



SPONSOR STATEMENT

House Bill 300

House Bill 300 was introduced by request of the Alaska Supreme Court. The bill amends the statutory provisions that govern the geographic cost of living adjustments that apply to judges' and justices' salaries. Under the proposed legislation judges' and justices' geographic cost of living adjustments would be calculated in the same manner as for executive branch employees who are not represented by a union.

Under current law, and unlike other state employees, judges and justices have two caps on their cost of living adjustment. The first is an artificially low adjustment calculation; the second is a restriction on the portion of their salary to which the adjustment applies.

Alaska Statute 22.35.010 states that the geographic cost of living adjustment for judges and justices is limited to a maximum of 17.5% and applies only to the first \$40,000 of their salary (for a maximum of \$7,000). No other state employees are subject to these restrictions.

By comparison, the geographic cost of living adjustment applied to the salaries of employees in the executive branch in Barrow, Kotzebue and Nome is 36.92%, in Bethel it is 32.26%, and in Dillingham it is 27.75%. As with all state employees other than judges, those adjustments apply to the attorneys' full salaries. By capping judicial adjustments at \$7,000, the judges in those same communities have an effective geographic cost of living adjustment of less than 5% of their salaries. Obviously, that does not fully offset the higher cost of living in those communities.

The severely limited cost of living adjustments are unfair to rural judges and they likely discourage qualified candidates from applying for judicial openings in rural Alaska. The attached bill is intended to address these problems.

Thank you for your consideration of this bill.