

December 6, 2024  
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Office of Governor Mike Dunleavy

Email to State Agency Commissioners

Good afternoon Commissioners,

I hope this message finds you well. I want to provide you an update regarding the timeline for the statewide salary study contract. As you know, funding for the study was included in the FY2024 budget. An RFP was issued in the fall of 2023 with the initial goal of completing the study by June 30, 2024.

To date, we have not received a preliminary or final study report. As we reviewed drafts of the study, we identified the need to gather additional data and requested the contractor solicit salary data from additional peer/comparable jurisdictions. We also asked the contractor to factor in investments the State made in salaries through collective bargaining and the passage and implementation of Senate Bill 259 (2024 legislation that addressed state employee compensation).

Potential changes to the State's classification and pay plans informed by the final study report could substantially impact the State's budget, and additional due diligence is necessary, especially as we look at the State's revenue projections.

With the additional information being requested, the contract will be extended again and the approximate timeline for completion of the report is now projected for mid-legislative session.

While we understand the importance of this study in discussions regarding ongoing recruitment and retention challenges the State is facing, it is important to ensure we have as much data as possible to make an informed decision.

We appreciate your patience and understanding. Please don't hesitate to reach out if you have any questions or require further information.

Thank you,

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