

1 HOUSE BILL NO. 13

2 INTRODUCED BY C. HINER

3 BY REQUEST OF THE OFFICE OF BUDGET AND PROGRAM PLANNING

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS GOVERNING STATE EMPLOYEE
6 CLASSIFICATION AND COMPENSATION; CLARIFYING BENEFITS FOR LAID-OFF EMPLOYEES; AMENDING
7 THE RIGHT TO FILE A COMPLAINT ON DETERMINATION OF COMPENSATION; APPROPRIATING FUNDS
8 TO IMPLEMENT PAY AND BENEFIT REVISIONS, FOR PERSONAL SERVICES CONTINGENCIES, AND FOR
9 A LABOR-MANAGEMENT TRAINING INITIATIVE; AMENDING SECTIONS 2-18-303, 2-18-703, AND 2-18-1011,
10 MCA; AND PROVIDING AN EFFECTIVE DATE."

11

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

13

14 **Section 1.** Section 2-18-303, MCA, is amended to read:

15 **"2-18-303. Procedures for administering broadband pay plan.** (1) On the first day of the first
16 complete pay period in fiscal year ~~2010~~ 2012, each employee is entitled to the amount of the employee's base
17 salary as it was on June 30, ~~2009~~ 2011.

18 (2) An employee's base salary may be no less than the minimum salary of the pay band to which the
19 employee's position is allocated.

20 ~~(3) All full-time employees whose base pay is \$45,000 or less annually will receive a one-time lump-sum~~
21 ~~payment of \$450 for the first full pay period after July 1, 2009. All part-time employees who are regularly~~
22 ~~scheduled to work 20 hours or more per week and whose base pay is \$21.635 per hour or less will receive a~~
23 ~~one-time lump-sum payment of \$225 for the first full pay period after July 1, 2009. Effective on the first day of the~~
24 first complete pay period in January 2012, the base salary of each employee must be increased by 1%. Effective
25 on the first day of the first complete pay period in January 2013, the base salary of each employee must be
26 increased by 3%.

27 (4) (a) (i) A member of a bargaining unit may not receive the pay adjustment provided for in subsection
28 (3) until the employer's collective bargaining representative receives written notice that the employee's collective
29 bargaining unit has ratified a collective bargaining agreement.

30 (ii) If ratification of a collective bargaining agreement, as required by subsection (4)(a)(i), is not completed

1 by the date on which a legislatively authorized pay increase is implemented, members of the bargaining unit must
2 continue to receive the compensation that they were receiving until an agreement is ratified.

3 (b) Methods of administration consistent with the purpose of this part and necessary to properly
4 implement the pay adjustments provided for in this section may be provided for in collective bargaining
5 agreements.

6 (5) (a) Montana highway patrol officer base salaries must be established through the broadband pay
7 plan. Before January 1 of each odd-numbered year, the department shall, after seeking the advice of the Montana
8 highway patrol, conduct a salary survey to be used in establishing the base salary for existing and entry-level
9 highway patrol officer positions. The county sheriff's offices in the following consolidated governments and
10 counties are the labor market for purposes of the survey: Butte-Silver Bow, Cascade, Yellowstone, Missoula,
11 Lewis and Clark, Gallatin, Flathead, and Dawson. The base salary for existing and entry-level highway patrol
12 officer positions must then be determined by the department of justice, using the results of the salary survey and
13 the department of justice pay plan guidelines. Base or biennial salary increases under this subsection are
14 exclusive of and not in addition to any increases otherwise awarded to other state employees after July 1, 2006.

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

17 (c) The department of justice shall submit the salary survey to the office of budget and program planning
18 as a part of the information required by 17-7-111.

19 (d) The salary survey and plan must be completed at least 6 months before the start of each regular
20 legislative session."

21

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

23 **"2-18-703. Contributions.** (1) Each agency, as defined in 2-18-601, and the state compensation
24 insurance fund shall contribute the amount specified in this section toward the group benefits cost.

25 (2) For employees defined in 2-18-701 and for members of the legislature, the employer contribution for
26 group benefits is ~~\$626~~ \$733 a month from January 2009 through December 2009, ~~\$679~~ a month from January
27 2010 through December 2010, and ~~\$733~~ for January 2011 and for each succeeding month. For employees of
28 the Montana university system, the employer contribution for group benefits is ~~\$626~~ a month from July 2008
29 through June 2009, ~~\$679~~ a month from July 2009 through June 2010, and \$733 a month for July 2010 and for
30 each succeeding month. If a state employee is terminated to achieve a reduction in force, the continuation of

1 contributions for group benefits beyond the termination date is subject to negotiation under 39-31-305 and to the
2 protections in 2-18-1205. Permanent part-time, seasonal part-time, and temporary part-time employees who are
3 regularly scheduled to work less than 20 hours a week are not eligible for the group benefit contribution. An
4 employee who elects not to be covered by a state-sponsored group benefit plan may not receive the state
5 contribution. A portion of the employer contribution for group benefits may be applied to an employee's costs for
6 participation in Part B of medicare under Title XVIII of the Social Security Act, as amended, if the state group
7 benefit plan is the secondary payer and medicare the primary payer.

8 (3) For employees of elementary and high school districts, the employer's contributions may exceed but
9 may not be less than \$10 a month.

10 (4) (a) For employees of political subdivisions, as defined in 2-9-101, except school districts, the
11 employer's contributions may exceed but may not be less than \$10 a month.

12 (b) Subject to the public hearing requirement provided in 2-9-212(2)(b), the amount in excess of the base
13 contribution of a local government's property tax levy for contributions for group benefits as determined in
14 subsection (4)(c) is not subject to the mill levy calculation limitation provided for in 15-10-420.

15 (c) (i) Subject to subsections (4)(c)(ii) and (4)(c)(iii), the base contribution is determined by multiplying
16 the average annual contribution for each employee on July 1, 1999, times the number of employees for whom
17 the employer makes contributions for group benefits under 2-9-212 on July 1 of each fiscal year.

18 (ii) If a political subdivision did not make contributions for group benefits on or before July 1, 1999, and
19 subsequently does so, the base contribution is determined by multiplying the average annual contribution for each
20 employee in the first year the political subdivision provides contributions for group benefits times the number of
21 employees for whom the employer makes contributions for group benefits under 2-9-212 on July 1 of each fiscal
22 year.

23 (iii) If a political subdivision has made contributions for group benefits but has not previously levied for
24 contributions in excess of the base contribution, the political subdivision's base is determined by multiplying the
25 average annual contribution for each employee at the beginning of the fiscal year immediately preceding the year
26 in which the levy will first be levied times the number of employees for whom the employer made contributions
27 for group benefits under 2-9-212 in that fiscal year.

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

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

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

7

8 **Section 3.** Section 2-18-1011, MCA, is amended to read:

9 **"2-18-1011. Pay band allocation or compensation grievance -- retaliation -- hearing on complaint.**

10 (1) An employee or the employee's representative affected by the implementation of ~~parts 1 through 3~~ part 2 of
11 this chapter is entitled to file a complaint with the board of personnel appeals provided for in 2-15-1705 and to
12 be heard under the provisions of a grievance procedure to be prescribed by the board.

13 (2) Direct or indirect interference, restraint, coercion, or retaliation by an employee's supervisor or the
14 agency for which the employee works or by any other agency of state government against an employee because
15 the employee has filed or attempted to file a complaint with the board is also a basis for a complaint and entitles
16 the employee to file a complaint with the board and to be heard under the provisions of the grievance procedure
17 prescribed by the board.

18 (3) An action that attempts to revise the determination of a pay band and that involves an employee
19 exercising a right conferred by 2-18-1011 through 2-18-1013 in a way that would adversely affect the employee
20 prior to final resolution or entry of a final order with respect to the action is presumed to be interference, restraint,
21 coercion, or retaliation prohibited by subsection (2) unless the review was commenced or scheduled prior to filing
22 of the appeal and was not prompted by the grievance appealed from. The presumption is rebuttable."

23

24 NEW SECTION. **Section 4. Appropriations.** (1) The following money for the indicated fiscal years is
25 appropriated to the listed agencies to implement the adjustments provided for in 2-18-303:

26 Fiscal Year 2012

	General Fund	State Special	Federal Special	Proprietary
27				
28	Legislative Branch			
29	\$41,564	\$7,024		

30 Consumer Counsel



1		\$2,601		
2	Judicial Branch			
3		\$128,242	\$6,476	\$212
4	Executive Branch			
5		\$1,143,558	\$993,769	\$635,588
6	MUS			\$24,163
7		\$1,176,391	\$138	\$14,679
8	Total			
9		\$2,489,755	\$1,010,008	\$650,479
10	Fiscal Year 2013			\$24,163
11	General Fund	State Special	Federal Special	Proprietary
12	Legislative Branch			
13		\$207,912	\$32,323	
14			<u>\$35,323</u>	
15	Consumer Counsel			
16		\$13,124		
17	Judicial Branch			
18		\$647,161	\$36,872	\$1,066
19	Executive Branch			
20		\$5,763,057	\$4,998,852	\$3,197,284
21	MUS			\$121,612
22		\$5,917,817	\$690	\$73,996
23	Total			
24		\$12,535,947	\$5,084,861	\$3,272,346
25				\$121,612

25 (2) The following money is appropriated for the biennium to the office of budget and program planning,
 26 from the designated state fund, to be distributed to agencies when personnel vacancies do not occur, retirement
 27 costs exceed agency resources, or other contingencies arise:

28	General Fund	State Special	Federal Special	Proprietary
29	\$4,000,000	\$2,400,000	\$500,000	\$100,000

30 (3) The amount of \$75,000 is appropriated from the general fund to the department of administration for

1 the biennium for a labor-management training initiative.

2

3 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2011.

4 - END -