

2 INTRODUCED BY \_\_\_\_\_

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LEAVE TIME FOR PUBLIC EMPLOYEES WHO ARE  
5 VETERANS OR IN STATE ACTIVE DUTY STATUS; REQUIRING STATE ACTIVE DUTY STATUS TIME TO  
6 COUNT TOWARDS ANNUAL LEAVE AND SICK LEAVE ACCRUAL; INCREASING THE NUMBER OF SICK  
7 LEAVE DAY ACCRUED FOR VETERANS WITH A 100% DISABILITY RATING; AMENDING SECTIONS 2-18-  
8 614 AND 2-18-618, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

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13       **"2-18-614. Military leave considered service.** (1) A period of absence from employment with the  
14        state, county, or city occurring either during a war involving the United States or in any other national  
15        emergency and for 90 days thereafter for one of the following reasons is considered as service for the purpose  
16        of determining the number of years of employment used in calculating vacation leave credits under this section:

17 (1)(a) having been ordered on active duty with the armed forces of the United States;

18                   (2)(b) voluntary service on active duty in the armed forces or on ships operated by or for the United  
19                   States government; or

20 (3)(c) direct assignment to the United States department of defense for duties related to national  
21 defense efforts if a leave of absence has been granted by the employer.

22 (2) Active duty for the state under the provisions of Title 32, U.S.C., and Title 10 must be  
23 considered service for state employment. Any service under Title 32, U.S.C., and Title 10 before state  
24 employment must also be considered service for state employment if the active duty service was for the state.  
25 Official department of defense documentation must be used to determine if service was for the state."

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27 **Section 2.** Section 2-18-618, MCA, is amended to read:

28 "2-18-618. **Sick leave.** (1) A permanent full-time employee earns sick leave credits from the first day

1 of employment. For calculating sick leave credits, 2,080 hours (52 weeks x 40 hours) equals 1 year. Sick leave  
2 credits must be credited at the end of each pay period. Sick leave credits are earned at the rate of 12 working  
3 days for each year of service without restriction as to the number of working days that may be accumulated.  
4 Employees are not entitled to be paid sick leave until they have been continuously employed 90 days.

5 (2) An employee may not accrue sick leave credits while in a leave-without-pay status.

6 (3) Permanent part-time employees are entitled to prorated leave benefits if they have worked the  
7 qualifying period.

8 (4) Full-time temporary and seasonal employees are entitled to sick leave benefits provided they  
9 work the qualifying period.

10 (5) A short-term worker may not earn sick leave credits.

11 (6) Except as otherwise provided in 2-18-1311, an employee who terminates employment with the  
12 agency is entitled to a lump-sum payment equal to one-fourth of the pay attributed to the accumulated sick  
13 leave. The pay attributed to the accumulated sick leave must be computed on the basis of the employee's  
14 salary or wage at the time the employee terminates employment with the state, county, or city. Accrual of sick  
15 leave credits for calculating the lump-sum payment provided for in this subsection begins July 1, 1971. The  
16 payment is the responsibility of the agency in which the sick leave accrues. However, an employee does not  
17 forfeit any sick leave rights or benefits accrued prior to July 1, 1971. However, when an employee transfers  
18 between agencies within the same jurisdiction, the employee is not entitled to a lump-sum payment. In a  
19 transfer between agencies, the receiving agency shall assume the liability for the accrued sick leave credits  
20 earned after July 1, 1971, and transferred with the employee.

21 (7) An employee who receives a lump-sum payment pursuant to this section or who, pursuant to 2-  
22 18-1311, converts unused sick leave to employer contributions to a health care expense trust account and who  
23 is again employed by any agency may not be credited with sick leave for which the employee has previously  
24 been compensated or for which the employee has received an employer contribution to the health care  
25 expense trust account.

26 (8) Abuse of sick leave is cause for dismissal and forfeiture of the lump-sum payments provided for  
27 in this section.

28 (9) An employee of a state agency may contribute any portion of the employee's accumulated sick

1 leave or accumulated vacation leave to a nonrefundable sick leave fund for state employees and becomes  
2 eligible to draw upon the fund if an extensive illness or accident exhausts the employee's accumulated sick  
3 leave, irrespective of the employee's membership or nonmembership in the employee welfare benefit plan  
4 established pursuant to 2-18-1304. The department of administration shall, in consultation with the state  
5 employee group benefits advisory council, provided for in 2-15-1016, administer the sick leave fund and adopt  
6 rules to implement this subsection.

7 (10) A local government may establish and administer through local rule a sick leave fund into which  
8 its employees may contribute a portion of their accumulated sick leave or vacation leave.

9 (11) A permanent full-time employee with a 100% disability rating from the United States  
10 department of veterans affairs shall earn sick leave credits at a rate of 15 working days for each year of service  
11 without restriction as to the number of working days that may be accumulated. The employee shall provide the  
12 human resources department with a copy of the employee's verification letter from the department of veterans  
13 affairs in order to claim this benefit. Pursuant to subsection (1), employees are not entitled to be paid sick leave  
14 until they have been continuously employed for 90 days."

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16 **NEW SECTION. Section 3. Effective date.** [This act] is effective July 1, 2025.

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