

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version: HB 322  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB322-DOA-DOP-3-1-16  
Title: EXEMPT STATE EMPLOYEE SALARY LIMIT  
Sponsor: COLVER  
Requester: House State Affairs

Department: Department of Administration  
Appropriation: Centralized Administrative Services  
Allocation: Personnel  
OMB Component Number: 56

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	<b>0.0</b>	***	***	***	***	***

## Fund Source (Operating Only)

None							
<b>Total</b>	***	<b>0.0</b>	***	***	***	***	***

## Positions

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>							
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**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2017) cost:** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: Kate Sheehan, Director  
Division: Personnel and Labor Relations  
Approved By: Sheldon Fisher, Commissioner  
Agency: Department of Administration

Phone: (907)465-4403  
Date: 03/01/2016 12:44 PM  
Date: 03/01/16

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

BILL NO. HB 322

### Analysis

This bill limits the monthly salary that can be paid to exempt employees as defined in AS 39.25.110 to that of the Governor.

Excluded in bill: president of the University of Alaska, president and three employees of the Alaska Gasline Development Corporation, petroleum engineers and petroleum geologists employed in a professional capacity by the Department of Natural Resources, justices, judges, and magistrates of the judicial branch, officers and employees of the Alaska Permanent Fund and the state medical examiner.

Not excluded in bill: AS 39.25.110 includes "persons employed by the division of marine transportation as masters and members of the crews of vessels who operate the state ferry system and who are covered by a collective bargaining agreement provided in AS 23.40.040." Changes to salaries for these persons must be bargained.

This bill allows the Governor to make case by case exception to this limitation if it is in the state's best interest. He is required to submit a report to the Legislature with the position description and recommended salary level. However, HB 322 does not indicate the next steps once the report is provided; it is unclear whether the Governor can move forward with recommended salary level or must first seek approval from the Legislature.

For these reasons, the Division of Personnel submits an indeterminate fiscal note.