



# LAWS OF ALASKA

**2008**

**Source**

SCS CSHB 417(FIN)

**Chapter No.**

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**AN ACT**

Relating to the compensation for certain public officials, officers, and employees not covered by collective bargaining agreements, to pay increments for longevity in state service, and to a State Officers Compensation Commission; providing for an effective date by repealing the effective dates of certain sections of ch. 124, SLA 1986; and providing for an effective date.

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**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

THE ACT FOLLOWS ON PAGE 1



## AN ACT

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2 by collective bargaining agreements, to pay increments for longevity in state service, and to a  
3 State Officers Compensation Commission; providing for an effective date by repealing the  
4 effective dates of certain sections of ch. 124, SLA 1986; and providing for an effective date.

5 \_\_\_\_\_  
6 \* **Section 1.** AS 16.43.060 is amended to read:

7       **Sec. 16.43.060. Compensation.** Members of the commission are in the exempt  
8 service and are entitled to a monthly salary equal to **a step in** [STEP C,] Range **27**  
9 [26] of the salary schedule in **AS 39.27.011** [AS 39.27.011(a) FOR JUNEAU,  
10 ALASKA].

11 \* **Sec. 2.** AS 24.10.100 is amended to read:

12       **Sec. 24.10.100. Salary of legislators.** **Legislators shall receive a** [THE]

1 monthly salary **under AS 39.23** [FOR EACH MEMBER OF THE LEGISLATURE IS  
2 \$2,001]. The president of the senate and the speaker of the house of representatives  
3 **may receive additional compensation under AS 39.23** [ARE EACH ENTITLED  
4 TO AN ADDITIONAL \$500 A YEAR] during tenure of office.

5 \* **Sec. 3.** AS 24.10.130 is amended to read:

6 **Sec. 24.10.130. Moving expenses and per diem allowance.** (a) A member of  
7 the legislature **may be** [IS] entitled to reimbursement for the expenses of moving  
8 between the member's place of residence and the capital city for the purpose of  
9 attending a regular session of the legislature.

10 (b) Legislators and officers and employees of the legislative branch of  
11 government **may be** [ARE] entitled to a per diem allowance.

12 (c) The Alaska Legislative Council shall adopt a policy **in accordance with**  
13 **AS 39.23.540(d)** regarding reimbursement for moving expenses applicable to all  
14 legislators and an applicable per diem allowance policy. The policy must set  
15 conditions for the reimbursement for moving expenses and payment of per diem and  
16 prescribe the amounts of reimbursement adapted to the special needs of the legislative  
17 branch as determined by the council.

18 \* **Sec. 4.** AS 26.05.260(i) is amended to read:

19 (i) When active state service is authorized by the governor or by the adjutant  
20 general as the governor's designee, members of the Alaska State Defense Force are  
21 entitled to receive, for each day of active service under AS 26.05.070, pay and  
22 allowances as provided in this subsection. Pay is equal to that provided under  
23 **AS 39.27.011(a) - (f) and 39.27.020** [AS 39.27.011 - 39.27.020] for equivalent  
24 assignments of state officials or employees, including adjustments under  
25 AS 39.27.025, if applicable. Allowances shall be paid to the same extent, in the same  
26 manner, and under the same conditions as provided for state officials and employees  
27 under AS 39.20.110 - 39.20.170. However, pay or allowances are not authorized for  
28 training or community service activities of members of the Alaska State Defense  
29 Force.

30 \* **Sec. 5.** AS 36.30.010(d) is amended to read:

31 (d) The annual salary of the chief procurement officer is range **27** [24] of the

1 salary schedule established in AS 39.27.011.

2 \* **Sec. 6.** AS 39.20.010(a) is amended to read:

3 (a) The annual salary of the governor **shall be in accordance with AS 39.23**  
4 [IS \$125,000].

5 \* **Sec. 7.** AS 39.20.030(a) is amended to read:

6 (a) The annual salary of the lieutenant governor **shall be in accordance with**  
7 **AS 39.23** [IS \$100,000].

8 \* **Sec. 8.** AS 39.20.080(a) is amended to read:

9 (a) The monthly salary of the head of each principal executive department of  
10 the state **shall be in accordance with AS 39.23** [IS NOT LESS THAN RANGE 28  
11 NOR MORE THAN RANGE 30 OF THE SALARY SCHEDULE IN  
12 AS 39.27.011(a) FOR JUNEAU, ALASKA].

13 \* **Sec. 9.** AS 39.20.080(b) is amended to read:

14 (b) The monthly salary of a deputy head of a principal executive department  
15 of the state is **equal to a step in** [NOT LESS THAN STEP A NOR MORE THAN  
16 STEP F,] Range 28 of the salary schedule in **AS 39.27.011** [AS 39.27.011(a) FOR  
17 JUNEAU, ALASKA].

18 \* **Sec. 10.** AS 39.23 is amended by adding new sections to read:

19 **Sec. 39.23.500. Compensation commission established.** (a) The State  
20 Officers Compensation Commission is established. The commission is composed of  
21 five members who are state residents appointed by the governor. One member shall be  
22 appointed from a list of two or more candidates submitted by the president of the  
23 senate. One member shall be appointed from a list of two or more candidates  
24 submitted by the speaker of the house of representatives. Members serve for staggered  
25 terms of four years. Except as provided in AS 39.05.080(4), a vacancy shall be filled  
26 for the balance of the unexpired term. A commission member may serve not more than  
27 two complete consecutive terms.

28 (b) The commission shall annually elect a member to chair its meetings. A  
29 majority of the commission members constitutes a quorum to transact business. The  
30 affirmative vote of three members is required to approve the commission's  
31 recommendations on compensation.

1 (c) The commission shall meet at the call of the chair. Notice of a meeting  
2 shall be mailed to each member at least 20 days before the date scheduled for the  
3 meeting.

4 (d) The commission shall meet to discuss its findings and recommendations at  
5 least twice before submitting its final report to the presiding officers of each house of  
6 the legislature and the governor.

7 (e) For budgetary purposes, the commission shall be established in the  
8 Department of Administration.

9 **Sec. 39.23.510. Prohibitions against state or municipal service.** (a) During  
10 membership on the commission, a member of the commission may not

11 (1) be employed by the state, including the University of Alaska;

12 (2) serve as a member of another state board, commission, or  
13 authority; or

14 (3) hold elective state or municipal office.

15 (b) A member of the commission may not, in the four years preceding that  
16 member's appointment, have served in an office or position for which the commission  
17 shall submit a recommendation under AS 39.23.540.

18 **Sec. 39.23.520. Compensation.** Members of the commission serve without  
19 compensation but are entitled to per diem and travel expenses authorized for members  
20 of boards and commissions under AS 39.20.180.

21 **Sec. 39.23.530. Staff.** The director of personnel in the Department of  
22 Administration shall serve as ex officio secretary to the commission and provide  
23 research, technical, and administrative services.

24 **Sec. 39.23.540. Duties of the commission.** (a) The commission shall review  
25 the salaries, benefits, and allowances of members of the legislature, the governor, the  
26 lieutenant governor, and each principal executive department head and prepare a  
27 report on its findings at least once every two years, but not more frequently than every  
28 year. The commission shall notify the legislature that the report is available.

29 (b) The commission may request reports or studies from any state agency as to  
30 the rate and form of compensation, benefits, and allowances for legislators, the  
31 governor, the lieutenant governor, and each executive department head. A state agency

1 from which a report or a study is requested shall furnish it within a period of time  
2 prescribed by the commission.

3 (c) By November 15, the commission shall prepare its preliminary findings  
4 and recommendations for compensation of state officers that is reasonable and  
5 equitable. The commission shall give reasonable public notice of its preliminary  
6 findings and recommendations, solicit public comments, and give due regard to the  
7 public comments, before submitting a final report under (d) of this section.

8 (d) The commission shall make available to the governor and presiding  
9 officers of each house of the legislature a final report of its findings and  
10 recommendations as to the rate and form of compensation, benefits, and allowances  
11 for legislators, the governor, the lieutenant governor, and each principal executive  
12 department head during the first 10 days of a legislative session. Subject to (g) of this  
13 section and unless a bill disapproving all the recommendations for all officers listed in  
14 this section is enacted into law within 60 days after the recommendations are  
15 submitted to the governor and presiding officers of each house of the legislature, a  
16 recommendation as to the compensation, benefits, and allowances for

17 (1) a legislator has the force of law and becomes effective on the first  
18 day of the next regular legislative session; and

19 (2) the governor, the lieutenant governor, and each principal executive  
20 department head has the force of law and becomes effective on the first day of the  
21 fiscal year following the fiscal year in which the recommendation is submitted.

22 (e) The commission may prepare amendments to the report submitted under  
23 (d) of this section and notify the legislature that the amendments are available.

24 (f) A commission member who does not concur in the proposed or final  
25 recommendations may attach written objections to the commission's report of its  
26 findings and recommendations.

27 (g) A recommendation under this section increasing the compensation,  
28 benefits, and allowances of a public officer is not effective unless all recommended  
29 increases included in the final report under (d) of this section are fully funded by  
30 appropriations.

31 **Sec. 39.23.550. Recommendations relating to compensation.** (a) A

1 recommendation of the commission may not have the effect of reducing the  
2 compensation or benefits of the governor and lieutenant governor who are in office or  
3 an executive department head who is appointed on or before the effective date of the  
4 commission's recommendation.

5 (b) The commission may recommend reduction in compensation for  
6 individuals who become governor, lieutenant governor, or an executive department  
7 head after the effective date of the commission's recommendation.

8 **Sec. 39.23.560. Recommendations relating to benefits.** The  
9 recommendations of the commission relating to benefits may not include any  
10 recommendation relating to health, retirement, disability, or death benefits under  
11 AS 39.30 and AS 39.35 for members of the legislature, the governor, the lieutenant  
12 governor, and each principal executive department head.

13 **Sec. 39.23.570. Filing with lieutenant governor and certification.** The  
14 commission shall, on transmitting its final recommendations for the compensation of  
15 legislators, the governor, the lieutenant governor, and each principal executive  
16 department head to the legislature, file the recommendations in the office of the  
17 lieutenant governor. When the recommendations become effective, the commission  
18 shall certify the copy of the recommendations on file in the office of the lieutenant  
19 governor.

20 **Sec. 39.23.580. Policy of the legislature.** It is the policy of the legislature that  
21 the commission recommend an equitable rate and form of compensation, benefits, and  
22 allowances for legislators.

23 **Sec. 39.23.590. Administrative Procedure Act inapplicable.** AS 44.62  
24 (Administrative Procedure Act) does not apply to proceedings of the commission.

25 **Sec. 39.23.599. Definition.** In AS 39.23.500 - 39.23.599, "commission" means  
26 the State Officers Compensation Commission.

27 \* **Sec. 11.** AS 39.27.011(a) is repealed and reenacted to read:

28 (a) The following monthly basic salary schedule is approved as the pay plan  
29 for classified and partially exempt employees in the executive branch of the state  
30 government who are not members of a collective bargaining unit established under the  
31 authority of AS 23.40.070 - 23.40.260 (Public Employment Relations Act), and for



employees of the legislature under AS 24:

Range	Step	Step	Step	Step	Step	Step
No.	A	B	C	D	E	F
05	1892	1945	1999	2056	2117	2174
06	1999	2056	2117	2174	2238	2303
07	2117	2174	2238	2303	2374	2449
08	2238	2303	2374	2449	2518	2596
09	2374	2449	2518	2596	2679	2755
10	2518	2596	2679	2755	2840	2922
11	2679	2755	2840	2922	3022	3118
12	2840	2922	3022	3118	3223	3332
13	3022	3118	3223	3332	3449	3572
14	3223	3332	3449	3572	3697	3837
15	3449	3572	3697	3837	3960	4109
16	3697	3837	3960	4109	4257	4407
17	3960	4109	4257	4407	4558	4715
18	4257	4407	4558	4715	4861	5046
19	4558	4715	4861	5046	5203	5393
20	4861	5046	5203	5393	5555	5761
21	5203	5393	5555	5761	5938	6153
22	5555	5761	5938	6153	6353	6582
23	5938	6153	6353	6582	6801	7054
24	6353	6582	6801	7054	7289	7536
25	6801	7054	7289	7536	7809	8100
26	7054	7289	7536	7809	8100	8391
27	7289	7536	7809	8100	8391	8707
28	7536	7809	8100	8391	8707	9010
29	7809	8100	8391	8707	9010	9327
30	8100	8391	8707	9010	9327	9655.

\* **Sec. 12.** AS 39.27.011(e) is amended to read:

(e) Effective July 1, **2008** [2005], the amounts set out in the salary schedule

1 contained in (a) of this section are increased by **three** [TWO] percent.

2 \* **Sec. 13.** AS 39.27.011(f) is amended to read:

3 (f) Effective July 1, **2009** [2006], the amounts set out in the salary schedule  
4 contained in (a) of this section, as increased under (e) of this section, are increased by  
5 **three** [TWO] percent.

6 \* **Sec. 14.** AS 39.27.011 is amended by adding new subsections to read:

7 (h) Pay increments, computed at the rate of 3.75 percent of the employee's  
8 base salary, shall be provided after an employee has remained in the final step within a  
9 given range for two years, and every two years thereafter, if, at the time the employee  
10 becomes eligible for the increment, the employee's current annual rating by the  
11 employee's supervisors is designated as "good" or higher.

12 (i) Pay increments provided for in (h) of this section are approved under  
13 AS 39.25.150(2) as an amendment to the pay plan for employees of the state.

14 (j) Subsections (h) and (i) of this section apply to employees of the legislature  
15 only if the committee responsible for adopting employment policies concerning the  
16 employee adopts a written policy that (h) and (i) of this section apply. Subsections (h)  
17 and (i) of this section apply to the employees of the office of the ombudsman only if  
18 the ombudsman adopts a policy that (h) and (i) of this section apply. Subsections (h)  
19 and (i) of this section apply to the employees of the office of victims' rights only if the  
20 victims' advocate adopts a policy that (h) and (i) of this section apply.

21 \* **Sec. 15.** AS 42.04.020(f) is amended to read:

22 (f) Members of the commission are in the exempt service and are entitled to a  
23 monthly salary equal to **a step in** [STEP C,] Range **27** [26,] of the salary schedule in  
24 AS 39.27.011(a) for Juneau, Alaska. The chair of the commission is entitled to a  
25 monthly salary equal to **a step in** [STEP C,] Range 27 [,] of the salary schedule in  
26 AS 39.27.011(a) for Juneau, Alaska.

27 \* **Sec. 16.** AS 39.23.200, 39.23.210, 39.23.220, 39.23.230, 39.23.240, 39.23.250, 39.23.260,  
28 39.23.270, and 39.23.400 are repealed.

29 \* **Sec. 17.** AS 39.27.022 is repealed.

30 \* **Sec. 18.** Sections 5, 6, 7, and 8, ch. 124, SLA 1986, and that portion of sec. 12, ch. 124,  
31 SLA 1986, that provides for the delayed repeal of AS 24.10.100 and 24.10.105 are repealed.

1     \* **Sec. 19.** The uncoded law of the State of Alaska is amended by adding a new section to  
2 read:

3           SALARY ADJUSTMENTS FOR CERTAIN EXEMPT OFFICERS AND  
4 EMPLOYEES OF THE EXECUTIVE BRANCH. (a) Public officers and permanent and  
5 temporary employees in the executive branch of the state government, other than the governor  
6 and lieutenant governor, who are in the exempt service under AS 39.25.110, are not members  
7 of a collective bargaining unit established under AS 23.40.070 - 23.40.260 (Public  
8 Employment Relations Act), and are not otherwise covered by AS 39.27.011(a), are entitled  
9 to receive salaries comparable to those received by classified and partially exempt employees  
10 of the executive branch under AS 39.27.011(a), as repealed and reenacted by sec. 11 of this  
11 Act, and under AS 39.27.011(e) and (f), as amended by secs. 12 and 13 of this Act.

12           (b) The agencies employing noncovered exempt officers and employees covered by  
13 this section may adopt compensation policies that provide for pay increments under  
14 AS 39.27.011(h) and (i), enacted by sec. 14 of this Act.

15     \* **Sec. 20.** The uncoded law of the State of Alaska is amended by adding a new section to  
16 read:

17           SALARY ADJUSTMENTS FOR CERTAIN EMPLOYEES OF THE JUDICIAL  
18 BRANCH. (a) Permanent and temporary employees and magistrates in the judicial branch of  
19 the state government, other than justices and judges, who are not members of a collective  
20 bargaining unit established under AS 23.40.070 - 23.40.260 (Public Employment Relations  
21 Act), and are not otherwise covered by AS 39.27.011(a), are entitled to receive salary  
22 adjustments comparable to those received by classified and partially exempt employees of the  
23 executive branch under AS 39.27.011(a), as repealed and reenacted by sec. 11 of this Act, and  
24 under AS 39.27.011(e) and (f), as amended by secs. 12 and 13 of this Act.

25           (b) The judicial branch may adopt compensation policies for its temporary and  
26 permanent employees and magistrates, other than justices and judges, that provide for pay  
27 increments under AS 39.27.011(h) and (i), enacted by sec. 14 of this Act.

28           (c) Justices of the supreme court and judges of the court of appeals and the superior  
29 and district courts are entitled to receive salary adjustments provided for in secs. 11 - 13 of  
30 this Act, in accordance with AS 22.05.140(d), AS 22.07.090(c), AS 22.10.190(d), and  
31 AS 22.15.220(e).

1     \* **Sec. 21.** The uncoded law of the State of Alaska is amended by adding a new section to  
2 read:

3             **SALARY INCREASES FOR CERTAIN EMPLOYEES OF THE UNIVERSITY OF**  
4 **ALASKA.** The employees of the University of Alaska who are not members of a collective  
5 bargaining unit are entitled to receive salary increases in accordance with the compensation  
6 policy of the Board of Regents of the University of Alaska.

7     \* **Sec. 22.** The uncoded law of the State of Alaska is amended by adding a new section to  
8 read:

9             **INITIAL APPOINTMENTS AND TERMS; FIRST MEETING.** (a) The initial  
10 members of the State Officers Compensation Commission shall be appointed within 90 days  
11 after the effective date of this section.

12             (b) Notwithstanding AS 39.23.500(a), as enacted by sec. 10 of this Act, the terms of  
13 the first members of the State Officers Compensation Commission appointed by the governor  
14 under AS 39.23.500(a), as enacted by sec. 10 of this Act, are as follows: (1) two members  
15 shall be appointed for a four-year term; (2) one member shall be appointed for a three-year  
16 term; (3) one member shall be appointed for a two-year term; and (4) one member shall be  
17 appointed for a one-year term. The governor shall specify the term of office of each member  
18 appointed subject to this section.

19             (c) Notwithstanding AS 39.23.500(c), as enacted by sec. 10 of this Act, the first  
20 meeting of the commission shall be called by the governor.

21     \* **Sec. 23.** The uncoded law of the State of Alaska is amended by adding a new section to  
22 read:

23             **PROSPECTIVE APPLICATION.** (a) Notwithstanding any other provisions of law,  
24 sec. 14 of this Act applies prospectively only. An employee may only earn pay increments  
25 under AS 39.27.011(h) and (i), as enacted by sec. 14 of this Act, based on qualifying service  
26 occurring on or after the effective date of sec. 14 of this Act.

27             (b) It is the intent of the legislature that (a) of this section is to expressly avoid the  
28 result in the decision of the Alaska Supreme Court in *APEA v. State*, 525 P.2d 12 (Alaska  
29 1974).

30             (c) Notwithstanding any other provision of this section, an employee who does not  
31 elect to receive a pay increment under sec. 24 of this Act is entitled to receive a pay increment

1 computed at the rate of 3.75 percent of the employee's base salary instead of the first  
2 increment to which the employee would otherwise be entitled under AS 39.27.011(h) and (i),  
3 as enacted by sec. 14 of this Act, if, at the time the employee becomes eligible for the  
4 increment under this subsection, the employee's current annual rating by the employee's  
5 supervisors is designated as "good" or higher and the employee has served

6 (1) at least two years toward an increment under former AS 39.27.022; or

7 (2) at the last step of the employee's pay range for the two years immediately  
8 preceding the effective date of this section.

9 \* **Sec. 24.** The uncoded law of the State of Alaska is amended by adding a new section to  
10 read:

11 **TRANSITION.** Notwithstanding sec. 17 of this Act, if, but for the repeal of  
12 AS 39.27.022 by sec. 17 of this Act, an employee would have received a pay increment under  
13 former AS 39.27.022 within two years after the effective date of sec. 17 of this Act, the  
14 employee may elect to receive that increment instead of

15 (1) the first increment to which the employee would otherwise be entitled  
16 under AS 39.27.011(h) and (i), as enacted by sec. 14 of this Act; and

17 (2) the increment to which the employee would otherwise be entitled under  
18 sec. 23(c) of this Act.

19 \* **Sec. 25.** The uncoded law of the State of Alaska is amended by adding a new section to  
20 read:

21 **RETROACTIVITY.** Sections 11, 19(a), 20(a), and 21 of this Act are retroactive to  
22 July 1, 2007.

23 \* **Sec. 26.** The uncoded law of the State of Alaska is amended by adding a new section to  
24 read:

25 **CONDITIONAL EFFECT.** (a) Sections 2, 3, and 6 - 8 of this Act take effect only if

26 (1) the State Officers Compensation Commission, established under sec. 10 of  
27 this Act, submits recommendations under AS 39.23.540(d), as enacted by sec. 10 of this Act;

28 (2) those recommendations are not disapproved of in the time and manner  
29 described in AS 39.23.540(d), as enacted by sec. 10 of this Act; and

30 (3) all of those recommendations are fully funded by appropriations as  
31 required by AS 39.23.540(g), added by sec. 10 of this Act.

1           (b) If the first recommendations submitted by the State Officers Compensation  
2 Commission under (a) of this section are disapproved or are not fully funded, the commission  
3 may continue to submit recommendations under (a) of this section until secs. 2, 3, and 6 - 8 of  
4 this Act take effect.

5           (c) This section does not prevent a head of a principal executive department of the  
6 state from obtaining a salary adjustment under sec. 19(a) of this Act.

7       \* **Sec. 27.** Sections 9 and 12, ch. 124, SLA 1986, are repealed.

8       \* **Sec. 28.** If secs. 2, 3, and 6 - 8 of this Act take effect under sec. 26 of this Act,

9           (1) secs. 2 and 3 of this Act take effect on the effective date of the  
10 appropriation described in sec. 26(a)(3) of this Act fully funding the recommendation for  
11 legislators; and

12           (2) secs. 6 - 8 of this Act take effect on the effective date of the appropriation  
13 described in sec. 26(a)(3) of this Act fully funding the recommendations for the governor, the  
14 lieutenant governor, and each principal executive department head.

15       \* **Sec. 29.** Sections 10, 11, 16, 19(a), 20(a), 21, 22, and 25 - 27 of this Act take effect  
16 immediately under AS 01.10.070(c).

17       \* **Sec. 30.** Except as provided in secs. 28 and 29 of this Act, this Act takes effect July 1,  
18 2008.