SENATE BILL NO. 219

INTRODUCED BY BALYEAT, MUSGROVE

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THAT A STATE EMPLOYEE WHO TERMINATES EMPLOYMENT MAY NOT RECEIVE SEVERANCE PAY, A BONUS, OR ANY OTHER TYPE OF MONETARY PAYMENT EXCEPT ~~ACCUMULATED WAGES, VACATION LEAVE, SICK LEAVE, AND COMPENSATORY TIME~~ AS AUTHORIZED BY LAW; AMENDING SECTION 2-18-621, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

        Section 1. Section 2-18-621, MCA, is amended to read:

        "2-18-621. Unlawful termination -- unlawful payments. (1) It ~~shall be~~ is unlawful for an employer to terminate or separate an employee from ~~his~~ employment in an attempt to circumvent the provisions of 2-18-611, 2-18-612, and 2-18-614. ~~Should~~ If a question ~~arise~~ arises under this ~~section~~ subsection, it ~~shall~~ must be submitted to arbitration as provided in Title 27, chapter 5, as if an agreement described in 27-5-114 is in effect, unless there is a collective bargaining agreement to the contrary applicable.

        (2) (a) An employee who terminates employment is only entitled to receive:

        (I) payments for accumulated wages, vacation leave as provided in 2-18-617, sick leave as provided in 2-18-618, and compensatory time earned as provided in the rules or policies of the employer; AND

        (II) IF THE TERMINATION IS THE RESULT OF A REDUCTION IN FORCE, SEVERANCE PAY AND A RETRAINING ALLOWANCE AS PROVIDED FOR IN 2-18-622.

        (b) An employee who terminates employment may not receive severance pay, a bonus, or any other type of monetary payment not described in subsection (2)(a)(I) OR (2)(A)(II).

        (3) Subsection (2) does not apply to:

        (A) retirement benefits;

        (B) A PAYMENT, SETTLEMENT, AWARD, OR JUDGMENT THAT INVOLVES A POTENTIAL OR ACTUAL CAUSE OF ACTION, LEGAL DISPUTE, CLAIM, GRIEVANCE, CONTESTED CASE, OR LAWSUIT; OR

        (C) ANY OTHER PAYMENT AUTHORIZED BY LAW."

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

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