

HOUSE BILL 309

COMPENSATION COMMISSION
RECOMMENDATION

Compensation Methods



ASOCC HISTORY

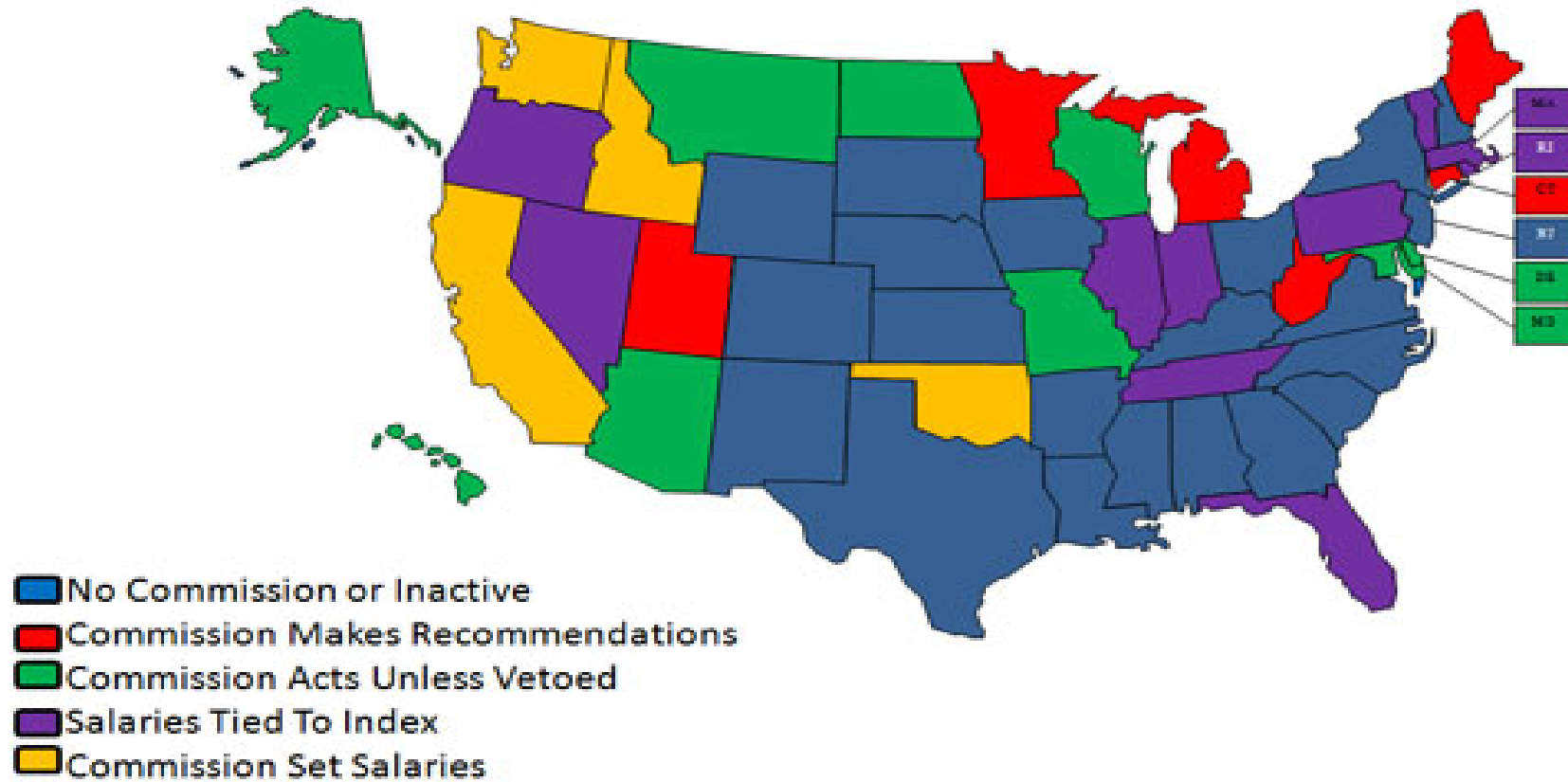


EQUITABLE COMPENSATION?



COST COMPARISON

Compensation Methods



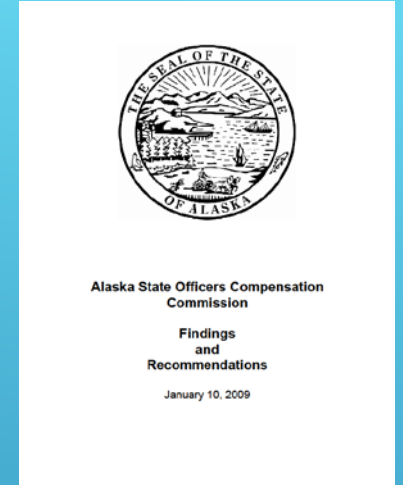
ASOCC HISTORY

▶ Alaska Officers Compensation Commission

- ▶ Authorized under AS 39.
- ▶ Passed as House Bill 417 during the 25th Alaska Legislature (2008).
- ▶ 2009 was the first issued report.

ASOCC HISTORY

- ▶ **Alaska Officers Compensation Commission**
 - ▶ 2009 Report Recommended:
 - ▶ Legislator Salary of \$50,400
 - ▶ An additional \$500 for President of the Senate and Speaker of the House
 - ▶ Per Diem, Office Expenses and Moving Expenses to be set by Legislative Council



ASOCC HISTORY

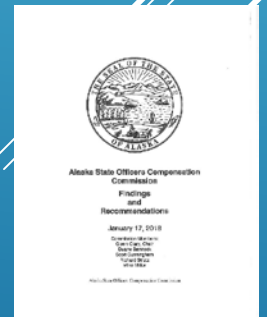
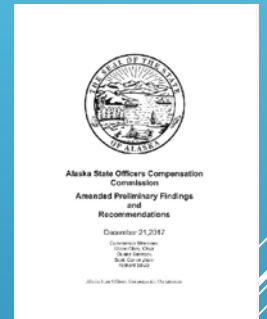
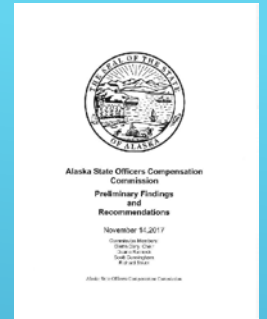
- ▶ **Alaska Officers Compensation Commission**
 - ▶ 2011 Recommended an increase to salaries of Governor (\$125k to \$145k) and Lt. Governor (\$100k to \$115k). Recommendation was not rejected.
 - ▶ 2014 Recommended an increase to salaries for Governor, Lt. Governor and Department Heads. Recommendation was rejected by Legislature and Governor.

ASOCC HISTORY

► Alaska Officers Compensation Commission

- ASOCC recommended salary increases for the Governor and Lt. Governor on two occasions and for department heads on one occasion,
- 2017 was the first recommended change to legislative compensation since 2009, and that recommendation was to decrease Juneau legislators compensation.

ASOCC HISTORY



- ▶ **Alaska Officers Compensation Commission**
 - ▶ In 10 years of existence, the ASOCC has failed to engage in a periodic review of legislative compensation, however, has on two occasions recommended increases to executive compensation.

ASOCC HISTORY



EQUITABLE COMPENSATION?

- ▶ Base Salary \$50,400
- ▶ Per diem based on federal short-term rate
- ▶ Relocation expenses provided
- ▶ Travel per diem provided
- ▶ Non-Juneau Base = \$75,150
- ▶ Juneau Base = \$68,692.5
- ▶ Total All Legislators Base = \$4.49 Million

Current Compensation							
			Per Diem		Individual	All Legislators	Total
	Salary	Meeting Stipend	Lodging	Meals	Estimated Totals	Totals	Difference From Current
w/in 50 miles							
Salary	\$ 50,400.00						
90-days	\$	-	\$ 11,407.50	\$ 7,155.00	\$ 68,962.50		
120-days	\$	-	\$ 15,435.00	\$ 9,540.00	\$ 75,375.00		
Special Session	\$	-	\$ 19,687.50	\$ 11,925.00			
Special Session	\$	-	\$ 23,940.00	\$ 14,310.00			
Special Session	\$	-	\$ 28,192.50	\$ 16,695.00			
					\$ 95,287.50		
Outside 50-miles							
Salary	\$ 50,400.00						
90-days	\$	-	\$ 15,210.00	\$ 9,540.00	\$ 75,150.00	\$ 4,490,437.50	
120-days	\$	-	\$ 20,580.00	\$ 12,720.00	\$ 83,700.00	\$ 4,997,025.00	
Special Session	\$	-	\$ 26,250.00	\$ 15,900.00			
Special Session	\$	-	\$ 31,920.00	\$ 19,080.00			
Special Session	\$	-	\$ 37,590.00	\$ 22,260.00			
					\$ 110,250.00	\$ 6,570,112.50	

CURRENT COMPENSATION

- ▶ Base Salary \$42,000
- ▶ Per day stipend
 - ▶ \$180 for Regular session
 - ▶ \$150 for extended session
 - ▶ \$50 for first special session
 - ▶ \$30 for second special session
 - ▶ \$10 for third special session
 - ▶ \$0 for an additional special sessions
- ▶ Per diem based on federal per diem
- ▶ Non-Juneau Base = \$73,635
- ▶ Juneau Base = \$58,200
- ▶ Total All Legislators Base = \$4.37 Million

Lower Salary to \$42,000, Add Meeting Stipend (\$180, \$150, \$50, \$30, \$10, \$0) federal per diem only for legislators residing 50 miles from meeting location								
		Per Diem				Individual	All Legislators	Total
	Salary	Meeting Stipend	Lodging	Meals	Estimated Total	Difference from Current	Totals	Difference From Current
w/in 50 miles								
Salary	\$ 42,000.00							
90-days		\$ 16,200.00	\$ -	\$ -	\$ 58,200.00	\$ (10,762.50)		\$ (32,287.50)
120-days		\$ 20,700.00	\$ -	\$ -	\$ 62,700.00	\$ (12,675.00)		\$ (38,025.00)
Special Session		\$ 22,200.00	\$ -	\$ -				
Special Session		\$ 23,100.00	\$ -	\$ -				
Special Session		\$ 23,400.00	\$ -	\$ -				
					\$ 65,400.00	\$ (29,887.50)		\$ (89,662.50)
Outside 50-miles								
Salary	\$ 42,000.00							
90-days		\$ 16,200.00	\$ 8,280.00	\$ 7,155.00	\$ 73,635.00	\$ (1,515.00)	\$ 4,371,795.00	\$ (118,642.50)
120-days		\$ 20,700.00	\$ 11,205.00	\$ 9,540.00	\$ 83,445.00	\$ (255.00)	\$ 4,944,465.00	\$ (52,560.00)
Special Session		\$ 22,200.00	\$ 16,875.00	\$ 12,720.00				
Special Session		\$ 23,100.00	\$ 22,545.00	\$ 15,900.00				
Special Session		\$ 23,400.00	\$ 28,215.00	\$ 19,080.00				
					\$ 112,695.00	\$ 2,445.00	\$ 6,619,815.00	\$ 49,702.50

OPTION A

- ▶ Base Salary \$40,200
- ▶ Per day stipend
 - ▶ \$300 for Regular session
 - ▶ \$150 for extended session
 - ▶ \$50 for first special session
 - ▶ \$30 for second special session
 - ▶ \$10 for third special session
 - ▶ \$0 for an additional special sessions
- ▶ Per diem based on state long-term rate of \$78 per day
- ▶ Non-Juneau Base = \$74,220
- ▶ Juneau Base = \$67,200
- ▶ Total All Legislators Base = \$4.43 Million

Lower Salary to \$40,200, Add Meeting Stipend (\$300, \$150, \$50, \$30, \$10, \$0)							
state per diem only for legislators residing 50 miles from meeting location							
	Salary	Meeting Stipend	Per Diem		Estimated Total	Individual Difference from Current	Total Difference From Current
			Lodging	Meals			
w/in 50 miles							
Salary	\$ 40,200.00						
90-days		\$ 27,000.00	\$ -	\$ -	\$ 67,200.00	\$ (1,762.50)	\$ (5,287.50)
120-days		\$ 31,500.00	\$ -	\$ -	\$ 71,700.00	\$ (3,675.00)	\$ (11,025.00)
Special Session		\$ 33,000.00	\$ -	\$ -			
Special Session		\$ 33,900.00	\$ -	\$ -			
Special Session		\$ 34,200.00	\$ -	\$ -			
					\$ 74,400.00	\$ (20,887.50)	\$ (62,662.50)
Outside 50-miles							
Salary	\$ 40,200.00						
90-days		\$ 27,000.00	\$ 4,050.00	\$ 2,970.00	\$ 74,220.00	\$ (930.00)	\$ 4,432,140.00 (58,297.50)
120-days		\$ 31,500.00	\$ 5,400.00	\$ 3,960.00	\$ 81,060.00	\$ (2,640.00)	\$ 4,835,520.00 (161,505.00)
Special Session		\$ 33,000.00	\$ 6,750.00	\$ 4,950.00			
Special Session		\$ 33,900.00	\$ 8,100.00	\$ 5,940.00			
Special Session		\$ 34,200.00	\$ 9,450.00	\$ 6,930.00			
					\$ 90,780.00	\$ (19,470.00)	\$ 5,397,660.00 (1,172,452.50)

OPTION B

- ▶ Base Salary \$30,000
- ▶ Per day stipend
 - ▶ \$300 for Regular session
 - ▶ \$150 for extended session
 - ▶ \$50 for first special session
 - ▶ \$30 for second special session
 - ▶ \$10 for third special session
 - ▶ \$0 for an additional special sessions
- ▶ Per diem based on state long-term rate of \$78 per day
- ▶ Non-Juneau Base = \$64,020
- ▶ Juneau Base = \$57,000
- ▶ Total All Legislators Base = \$3.82 Million

Lower Salary to \$30,000, Add Meeting Stipend (\$300, \$150, \$50, \$30, \$10, \$0)							
state per diem only for legislators residing 50 miles from meeting location							
	Salary	Meeting Stipend	Per Diem		Estimated Total	Individual Difference from Current	Total Difference From Current
			Lodging	Meals			
w/in 50 miles							
Salary	\$ 30,000.00						
90-days		\$ 27,000.00	\$ -	\$ -	\$ 57,000.00	\$ (11,962.50)	\$ (35,887.50)
120-days		\$ 31,500.00	\$ -	\$ -	\$ 61,500.00	\$ (13,875.00)	\$ (41,625.00)
Special Session		\$ 33,000.00	\$ -	\$ -			
Special Session		\$ 33,900.00	\$ -	\$ -			
Special Session		\$ 34,200.00	\$ -	\$ -			
					\$ 64,200.00	\$ (31,087.50)	\$ (93,262.50)
Outside 50-miles							
Salary	\$ 30,000.00						
90-days		\$ 27,000.00	\$ 4,050.00	\$ 2,970.00	\$ 64,020.00	\$ (11,130.00)	\$ 3,820,140.00 \$ (670,297.50)
120-days		\$ 31,500.00	\$ 5,400.00	\$ 3,960.00	\$ 70,860.00	\$ (12,840.00)	\$ 4,223,520.00 \$ (773,505.00)
Special Session		\$ 33,000.00	\$ 6,750.00	\$ 4,950.00			
Special Session		\$ 33,900.00	\$ 8,100.00	\$ 5,940.00			
Special Session		\$ 34,200.00	\$ 9,450.00	\$ 6,930.00			
					\$ 80,580.00	\$ (29,670.00)	\$ 4,785,660.00 \$ (1,784,452.50)

OPTION C

- ▶ Base Salary \$70,000
- ▶ No meeting stipend
- ▶ Per diem based on state long-term rate of \$78 per day
- ▶ Non-Juneau Base = \$70,000
- ▶ Juneau Base = \$77,020
- ▶ Total All Legislators Base = \$4.60 Million

Raise Salary, state Per Diem only for legislators residing 50 miles from meeting location							
	Salary	Meeting Stipend	Per Diem		Estimated Total	Individual	Total
			Lodging	Meals		Difference from Current	All Legislators Totals
w/in 50 miles							
Salary	\$ 70,000.00						
90-days	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00	\$ 1,037.50	\$ 3,112.50
120-days	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00	\$ (5,375.00)	\$ (16,125.00)
Special Session	\$ -	\$ -	\$ -	\$ -			
Special Session	\$ -	\$ -	\$ -	\$ -			
Special Session	\$ -	\$ -	\$ -	\$ -	\$ 70,000.00	\$ (25,287.50)	\$ (75,862.50)
Outside 50-miles							
Salary	\$ 70,000.00						
90-days	\$ -	\$ -	\$ 4,050.00	\$ 2,970.00	\$ 77,020.00	\$ 1,870.00	\$ 4,600,140.00
120-days	\$ -	\$ -	\$ 5,400.00	\$ 3,960.00	\$ 79,360.00	\$ (4,340.00)	\$ 4,733,520.00
Special Session	\$ -	\$ -	\$ 6,750.00	\$ 4,950.00			
Special Session	\$ -	\$ -	\$ 8,100.00	\$ 5,940.00			
Special Session	\$ -	\$ -	\$ 9,450.00	\$ 6,930.00	\$ 86,380.00	\$ (23,870.00)	\$ 5,133,660.00

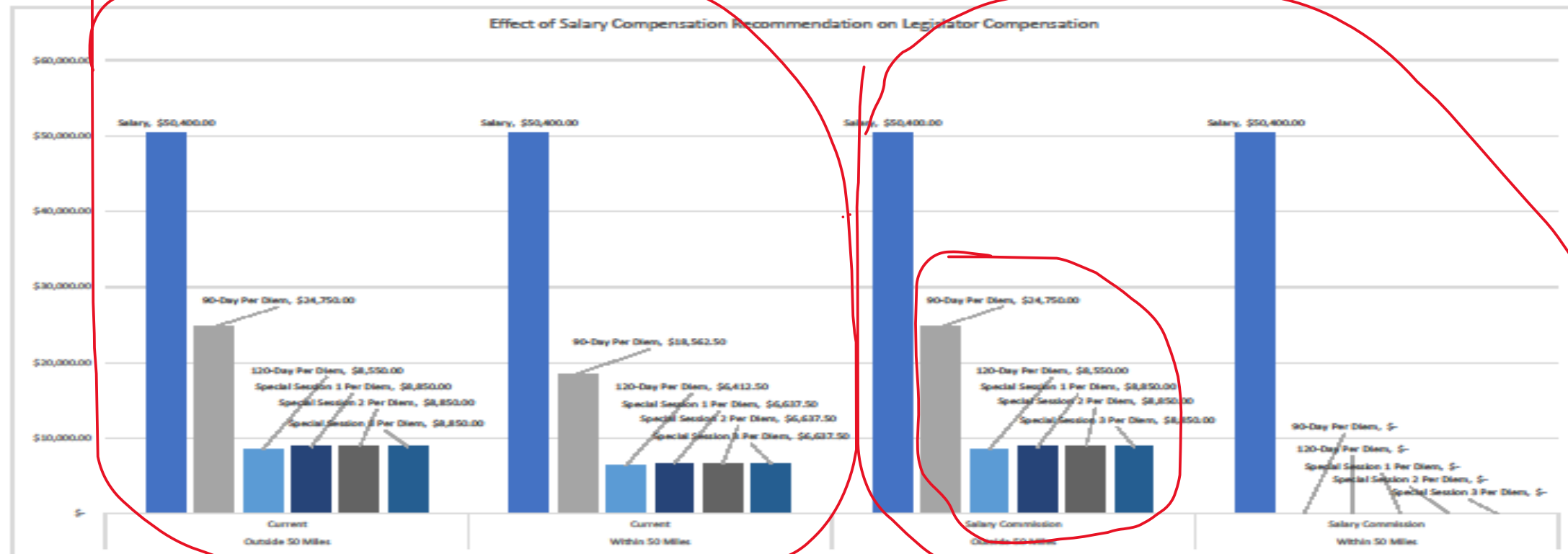
OPTION D



COST COMPARISON

- ▶ ASOCC Overall difference from current
 - ▶ 90-day: (\$55,687.50)
 - ▶ 120-day: (\$74,925.00)
 - ▶ Three special sessions in first year: (\$134,662.50)

COST COMPARISON



▶ Option A Overall Difference from current

- ▶ 90-day: (\$118,642.50)
- ▶ 120-day: (\$52,560.00)
- ▶ Three special sessions in first year: \$47,295.00

▶ Option B Overall Difference from current

- ▶ 90-day: (\$58,297.50)
- ▶ 120-day: (\$161,505.00)
- ▶ Three special sessions in first year: (\$1,172,452.50)

COST COMPARISON

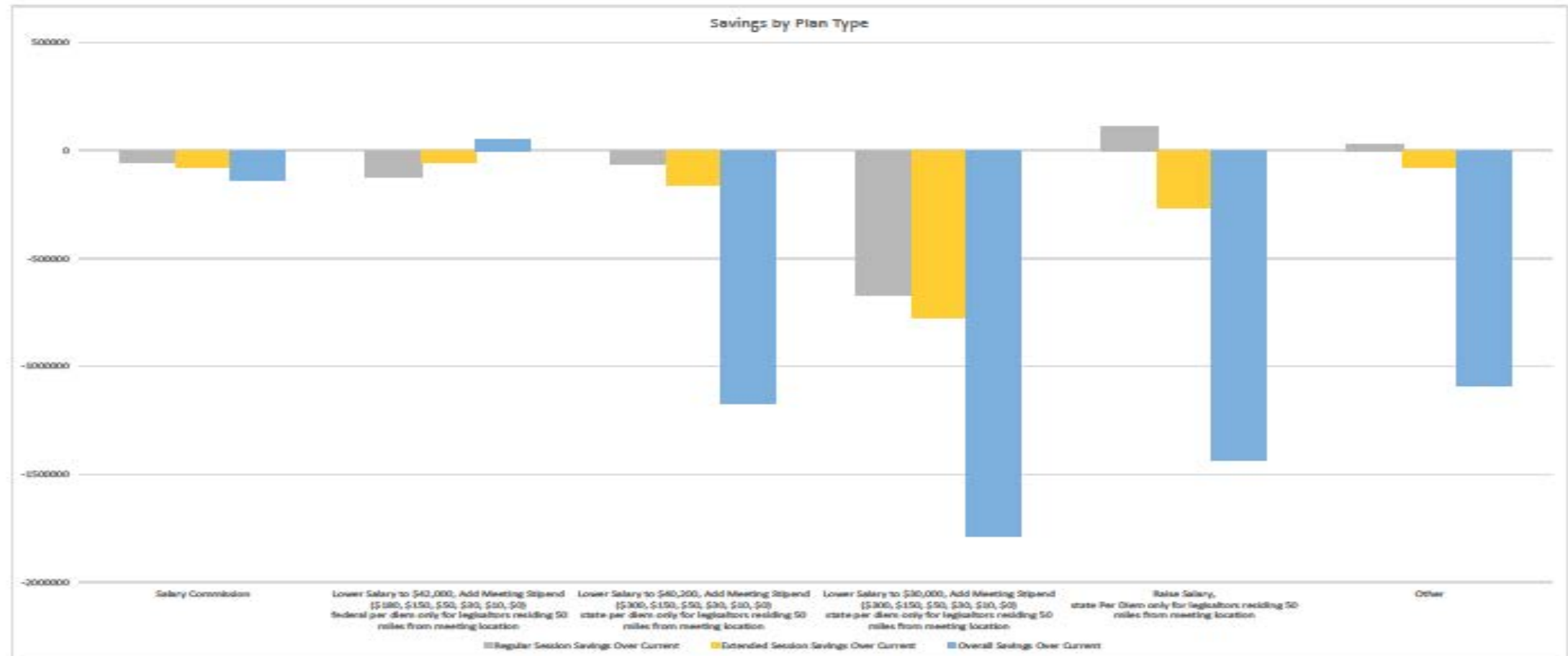
▶ Option C Overall Difference from Current

- ▶ 90-day: (\$670,297.50)
- ▶ 120-day: (\$773,505.00)
- ▶ Three special sessions in first year: (\$1,784,,452.50)

▶ Option D Overall Difference from Current

- ▶ 90-day: \$109,702.50
- ▶ 120-day: (\$263,505.00)
- ▶ Three special sessions in first year: (\$1,436,452.50)

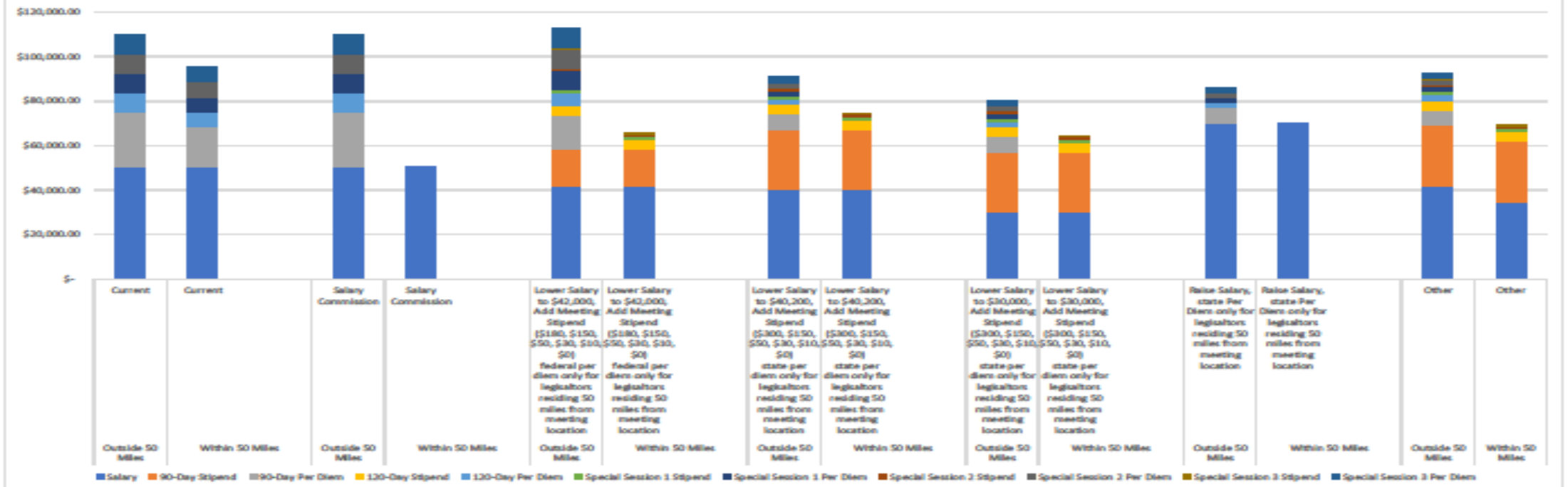
COST COMPARISON



► Individual differences between non-Juneau and Juneau

	90-day	120-day	Three Special Sessions
Current	(\$6,167.50)	(\$8,325.00)	(\$14,962.50)
ASOCC	(\$24,750.00)	(\$33,300.00)	(\$59,850.00)
OPTION A	(\$15,435.00)	(\$20,745.00)	(\$47,295.00)
OPTION B	(\$7,020)	(\$9,360.00)	(\$16,380.00)
OPTION C	(\$7,020)	(\$9,360.00)	(\$16,380.00)
OPTION D	(\$7,020)	(\$9,360.00)	(\$16,380.00)

INDIVIDUAL COMPENSATION



- ▶ Overall goal of the Committee Substitute
 - ▶ Take politics out of legislative compensation
 - ▶ Provide a mechanism for equitable compensation
 - ▶ Acknowledge per diem as cost of being displaced from ones own residence
 - ▶ Provide a disincentive for extending work beyond the regular 90-day session
 - ▶ Demonstrate cost savings

SUMMARY

QUESTIONS?

