	0.841	0.860	0.879	0.899	0.919	0.940	0.961	0.982	1.000
25	0.802	0.820	0.838	0.857	0.876	0.895	0.915	0.935	0.956	0.977	0.999

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

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

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

9           ~~(iv) If, on the first day of the pay period that includes an employee's anniversary date during the~~  
10 ~~fiscal year ending June 30, 1997, 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~~  
14 ~~the 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, 1996, plus 6%.~~

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

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

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

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

26           ~~(2) The pay schedules provided in 2-18-312 and the provisions of subsection (1) of this section~~  
27 ~~do not apply to those teachers, liquor store occupations, or blue-collar occupations, or protective services~~  
28 ~~professional occupations compensated under the pay schedules provided in 2-18-313 through 2-18-315~~  
29 ~~and [section 1].~~

30           ~~(3) The pay schedules provided in 2-18-313 through 2-18-315 and [section 1] must be~~

1 implemented as follows:

2 ~~(a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for teachers~~  
3 ~~employed under the authority of the department of corrections or the department of public health and~~  
4 ~~human services for fiscal years 1996 and 1997.~~

5 ~~(ii) The compensation of each teacher on July 1, 1995, is the same as it was on June 30, 1995.~~

6 ~~(iii) On the first day of the first pay period that includes October 1 of each fiscal year, a teacher~~  
7 ~~employed under the authority of the department of public health and human services prior to October 1,~~  
8 ~~1994, shall advance one step on the appropriate pay schedule adopted in 2-18-313. A teacher hired after~~  
9 ~~October 1, 1994, shall advance on the teacher's actual anniversary date.~~

10 ~~(iv) On the first day of the first full pay period during the month that includes the teacher's~~  
11 ~~anniversary date, a teacher employed under the authority of the department of corrections shall advance~~  
12 ~~one step on the appropriate pay schedule adopted in 2-18-313.~~

13 ~~(v) On the first day of the first pay period that includes October 1 of each fiscal year, a teacher~~  
14 ~~employed by the Montana school for the deaf and blind shall advance one step on the teacher pay matrix~~  
15 ~~used by the school.~~

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

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

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

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

27 ~~(d) The pay schedule provided in [section 1] indicates the maximum compensation for fiscal years~~  
28 ~~ending June 30, 2000, and June 30, 2001, for employees classified as protective services professionals.~~

29 ~~(4) (a) (i) A member of a bargaining unit may not receive a pay increase until the employer's~~  
30 ~~collective bargaining representative receives written notice that the employee's bargaining unit has ratified~~

1 ~~a completely integrated collective bargaining agreement covering the biennium ending June 30, 1997-2001.~~

2 ~~(ii) If ratification of a completely integrated collective bargaining agreement, as required by~~  
 3 ~~subsection (4)(a)(i), is not completed by July 1, 1995-1999, retroactivity to that date may be negotiated.~~

4 ~~(iii) If ratification of a completely integrated collective bargaining agreement, as required by~~  
 5 ~~subsection (4)(a)(i), is not completed by July 1, 1995-1999, members of the bargaining unit must continue~~  
 6 ~~to receive the compensation that they were receiving as of June 30, 1995-1998, until an agreement is~~  
 7 ~~ratified.~~

8 ~~(b) Methods of administration not inconsistent with the purpose of this part and necessary to~~  
 9 ~~properly implement the pay schedules and adjustments provided in 2-18-312 through 2-18-315, [section~~  
 10 ~~1], and this section may be provided for in collective bargaining agreements.~~

11 ~~(5) The current wage or salary of an employee may not be reduced by the implementation of the~~  
 12 ~~pay schedules provided for in 2-18-312 through 2-18-315 or [section 1].~~

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

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

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

26  
 27 **Section 5.** ~~Section 2-18-304, MCA, is amended to read:~~

28 ~~"2-18-304. Longevity allowance. (1) (a) (i) Effective July 1, 1995, through the last day of the pay~~  
 29 ~~period immediately preceding the pay period that includes October 1, 1995, in addition to the compensation~~  
 30 ~~provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed~~

1 ~~5 years of uninterrupted state service must receive 9/10 of 1% of the employee's base salary multiplied~~  
 2 ~~by the number of completed, contiguous 5 year periods of uninterrupted state service.~~

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

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

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

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

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

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

21

22 NEW SECTION. Section 2. Transition REPORT TO THE LEGISLATURE. ~~(1) For the purposes of~~  
 23 ~~developing the pay schedule required in [section 1] and for otherwise implementing the provisions of~~  
 24 ~~2-18-101, 2-18-301, 2-18-303, 2-18-304, [section 1], and this section:~~

25 ~~(a) it is the intent of the legislature to provide to protective services professionals market-based~~  
 26 ~~compensation that is based on an analysis of the labor market determined in a salary survey; and~~

27 ~~(b) the labor market for protective services professionals includes all positions for which the~~  
 28 ~~essential functions are similarly comparable to the essential functions of protective services professionals~~  
 29 ~~in:~~

30 ~~(i) Montana cities and counties of the first class; and~~



## 1 SENATE BILL NO. 269

2 INTRODUCED BY BARTLETT, SWYSGOOD, LYNCH, TASH, KITZENBERG, BECK, ROSE, QUILICI,  
 3 HARRINGTON, COCCHIARELLA, GALVIN, GRADY, MOHL, CLARK, CHRISTIAENS, SHEA, WATERMAN,  
 4 MCCARTHY, THOMAS, NELSON, OHS, WILSON, TROPILA

5  
 6 A BILL FOR AN ACT ENTITLED: "AN ACT ~~REQUIRING~~ AUTHORIZING THE DEPARTMENT OF  
 7 ADMINISTRATION TO ~~DEVELOP~~ STUDY, WITH THE ~~CONCURRENCE~~ COOPERATION OF THE  
 8 DEPARTMENT OF JUSTICE, THE DEPARTMENT OF TRANSPORTATION, ~~AND~~ THE DEPARTMENT OF  
 9 CORRECTIONS, AND CERTAIN OTHER STATE AGENCIES, A SEPARATE PAY PLAN FOR PROTECTIVE  
 10 SERVICES PROFESSIONALS; DEFINING "PROTECTIVE SERVICES PROFESSIONAL" FOR THE PURPOSE OF  
 11 COMPENSATION ~~THE STUDY~~; ~~PROVIDING FOR THE DEVELOPMENT AND IMPLEMENTATION OF A PAY~~  
 12 ~~PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; PROVIDING FOR TRANSITION TO A SEPARATE PAY~~  
 13 ~~PLAN FOR PROTECTIVE SERVICES PROFESSIONALS; REQUIRING~~ AUTHORIZING THE DEPARTMENT OF  
 14 ADMINISTRATION TO DEVELOP DRAFT LEGISLATION FOR REVIEW BY THE 56TH LEGISLATURE FOR THE  
 15 IMPLEMENTATION OF A SEPARATE PAY PLAN FOR PROTECTIVE SERVICES PROFESSIONALS;  
 16 ~~AMENDING SECTIONS 2-18-101, 2-18-301, 2-18-303, AND 2-18-304, MCA; AND PROVIDING AN~~  
 17 ~~EFFECTIVE DATES~~ DATE."

18  
19 STATEMENT OF INTENT

20 ~~A statement of intent is required for this bill because (section 6) authorizes the department of~~  
 21 ~~administration to develop rules for implementing a separate pay plan for protective services professionals.~~  
 22 ~~It is the intent of the legislature that rules to be promulgated may address:~~

23 ~~(1) specific issues related to a separate pay plan that are and are not negotiable under 39-31-305;~~

24 ~~(2) the form and structure of a pay schedule to be adopted prior to July 1, 1999, whether by rule~~  
 25 ~~or by legislation; and~~

26 ~~(3) other matters consistent with the purposes of this bill.~~

27  
 28 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

29  
 30 NEW SECTION. Section 1. Protective services professionals' pay schedules. (1) The department

1 shall ~~develop~~ STUDY, with the ~~concurrence~~ COOPERATION of the department of justice, the department  
 2 of transportation, and the department of corrections, AND OTHER STATE AGENCIES WITH PERSONNEL  
 3 WHO WILL BE INCLUDED ON THE SCHEDULE, a pay schedule for protective services professionals. The  
 4 pay schedule must be implemented for the period beginning July 1, 1999, and ending June 30, 2001.  
 5 Insofar as the pay schedule applies to employees of a collective bargaining unit, its implementation is a  
 6 negotiable subject under 39-31-305.

7 (2) "PROTECTIVE SERVICES PROFESSIONAL" MEANS:

8 (A) A HIGHWAY PATROL OFFICER, AS DEFINED IN 61-1-305, EXCEPT THE CHIEF, AS DEFINED  
 9 IN 61-1-302;

10 (B) AN AGENT, AS DESCRIBED IN 44-2-111;

11 (C) A PERSON AUTHORIZED BY THE DEPARTMENT OF TRANSPORTATION OR THE DEPARTMENT  
 12 OF JUSTICE TO CONDUCT AN INSPECTION PURSUANT TO 61-9-501;

13 (D) A PERSON WHOSE PRIMARY WORK FUNCTION IS TO SUPERVISE OR OTHERWISE GUARD  
 14 PERSONS INCARCERATED IN A COMPONENT OF THE DEPARTMENT OF CORRECTIONS DESCRIBED IN  
 15 53-1-202(2); OR

16 (E) A PERSON IN AN OCCUPATION IDENTIFIED BY THE DEPARTMENT THAT IS SIMILAR TO  
 17 THOSE IN SUBSECTIONS (2)(A) THROUGH (2)(D).

18  
 19 ~~Section 2. Section 2-18-101, MCA, is amended to read:~~

20 ~~"2-18-101. Definitions. As used in parts 1 through 3 and part 10 of this chapter, the following~~  
 21 ~~definitions apply:~~

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

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

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

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

28 ~~(b) overtime;~~

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

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

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

2           ~~(5) "Class" means one or more positions substantially similar with respect to the kind or nature of~~  
3 ~~duties performed, responsibility assumed, and level of difficulty so that the same descriptive title may be~~  
4 ~~used to designate each position allocated to the class, similar qualifications may be required of persons~~  
5 ~~appointed to the positions in the class, and the same pay rate or pay grade may be applied with equity.~~

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

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

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

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

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

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

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

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

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

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

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

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

3 ~~(18) "Personal staff" means those positions occupied by employees appointed by the elected~~  
 4 ~~officials enumerated in Article VI, section 1, of the Montana constitution or by the public service~~  
 5 ~~commission as a whole.~~

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

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

9 ~~(21) "Protective services professional" means:~~

10 ~~(a) a highway patrol officer, as defined in 61-1-305, except the chief, as defined in 61-1-302;~~

11 ~~(b) an agent, as described in 44-2-111;~~

12 ~~(c) a person authorized by the department of transportation or the department of justice to conduct~~  
 13 ~~an inspection pursuant to 61-9-501; or~~

14 ~~(d) a person whose primary work function is to supervise or otherwise guard persons incarcerated~~  
 15 ~~in a component of the department of corrections described in 53-1-202(2); OR~~

16 ~~(E) A PERSON IN AN OCCUPATION IDENTIFIED BY THE DEPARTMENT THAT IS SIMILAR TO~~  
 17 ~~THOSE IN SUBSECTIONS (A) THROUGH (D).~~

18 ~~(22) "Seasonal position" means a position so designated as a seasonal position on the~~  
 19 ~~appropriate agency list of authorized positions referenced in 2-18-206 and that is a permanent position but~~  
 20 ~~that is interrupted by the seasonal nature of the position.~~

21 ~~(22)(23) "Temporary position" means a position so designated as a temporary position on the~~  
 22 ~~appropriate agency list of authorized positions referenced in 2-18-206, created for a definite period of time~~  
 23 ~~not to exceed 9 months."~~

24  
 25 **Section 3. Section 2-18-301, MCA, is amended to read:**

26 ~~"2-18-301. Purpose and intent of part -- rules. (1) The purpose of this part is to provide the~~  
 27 ~~market based compensation necessary to attract and retain competent and qualified employees in order to~~  
 28 ~~perform the services that the state is required to provide to its citizens.~~

29 ~~(2) It is the intent of the legislature that compensation plans for state employees, excluding those~~  
 30 ~~employees excepted under 2-18-103 or 2-18-104 and excluding employees compensated under 2-18-313~~

1 through ~~2-18-315 and [section 1]~~, be based on an analysis of the labor market as provided by the  
 2 department in a salary survey. The salary survey must be submitted to the office of budget and program  
 3 planning as a part of the information required by ~~17-7-111~~.

4 (3) ~~Except as provided in 2-18-110, pay adjustments and pay schedules provided for in 2-18-303~~  
 5 ~~and in 2-18-312 through 2-18-315, and [section 1] supersede any other plan or systems established~~  
 6 ~~through collective bargaining after the adjournment of the 54th 56th legislature.~~

7 (4) ~~Pay levels provided for in 2-18-312 through 2-18-315 and [section 1] may not be increased~~  
 8 ~~through collective bargaining after adjournment of the 54th 56th legislature.~~

9 (5) ~~Total funds required to implement the pay schedules provided for in 2-18-312 through 2-18-315~~  
 10 ~~and [section 1] for any employee group or bargaining unit may not be increased through collective~~  
 11 ~~bargaining over the amount appropriated by the 54th 56th legislature.~~

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

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

16  
 17 **Section 4.** ~~Section 2-18-303, MCA, is amended to read:~~

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

20 (a) ~~The pay schedules provided in 2-18-312 indicate the entry salary and market salary for each~~  
 21 ~~grade for positions classified under the provisions of part 2 of this chapter.~~

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

24 (c) ~~On the first day of the first complete pay period in fiscal year 1996, each employee hired before~~  
 25 ~~July 1, 1995, is entitled to the amount of the employee's base salary as it was on June 30, 1995, plus,~~  
 26 ~~on the employee's anniversary date that occurs on or after September 30, 1995, the increases provided~~  
 27 ~~in subsection (1)(d), if applicable.~~

28 (d) (i) ~~Effective on the first day of the pay period that includes an employee's anniversary date~~  
 29 ~~during the fiscal years ending June 30, 1996, and June 30, 1997, an employee's market ratio must be~~  
 30 ~~compared to the target market ratio in the matrix in subsection (1)(d)(ii) that corresponds to the employee's~~

1 grade level and completed years of uninterrupted state service. For employees hired on or before September  
 2 30, 1994, the anniversary date is October 1.

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

~~TARGET MARKET RATIOS~~

<del>Grade</del>	<del>Years</del>										
	<del>0</del>	<del>1</del>	<del>2</del>	<del>3</del>	<del>4</del>	<del>5</del>	<del>6</del>	<del>7</del>	<del>8</del>	<del>9</del>	<del>10</del>
<del>4</del>	<del>0.844</del>	<del>0.874</del>	<del>0.904</del>	<del>0.935</del>	<del>0.967</del>	<del>0.999</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>5</del>	<del>0.842</del>	<del>0.871</del>	<del>0.900</del>	<del>0.930</del>	<del>0.961</del>	<del>0.992</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>6</del>	<del>0.840</del>	<del>0.868</del>	<del>0.896</del>	<del>0.925</del>	<del>0.955</del>	<del>0.985</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>7</del>	<del>0.838</del>	<del>0.865</del>	<del>0.892</del>	<del>0.920</del>	<del>0.949</del>	<del>0.978</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>8</del>	<del>0.836</del>	<del>0.862</del>	<del>0.889</del>	<del>0.916</del>	<del>0.944</del>	<del>0.972</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>9</del>	<del>0.834</del>	<del>0.859</del>	<del>0.885</del>	<del>0.911</del>	<del>0.938</del>	<del>0.965</del>	<del>0.993</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>10</del>	<del>0.832</del>	<del>0.857</del>	<del>0.882</del>	<del>0.908</del>	<del>0.934</del>	<del>0.961</del>	<del>0.988</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>11</del>	<del>0.830</del>	<del>0.854</del>	<del>0.878</del>	<del>0.903</del>	<del>0.928</del>	<del>0.954</del>	<del>0.980</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>12</del>	<del>0.828</del>	<del>0.851</del>	<del>0.875</del>	<del>0.899</del>	<del>0.924</del>	<del>0.949</del>	<del>0.975</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>13</del>	<del>0.826</del>	<del>0.849</del>	<del>0.872</del>	<del>0.896</del>	<del>0.920</del>	<del>0.945</del>	<del>0.970</del>	<del>0.996</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>14</del>	<del>0.824</del>	<del>0.846</del>	<del>0.869</del>	<del>0.892</del>	<del>0.915</del>	<del>0.939</del>	<del>0.963</del>	<del>0.988</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>15</del>	<del>0.822</del>	<del>0.844</del>	<del>0.866</del>	<del>0.888</del>	<del>0.911</del>	<del>0.934</del>	<del>0.958</del>	<del>0.982</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>16</del>	<del>0.820</del>	<del>0.841</del>	<del>0.863</del>	<del>0.885</del>	<del>0.907</del>	<del>0.930</del>	<del>0.953</del>	<del>0.977</del>	<del>1.000</del>	<del>1.000</del>	<del>1.000</del>
<del>17</del>	<del>0.818</del>	<del>0.839</del>	<del>0.860</del>	<del>0.882</del>	<del>0.904</del>	<del>0.926</del>	<del>0.949</del>	<del>0.972</del>	<del>0.996</del>	<del>1.000</del>	<del>1.000</del>
<del>18</del>	<del>0.816</del>	<del>0.836</del>	<del>0.857</del>	<del>0.878</del>	<del>0.899</del>	<del>0.921</del>	<del>0.943</del>	<del>0.966</del>	<del>0.989</del>	<del>1.000</del>	<del>1.000</del>
<del>19</del>	<del>0.814</del>	<del>0.834</del>	<del>0.854</del>	<del>0.875</del>	<del>0.896</del>	<del>0.917</del>	<del>0.939</del>	<del>0.961</del>	<del>0.984</del>	<del>1.000</del>	<del>1.000</del>
<del>20</del>	<del>0.812</del>	<del>0.831</del>	<del>0.851</del>	<del>0.871</del>	<del>0.892</del>	<del>0.913</del>	<del>0.935</del>	<del>0.957</del>	<del>0.979</del>	<del>1.000</del>	<del>1.000</del>
<del>21</del>	<del>0.810</del>	<del>0.829</del>	<del>0.849</del>	<del>0.869</del>	<del>0.889</del>	<del>0.910</del>	<del>0.931</del>	<del>0.953</del>	<del>0.975</del>	<del>0.997</del>	<del>1.000</del>
<del>22</del>	<del>0.808</del>	<del>0.827</del>	<del>0.846</del>	<del>0.866</del>	<del>0.886</del>	<del>0.906</del>	<del>0.927</del>	<del>0.948</del>	<del>0.970</del>	<del>0.992</del>	<del>1.000</del>
<del>23</del>	<del>0.806</del>	<del>0.825</del>	<del>0.844</del>	<del>0.863</del>	<del>0.883</del>	<del>0.903</del>	<del>0.923</del>	<del>0.944</del>	<del>0.965</del>	<del>0.987</del>	<del>1.000</del>
<del>24</del>	<del>0.804</del>	<del>0.822</del>	<del>0.841</del>	<del>0.860</del>	<del>0.879</del>	<del>0.899</del>	<del>0.919</del>	<del>0.940</del>	<del>0.961</del>	<del>0.982</del>	<del>1.000</del>
<del>25</del>	<del>0.802</del>	<del>0.820</del>	<del>0.838</del>	<del>0.857</del>	<del>0.876</del>	<del>0.895</del>	<del>0.915</del>	<del>0.935</del>	<del>0.956</del>	<del>0.977</del>	<del>0.999</del>

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

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

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

9           ~~(iv) If, on the first day of the pay period that includes an employee's anniversary date during the~~  
10 ~~fiscal year ending June 30, 1997, 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~~  
14 ~~the 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, 1996, plus 6%.~~

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

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

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

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

26           ~~(2) The pay schedules provided in 2-18-312 and the provisions of subsection (1) of this section~~  
27 ~~do not apply to those teachers, liquor store occupations, or blue collar occupations, or protective services~~  
28 ~~professional occupations compensated under the pay schedules provided in 2-18-313 through 2-18-315~~  
29 ~~and [section 1].~~

30           ~~(3) The pay schedules provided in 2-18-313 through 2-18-315 and [section 1] must be~~

1 implemented as follows:

2 ~~(a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for teachers~~  
 3 ~~employed under the authority of the department of corrections or the department of public health and~~  
 4 ~~human services for fiscal years 1996 and 1997.~~

5 ~~(ii) The compensation of each teacher on July 1, 1995, is the same as it was on June 30, 1995.~~

6 ~~(iii) On the first day of the first pay period that includes October 1 of each fiscal year, a teacher~~  
 7 ~~employed under the authority of the department of public health and human services prior to October 1,~~  
 8 ~~1994, shall advance one step on the appropriate pay schedule adopted in 2-18-313. A teacher hired after~~  
 9 ~~October 1, 1994, shall advance on the teacher's actual anniversary date.~~

10 ~~(iv) On the first day of the first full pay period during the month that includes the teacher's~~  
 11 ~~anniversary date, a teacher employed under the authority of the department of corrections shall advance~~  
 12 ~~one step on the appropriate pay schedule adopted in 2-18-313.~~

13 ~~(v) On the first day of the first pay period that includes October 1 of each fiscal year, a teacher~~  
 14 ~~employed by the Montana school for the deaf and blind shall advance one step on the teacher pay matrix~~  
 15 ~~used by the school.~~

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

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

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

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

27 ~~(d) The pay schedule provided in [section 1] indicates the maximum compensation for fiscal years~~  
 28 ~~ending June 30, 2000, and June 30, 2001, for employees classified as protective services professionals.~~

29 ~~(4) (a) (i) A member of a bargaining unit may not receive a pay increase until the employer's~~  
 30 ~~collective bargaining representative receives written notice that the employee's bargaining unit has ratified~~

1 ~~a completely integrated collective bargaining agreement covering the biennium ending June 30, 1997-2001.~~

2 ~~(ii) If ratification of a completely integrated collective bargaining agreement, as required by~~  
 3 ~~subsection (4)(a)(i), is not completed by July 1, 1995-1999, retroactivity to that date may be negotiated.~~

4 ~~(iii) If ratification of a completely integrated collective bargaining agreement, as required by~~  
 5 ~~subsection (4)(a)(i), is not completed by July 1, 1995-1999, members of the bargaining unit must continue~~  
 6 ~~to receive the compensation that they were receiving as of June 30, 1995-1998, until an agreement is~~  
 7 ~~ratified.~~

8 ~~(b) Methods of administration not inconsistent with the purpose of this part and necessary to~~  
 9 ~~properly implement the pay schedules and adjustments provided in 2-18-312 through 2-18-315, [section~~  
 10 ~~1], and this section may be provided for in collective bargaining agreements.~~

11 ~~(5) The current wage or salary of an employee may not be reduced by the implementation of the~~  
 12 ~~pay schedules provided for in 2-18-312 through 2-18-315 or [section 1].~~

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

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

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

26  
 27 ~~Section 5. Section 2-18-304, MCA, is amended to read:~~

28 ~~"2-18-304. Longevity allowance. (1) (a) (i) Effective July 1, 1995, through the last day of the pay~~  
 29 ~~period immediately preceding the pay period that includes October 1, 1995, in addition to the compensation~~  
 30 ~~provided for in 2-18-303, 2-18-312, 2-18-313, 2-18-314, or 2-18-315, each employee who has completed~~

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

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

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

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

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

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

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

~~**NEW SECTION. Section 2. Transition REPORT TO THE LEGISLATURE.** (1) For the purposes of developing the pay schedule required in [section 1] and for otherwise implementing the provisions of 2-18-101, 2-18-301, 2-18-303, 2-18-304, [section 1], and this section:~~

~~(a) it is the intent of the legislature to provide to protective services professionals market-based compensation that is based on an analysis of the labor market determined in a salary survey; and~~

~~(b) the labor market for protective services professionals includes all positions for which the essential functions are similarly comparable to the essential functions of protective services professionals in:~~

~~(i) Montana cities and counties of the first class; and~~

1           ~~(ii) the states of Idaho, North Dakota, South Dakota, AND Wyoming, and Washington if the persons~~  
2 ~~employed in the comparable positions are employed by any of the respective states.~~

3           ~~(2) The salary survey must be submitted to the office of budget and program planning as a part~~  
4 ~~of the information required by 17-7-111.~~

5           ~~(3) Total funds required to implement the pay schedule provided for in [section 1] for any employee~~  
6 ~~group or bargaining unit may not be increased through collective bargaining over the amount appropriated~~  
7 ~~by the 56th legislature.~~

8           ~~(4) The department of administration shall administer the pay schedule established in [section 1]~~  
9 ~~on the basis of merit, internal equity, and competitiveness to external labor markets when fiscally able.~~

10           ~~(5) The department of administration may promulgate rules consistent with the provisions of Title~~  
11 ~~2, chapter 18, part 3, collective bargaining statutes, or negotiated contracts to carry out the purposes of~~  
12 ~~2-18-101, 2-18-301, 2-18-303, 2-18-304, [section 1], and this section.~~

13           ~~(6) By November 1, 1998, the department of administration shall submit to the 56th legislature in~~  
14 ~~A REPORT ON THE RESULTS OF THE STUDY CONDUCTED PURSUANT TO [SECTION 1]. THE REPORT~~  
15 ~~MAY CONTAIN the form of proposed legislation TO IMPLEMENT the pay schedule developed pursuant to~~  
16 ~~[section 1].~~

17  
18           ~~NEW SECTION. Section 7. Codification instruction. [Section 1] is intended to be codified as an~~  
19 ~~integral part of Title 2, chapter 18, part 3, and the provisions of Title 2, chapter 18, apply to [section 1].~~

20  
21           ~~NEW SECTION. SECTION 8. COORDINATION INSTRUCTION. IF HOUSE BILL NO. 13 IS PASSED~~  
22 ~~AND APPROVED AND IF IT CONTAINS A PROVISION REQUIRING THE DEPARTMENT OF~~  
23 ~~ADMINISTRATION TO DEVELOP AN ALTERNATIVE CLASSIFICATION AND PAY SYSTEM, THE PAY~~  
24 ~~SCHEDULE DEVELOPED BY THE DEPARTMENT PURSUANT TO [SECTION 1 OF THIS ACT] MUST BE~~  
25 ~~CONSISTENT WITH THE ALTERNATIVE CLASSIFICATION AND PAY SYSTEM.~~

26  
27           ~~NEW SECTION. Section 3. Effective dates DATE. (1) Except as provided in subsection (2), [this~~  
28 ~~act] is effective on passage and approval.~~

29           ~~(2) [Sections 3 through 6] are [THIS ACT] IS effective July 1, 1999 1997.~~

30           -END-