

1 SENATE BILL NO. 206

2 INTRODUCED BY LEWIS, KEENAN, WARD

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE PAY INCREASE FOR THE FIRST
5 COMPLETE PAY PERIOD THAT INCLUDES JANUARY 1, 2005, APPLIES TO ALL STATE EMPLOYEES;
6 ENSURING THAT STATE EMPLOYEES WHO WERE PAID LESS THAN 25 CENTS PER HOUR LESS THAN
7 THE MAXIMUM SALARY ACCORDING TO THE PAY SCHEDULE CONTAINED IN 2-18-312, MCA, WILL
8 CONTINUE TO RECEIVE THE FULL BENEFIT OF THE PAY INCREASE FOR ALL STATE EMPLOYEES THAT
9 OCCURRED ON JANUARY 1, 2005; AMENDING SECTION 2-18-303, MCA; AND PROVIDING AN IMMEDIATE
10 EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

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14 **Section 1.** Section 2-18-303, MCA, is amended to read:15 **"2-18-303. Procedures for using pay schedules.** (1) The pay schedule provided in 2-18-312 must
16 be implemented as follows:17 (a) The pay schedule provided in 2-18-312 indicates the entry salary and market salary for each grade
18 for positions classified under the provisions of part 2 of this chapter.19 (b) Each employee newly hired by the state of Montana must be hired at the entry rate, except as
20 provided in subsections (6) through (9).21 (c) On the first day of the first complete pay period in fiscal year 2004, each employee is entitled to the
22 amount of the employee's base salary as it was on June 30, 2003.23 (d) Effective on the first day of the first complete pay period that includes January 1, 2005, the base
24 salary of each employee must be increased by an amount equal to 25 cents an hour ~~or by a lesser amount so~~
25 ~~that the employee's base salary after the increase does not exceed the maximum salary of the pay grade as~~
26 ~~provided in subsection (1)(f).~~

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

28 (f) ~~The~~ Subject to subsection (1)(d), the maximum salary for each grade is determined by subtracting
29 the entry salary from the market salary and adding that amount PLUS AN AMOUNT EQUAL TO 25 CENTS AN HOUR to
30 the market salary.

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

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

5 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for teachers
6 employed under the authority of the department of corrections or the department of public health and human
7 services for fiscal years 2004 and 2005.

8 (ii) The compensation of each teacher on July 1, 2003, is the same as it was on June 30, 2003.

9 (iii) Effective on the first day of the first complete pay period that includes January 1, 2005, the base
10 salary of each teacher employed in the department of public health and human services and the department of
11 corrections is the amount provided for the teacher's step and education level under 2-18-313(2). This subsection
12 (3)(a)(iii) does not provide for a step advancement.

13 (b) The pay schedules provided in 2-18-315 indicate the maximum hourly compensation for fiscal
14 years ending June 30, 2004, and June 30, 2005, for employees in apprentice trades and crafts and other
15 blue-collar occupations recognized in the state blue-collar classification plan who are members of units that have
16 collectively bargained separate classification and pay plans.

17 (c) The compensation of each employee on the first day of the first pay period in each fiscal year is that
18 amount corresponding to the grade occupied on the last day of the preceding fiscal year.

19 (4) (a) (i) If the legislature authorizes a pay increase for state employees, a member of a bargaining unit
20 may not receive a pay increase until the employer's collective bargaining representative receives written notice
21 that the employee's bargaining unit has ratified a completely integrated collective bargaining agreement.

22 (ii) If ratification of a completely integrated collective bargaining agreement, as required by subsection
23 (4)(a)(i), is not completed by the date on which a legislatively authorized pay increase is implemented,
24 retroactivity to that date may be negotiated.

25 (iii) If ratification of a completely integrated collective bargaining agreement, as required by subsection
26 (4)(a)(i), is not completed by the date on which a legislatively authorized pay increase is implemented, members
27 of the bargaining unit must continue to receive the compensation that they were receiving until an agreement
28 is ratified.

29 (b) Methods of administration not inconsistent with the purpose of this part and necessary to properly
30 implement the pay schedules and adjustments provided in 2-18-312, 2-18-313, 2-18-315, and this section may

1 be provided for in collective bargaining agreements.

2 (5) The current wage or salary of an employee may not be reduced by the implementation of the pay
3 schedules provided for in 2-18-312, 2-18-313, and 2-18-315.

4 (6) The department may authorize a separate pay schedule for classes of medical professionals if the
5 rates provided in 2-18-312 are not sufficient to attract and retain fully licensed and qualified professionals.

6 (7) (a) The department may develop and implement an alternative pay and classification plan for certain
7 classes, occupations, and work units. Pay for employees in the alternative pay and classification plan may be
8 established and changed based on demonstrated competencies and accomplishments, on the labor market, and
9 on other situations defined by the department.

10 (b) To the extent that the plan applies to employees within a collective bargaining unit, the
11 implementation of the plan is a negotiable subject under 39-31-305.

12 (8) The department may develop programs that enable the department to mitigate problems associated
13 with difficult recruitment, retention, transfer, or other exceptional circumstances. To the extent that the program
14 applies to employees within a collective bargaining unit, it is a negotiable subject under 39-31-305.

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

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22 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

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24 **NEW SECTION. Section 3. Retroactive applicability.** [This act] applies retroactively, within the
25 meaning of 1-2-109, to January 1, 2005.

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