

HB

3002

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: May 4, 2000

FURTHER REFERRALS:

Date of Committee Action: 5/5/00

The FINANCE Committee considered:

HB 3002

HOUSE BILL NO. 3002

NONUNION PUBLIC EMPLOYEE SALARY & BENEFIT

"An Act relating to the compensation of certain public officials, officers, and employees not covered by collective bargaining agreements; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 3002 (Fin) ☐ the same title ☒ a new title

☐ additional referral to _____ Committee
☐ attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) APPROVES PREVIOUS: (Dept/Date)

☐ fiscal note(s) _____ ☐ fiscal note(s) _____

☒ zero fiscal note(s) HFC for VA ☐ zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<u>Don Therrault</u>	Therrault			X	
<u>Ellen Spald</u>	Spald	X			
<u>Van Bunde</u>	Bunde	X			
<u>Ellen Austerman</u>	Austerman	X			
<u>J. Davies</u>	J. Davies	X			
<u>Ben Grussendorf</u>	Grussendorf	X			
<u>Robert Moses</u>	Moses	X			
<u>G. Davis</u>	G. Davis	X			
<u>W.R. Williams</u>	Williams	X			
<u>Phillips</u>	Phillips	X			
<u>Foster</u>	Foster	X			

CO CHAIR'S SIGNATURE Don Therrault Ellen Spald
Therrault Spald

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. HB 3002

Revision Date: _____
Title: Compensation for certain state officials

Dept. Affected University of Alaska
BRU Statewide

Sponsor: House Rules by Request of the Governor
Requester: _____

Component _____
Component Serial No. _____

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES []						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY00) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Funding for HB 3002 is contained in HB 3001.

Prepared by

Rep. Eldon Mulder, Co-Chair House Finance Committee

Rep. Gene Therriault, Co-Chair House Finance Committee

Phone 465-2647

Phone 465-4797

Date 5/5/00

APR-17-00 MON 12:40

DIV OF PERSONNEL

FAX NO. 907 485 2576

P. 02/02

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Darryl Tseu, Regional Director
Inlandboatmen's Union of the Pacific
231 S. Franklin, Suite 201
Juneau AK 99801

Dear Mr. Tseu:

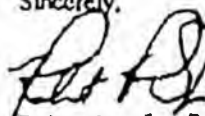
Re: HEALTH INSURANCE SAVINGS

In our recently concluded contract negotiations we agreed to a three-year schedule for the State of Alaska's monthly contributions to health care premiums for each eligible employee. We also agreed that you may choose to implement a health benefit trust plan to provide health benefits to your bargaining unit employees and any savings achieved as a result of a reduced premium would be shared between the individual employees and the State of Alaska.

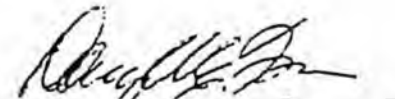
With respect to the specific issue of savings, it was our intent that in the event the Union obtains or establishes a total premium cost per employee through its trust plan that is less than the amount of monthly premium contributions being made by the State, the State will remit fifty percent (50%) of the net savings to individual employees for their exclusive use as a pre-tax contribution to a Health Care Reimbursement Account, or such other distribution as may be determined by the Union or Association. The State of Alaska will retain the remaining fifty-percent (50%) of the savings.

Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter

Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

4/18/00

Date

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Chuck O'Connell, Business Manager
Alaska State Employees Association
626 "F" Street
Anchorage AK 99501

Dear Mr. O'Connell:

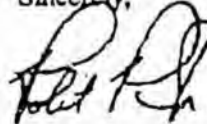
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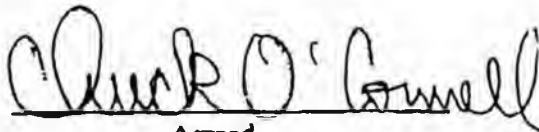
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Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

4-17-00

Date

02-891M

APR 17 '00 13:24

907 465 2576 PAGE.002

** TOTAL PAGE.001 **

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Bruce Ludwig, Business Manager
Alaska Public Employees Assn.
211 Fourth Street, Suite 306
Juneau AK 99801

Dear Mr. Ludwig:

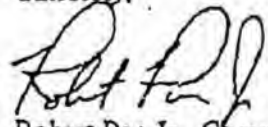
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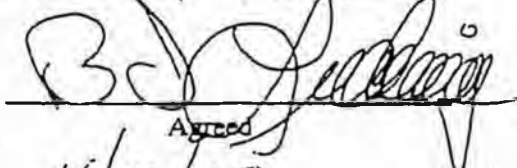
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Sincerely,


Robert Poe Jr., Commissioner
Department of Administration

EXISTING INTENT


Agreed
4/17/00
Date

APR-17-00 MON 15:45

P. 02

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2300
FAX: (907) 465-2135

April 17, 2000

Don Valesko, Business Manager
Public Employees Local 71, AFL-CIO
2510 Arctic Boulevard
Anchorage AK 99503-2516

Dear Mr. Valesko:

Re: HEALTH INSURANCE SAVINGS

In our recently concluded contract negotiations we agreed to a three-year schedule for the State of Alaska's monthly contributions to health care premiums for each eligible employee.

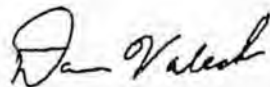
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Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

April 17, 2000

Date

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 6200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Keith Perrin, Business Manager
Public Safety Employees Assn.
4300 Boniface Pkwy., Suite 116
Anchorage AK 99504-4387

Dear Mr. Perrin:

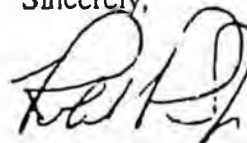
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Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

4-17-00

Date

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2155

April 17, 2000

Margaret Mackinnon, President
Alyeska Central School Education Assn.
PO Box 20665
Juneau AK 99802-0665

Dear Ms. Mackinnon:

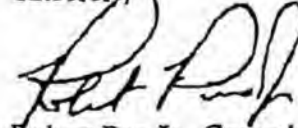
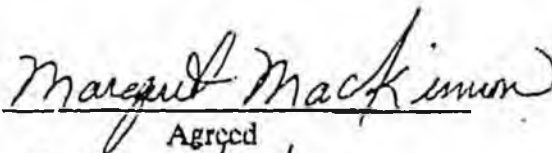
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Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,

Robert Poe Jr., Commissioner
Department of Administration

Agreed

4/17/00

Date

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 485-2200
FAX: (907) 485-2135

April 17, 2000

Capt. Steve Demeroutis, Vice President
Int'l. Organization of Masters, Mates & Pilots
2333 Third Avenue
Seattle WA 98121-1711

Dear Capt. Demeroutis:

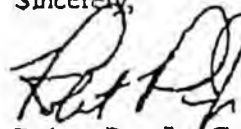
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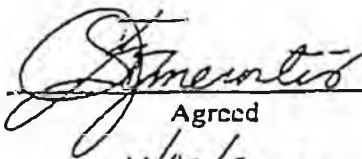
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Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

4/17/2000

Date

FAX TRANSMITTAL
STATE OF ALASKA
Department of Administration

To: Darryl TseuDate: 4/17/00

Phone: _____

Fax#: 586-8222From: Dave K.

Phone: (907) 465-2200

Department of Administration

Office of the Commissioner

P.O. Box 110200

Juneau, Alaska 99811-0200

Fax#: (907) 465-2135

Number of Pages(Including Cover Sheet): _____

{ } Please Call On Receipt

Comments: The legislature hasclarification of what the50% of savings that isreturned to the employerletter reflects our agree-state will retain 50% of any savingsrealized - call me if you have anyquestions - fax it back to me as soonas possible - today - Monday - 4/17/00.

I have called, e-mailed, &
faxed in an attempt to
get this to Darryl Tseu.
He will see it no
later than Tuesday
morning.

Leif

WORK DRAFT

WORK DRAFT

WORK DRAFT

1-GH2084VD
Utermohle
5/5/00

Adopted

CS FOR HOUSE BILL NO. 3001(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - THIRD SPECIAL SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act making an appropriation to cover the fiscal year 2001 monetary terms
2 of the collective bargaining agreements for employees of the University of Alaska
3 and the fiscal year 2001 salary and benefit adjustments for university employees
4 who are not members of a collective bargaining unit; making appropriations and
5 reappropriations to cover the fiscal year 2001 monetary terms of all executive
6 branch collective bargaining agreements and the fiscal year 2001 salary and benefit
7 adjustments for elected officials, officers, and employees of the executive branch
8 who are not members of a collective bargaining unit; making an appropriation
9 to cover the fiscal year 2001 salary and benefit adjustments for Alaska Court
10 System employees; making an appropriation to cover the fiscal year 2001 salary
11 and benefit adjustments for employees of the legislature and to cover the fiscal
12 year 2001 benefit adjustments, other than lump sum payments, for elected officials

WORK DRAFT

WORK DRAFT

1-GH2084\D

1 of the legislative branch; making a supplemental appropriation for the Medicaid
2 pro-share program for fiscal year 2000; and providing for an effective date."

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

4 * Section 1. EXECUTIVE BRANCH. (a) Collective Bargaining Agreements. The
5 appropriations and reappropriations made by sec. 5 of this Act and this subsection for
6 implementing the monetary terms of the collective bargaining agreements listed in this
7 subsection for the fiscal year ending June 30, 2001, total \$20,335,700. In addition to the
8 amounts appropriated or reappropriated by sec. 5 of this Act, the sum of \$11,046,700 is
9 appropriated from the funding sources listed in (d) of this section to the Office of the
10 Governor, office of management and budget, for the fiscal year ending June 30, 2001, to
11 implement the monetary terms of the following collective bargaining agreements:

12 COLLECTIVE BARGAINING AGREEMENT

- 13 (1) Alaska Public Employees Association, for the Supervisory Unit;
14 (2) Alaska State Employees Association, for the General Government Unit;
15 (3) Alaska Vocational Technical Center Teachers Association representing
16 teachers at the Alaska Vocational Technical Center;
17 (4) Alyeska Correspondence School Education Association, representing
18 teachers at the Alyeska Central School;
19 (5) Confidential Employees Association;
20 (6) Inlandboatmen's Union of the Pacific, representing the unlicensed marine
21 unit;
22 (7) International Organization of Masters, Mates, and Pilots, Pacific Maritime
23 Region, for the Masters, Mates, and Pilots Unit;
24 (8) Marine Engineers Beneficial Association, representing licensed engineers
25 employed by the Alaska marine highway system;
26 (9) Public Employees Local 71, for the Labor, Trades and Crafts Unit;
27 (10) Public Safety Employees Association, for the Correctional Officers Unit;
28 (11) Public Safety Employees Association, representing state troopers and other
29 commissioned law enforcement personnel; and
30 (12) Teachers' Education Association of Mt. Edgecumbe.

CSHB 3001(FIN)

-2-

New Text Underlined (DELETED TEXT BRACKETED)

WORK DRAFT

WORK DRAFT

1-GH2084VD

(b) Salary and Benefit Adjustments. The appropriations and reappropriations made by sec. 5 of this Act and this subsection for financing the salary and benefit adjustments for public officials, officers, and employees of the executive branch who are not members of a collective bargaining unit for the fiscal year ending June 30, 2001, total \$2,611,600. In addition to the amounts appropriated or reappropriated by sec. 5 of this Act, the sum of \$1,586,100 is appropriated from the funding sources listed in (d) of this section to the Office of the Governor, office of management and budget, for salary and benefit adjustments for public officials, officers, and employees of the executive branch who are not members of a collective bargaining unit for the fiscal year ending June 30, 2001.

(c) Legislative Intent. It is the intent of the legislature that part of the appropriations and reappropriations made or described in (b) of this section is to provide lump sum payments of \$1,200, reduced by \$50 for each pay period that the officer or employee was not in pay status in fiscal year 2000 and reduced by amounts necessary to pay mandatory employee and employer deductions, for

(1) classified and partially exempt officers and employees in the executive branch of the state government who are not members of a collective bargaining unit established under the authority of AS 23.40.070 - 23.40.260 (Public Employment Relations Act), employed and in pay status on July 1, 2000; and

(2) public officials, officers, and permanent and temporary employees in the executive branch of the state government who are in the exempt service under AS 39.25, not members of a collective bargaining unit established under AS 23.40.070 - 23.40.260 (Public Employment Relations Act), and employed and in pay status on July 1, 2000.

(d) Funding Sources and Transfers. (1) The appropriations made in (a) and (b) of this section are from the following funding sources:

FUNDING SOURCE	AMOUNT
Federal receipts	\$ 3,536,100
General fund match	157,700
Inter-agency receipts	1,725,700
Donated commodity handling fee account	2,500
Federal incentive payments	52,700
Benefit system receipts	46,300

	WORK DRAFT	WORK DRAFT	I-GH2084VD
1	Exxon Valdez oil spill settlement		42,500
2	Agricultural loan fund		27,500
3	FICA administration fund account		2,800
4	Fish and game fund		388,100
5	Science and technology endowment income		18,500
6	Highway working capital fund		275,000
7	International airports revenue fund		629,900
8	Public employees' retirement fund		75,400
9	Second injury fund reserve account		4,700
10	Disabled fishermen's reserve account		5,600
11	Surplus property revolving fund		6,200
12	Teachers' retirement system fund		31,600
13	Veterans' revolving loan fund		2,900
14	Commercial fishing loan fund		52,100
15	General fund/mental health		593,200
16	Real estate surety fund		2,900
17	National guard retirement system		1,500
18	Training and building fund		9,100
19	Permanent fund dividend fund		90,900
20	Rural development initiative fund		1,800
21	Oil/hazardous prevention/response		178,200
22	Interagency receipts/oil and hazardous waste		18,500
23	Capital improvement project receipts		1,626,000
24	Public school fund		400
25	Fisheries enhancement revolving loan fund		7,500
26	Alternative energy revolving loan fund		3,000
27	Alaska clean water loan fund		6,100
28	Marine highway system fund		1,633,600
29	Storage tank assistance fund		14,800
30	Information services fund		196,700
31	Mental health trust authority authorized receipts		61,800

	WORK DRAFT	WORK DRAFT	1-GH2084VD
1	Clean air protection fund		43,000
2	Mental health trust administration		11,200
3	Children's trust fund earnings		300
4	Alaska drinking water fund		7,000
5	Alaska Industrial Development and Export Authority receipts		52,200
6	Alaska Housing Finance Corporation receipts		222,000
7	Alaska Municipal Bond Bank receipts		1,300
8	Alaska Permanent Fund Corporate receipts		78,500
9	Post-secondary education commission receipts		158,800
10	Designated program receipts		295,700
11	Test fisheries receipts		67,800
12	International trade and business endowment income		4,300
13	Pioneers' homes receipts		55,900
14	Indirect cost reimbursement		20,200
15	Regulatory Commission of Alaska receipts		81,300
16	Public building fund		3,500
17	(2) The sum of \$980,200 is appropriated from the general fund to the Alaska		
18	marine highway system fund (AS 19.65.060(a)) to transfer a sufficient balance to finance		
19	appropriations made in (a) and (b) of this section for employees of the Alaska marine highway		
20	system.		
21	(e) Effects of Nonratification. If a collective bargaining agreement listed in (a) of this		
22	section is not ratified by the membership of the respective collective bargaining unit, the		
23	appropriations and reappropriations made by this Act that are applicable to that collective		
24	bargaining unit's agreement are reduced proportionately by the amount for that collective		
25	bargaining agreement, and the corresponding funding source amounts listed in this section are		
26	reduced accordingly.		
27	* Sec. 2. ALASKA COURT SYSTEM. (a) Salary and Benefit Adjustments. The sum		
28	of \$1,154,500 is appropriated from the general fund to the Alaska Court System for salary and		
29	benefit adjustments for Alaska Court System employees for the fiscal year ending June 30,		
30	2001.		
31	(b) Legislative Intent. It is the intent of the legislature that part of the appropriation		

WORK DRAFT

WORK DRAFT

I-GH2084VD

1 made in (a) of this section is to provide lump sum payments of \$1,200, reduced by \$50 for
2 each pay period that the employee was not in pay status in fiscal year 2000 and reduced by
3 amounts necessary to pay mandatory employee and employer deductions, for

4 (1) justices of the state supreme court, judges of the state court of appeals,
5 state superior court judges, state district court judges, and state magistrates, employed and in
6 pay status on July 1, 2000; and

7 (2) permanent and temporary employees in the judicial branch of the state
8 government, other than magistrates and judicial officers, who are not members of a collective
9 bargaining unit established under AS 23.40.070 - 23.40.260 (Public Employment Relations
10 Act), and are employed and in pay status on July 1, 2000.

11 * Sec. 3. UNIVERSITY OF ALASKA. (a) Salary and Benefit Adjustments; Collective
12 Bargaining Agreements. The sum of \$6,426,300 is appropriated from the funding sources
13 listed in (b) of this section to the University of Alaska for the fiscal year ending June 30,
14 2001, for salary and benefit adjustments for university employees who are not members of a
15 collective bargaining unit and to implement the monetary terms of the collective bargaining
16 agreements of the

17 (1) University of Alaska Classified Employees Association;

18 (2) Alaska Community Colleges' Federation of Teachers;

19 (3) United Academics; and

20 (4) United Academics - Adjuncts.

21 (b) The fund sources for the appropriation made in (a) of this section are as follows:

22 General fund receipts \$5,161,100

23 University receipts 939,400

24 Federal receipts 226,300

25 Auxiliary receipts 99,500

26 * Sec. 4. LEGISLATURE. (a) Salary and Benefit Adjustments. The sum of \$634,000
27 is appropriated from the general fund to the legislature for salary and benefit adjustments for
28 legislators and employees of the legislature for the fiscal year ending June 30, 2001.

29 (b) Legislative Intent. It is the intent of the legislature that part of the appropriation
30 made in (a) of this section is to provide lump sum payments of \$1,200 to employees of the
31 legislature, but not legislators, and that the lump sum payments be reduced by \$50 for each

WORK DRAFT

WORK DRAFT

1-GH2084UD

1 pay period that the employee was not in pay status in fiscal year 2000 and reduced by
2 amounts necessary to pay mandatory employee and employer deductions, for

3 (1) employees of the legislature under AS 24, employed and in pay status on
4 July 1, 2000; and

5 (2) employees of the legislature who would otherwise be entitled to payment
6 under (1) of this subsection but who are not employed or in pay status on July 1, 2000,
7 because their employment was limited to the legislative session.

8 * Sec. 5. ADDITIONAL FINANCING SOURCES. (a) Reappropriations. To implement
9 the monetary terms of the collective bargaining agreements, and to pay salary and benefit
10 adjustments, described in sec. 1 of this Act for the fiscal year ending June 30, 2001, the
11 following appropriations are reappropriated to the Office of the Governor, office of
12 management and budget:

13 (1) the unexpended and unobligated general fund balance on June 30, 2000,
14 of the appropriation made in sec. 135, ch. 103, SLA 1995, page 55, line 32, that is allocated
15 on page 55, lines 33 - 34 (Hyder - Water and Sewer Feasibility Study - \$50,000);

16 (2) the unexpended and unobligated general fund balance on June 30, 2000,
17 of the appropriation made in sec. 135, ch. 103, SLA 1995, page 55, line 32, that is allocated
18 on page 56, lines 25 - 26 (Fort Yukon - Master Plan/Solid Waste - \$80,000);

19 (3) the unexpended and unobligated general fund balance on June 30, 2000,
20 of the appropriation made in sec. 135, ch. 103, SLA 1995, page 55, line 32, that is allocated
21 on page 56, lines 29 - 31 (Mentasta Lake Village - Water and Sewer Feasibility Study -
22 \$50,000);

23 (4) the unexpended and unobligated general fund balance on June 30, 2000,
24 of the appropriation made in sec. 135, ch. 103, SLA 1995, page 55, line 32, that is allocated
25 on page 57, lines 36 - 38 (Shaktoolik - Village and School Sewage System Study - \$113,600);

26 (5) the unexpended and unobligated general fund balance on June 30, 2000,
27 of the appropriation made in sec. 135, ch. 103, SLA 1995, page 55, line 32, that is allocated
28 on page 57, line 24 (Gambell - Water/Sewer - \$1,520,000);

29 (6) the unexpended and unobligated general fund balance on June 30, 2000,
30 of the appropriation made in sec. 21(f), ch. 123, SLA 1996 (Talkeetna water and sewer project
31 and pressure tank replacement);

WORK DRAFT

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1-GH2084VD

1 (7) the unexpended and unobligated general fund balance on June 30, 2000,
 2 of the appropriation made in sec. 82, ch. 100, SLA 1997, page 44, line 34, that is allocated
 3 on page 45, lines 12 - 13 (City of Hughes - Sanitation Feasibility Study - \$60,000);

4 (8) the unexpended and unobligated balance on June 30, 2000, of the
 5 appropriation under sec. 7, ch. 84, SLA 1999, for emergency housing assistance, as described
 6 in revised program 04-6-0042 in compliance with the program review procedures of
 7 AS 37.07.080(h).

8 (b) Miscellaneous Appropriations and Reappropriations. To implement the monetary
 9 terms of the collective bargaining agreements, and to pay salary and benefit adjustments,
 10 described in sec. 1 of this Act for the fiscal year ending June 30, 2001, the following are
 11 appropriated or reappropriated to the Office of the Governor, office of management and
 12 budget:

13 (1) the unexpended and unobligated general fund balance on June 30, 2000,
 14 of the appropriation made by sec. 43, ch. 84, SLA 1999, page 23, line 30, as amended by CCS
 15 HB 312, Twenty-First Alaska State Legislature, by HCS CSSB 192(FIN) am H, Twenty-First
 16 Alaska State Legislature, and by sec. 4, ch. 8, SLA 2000 (K-12 Support - \$762,280,800);

17 (2) the sum of \$82,000 of the general fund appropriation made in sec. 33(e),
 18 HCS CSSB 192(FIN) am H, Twenty-First Alaska State Legislature, with allocations reduced
 19 proportionately (Department of Transportation and Public Facilities - \$820,000).

20 (c) Investment Loss Trust Fund Source. The sum of \$55,600 is appropriated from the
 21 investment loss trust fund (AS 37.14.300) to the Office of the Governor, office of management
 22 and budget, to implement the monetary terms of the collective bargaining agreements, and to
 23 pay salary and benefit adjustments, described in sec. 1 of this Act, for the fiscal year ending
 24 June 30, 2001.

25 (d) Department of Fish and Game Source.

26 (1) Section 1, HCS CSSB 192(FIN) am H, Twenty-First Alaska State
 27 Legislature, page 13, lines 9 - 11, is amended to read:

28	APPROPRIATION	GENERAL	OTHER
29	ITEMS	FUND	FUNDS
30	Copper River (Miles Lake)	250,000	[250,000] <u>250,000</u>
31	Sonar Site Upgrade and		

CSHB 3001(FIN)

-8-

New Text Underlined (DELETED TEXT BRACKETED)

WORK DRAFT

WORK DRAFT

I-GH2084D

1 Equipment Purchase (ED 35)

2 (2) Section 1, HCS CSSB 192(FIN) am H, Twenty-First Alaska State
 3 Legislature, page 13, lines 19 - 21, is amended to read:

4	APPROPRIATION	GENERAL	OTHER	
5	ITEMS	FUND	FUNDS	
6	Mariculture Development and	100,000	[100,000]	<u>100,000</u>
7	Permit Evaluation Program			
8	(ED 3-4)			

9 (3) Section 1, HCS CSSB 192(FIN) am H, Twenty-First Alaska State
 10 Legislature, page 13, lines 31 - 32, is amended to read:

11	APPROPRIATION	GENERAL	OTHER	
12	ITEMS	FUND	FUNDS	
13	Vessel and Aircraft Repair	200,000	[200,000]	<u>200,000</u>
14	and Maintenance (ED 99)			

15 (4) Section 2, HCS CSSB 192(FIN) am H, Twenty-First Alaska State
 16 Legislature, page 61, lines 12 - 14, funding sources for the Department of Fish and Game, is
 17 amended to read:

18	[GENERAL FUND RECEIPTS]	[550,000]	
19	Fish and Game Fund	328,000	
20	Receipt Supported Services	<u>1,600,000</u>	[1,050,000]

21 (5) Section 1, CCS HB 312, Twenty-First Alaska State Legislature, page 11,
 22 line 24, is amended to read:

23	APPROPRIATION	GENERAL	OTHER	
24	ITEMS	FUND	FUNDS	
25	Commercial Fisheries	43,583,500	<u>24,126,300</u>	<u>19,457,200</u>
26			[24,476,300]	[19,107,200]

27 (6) Section 3, CCS HB 312, Twenty-First Alaska State Legislature, page 44,
 28 line 18, funding sources for the Department of Fish and Game, is amended to read:

29	General Fund Receipts	<u>29,101,100</u>	[29,451,100]
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30 (7) Section 3, CCS HB 312, page 44, following line 24, funding sources for
 31 the Department of Fish and Game, insert new material to read:

WORK DRAFT

WORK DRAFT

1-GH2084\D

1	Receipt Supported Services	350,000
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(8) The sum of \$900,000, from general fund savings realized under (1) - (7) of this subsection, is appropriated from the general fund to the Office of the Governor, office of management and budget, to implement the monetary terms of the collective bargaining agreements, and to pay salary and benefit adjustments, described in sec. 1 of this Act, for the fiscal year ending June 30, 2001.

7 (c) Medicaid Pro-Share Source.

(1) The sum of \$8,148,600 is appropriated from statutory designated program receipts of the Medicaid pro-share program for the fiscal year ending June 30, 2000, to the Office of the Governor, office of management and budget, to implement the monetary terms of the collective bargaining agreements, and to pay salary and benefit adjustments, described in sec. 1 of this Act, for the fiscal year ending June 30, 2001.

13 (2) The appropriation made by (1) of this subsection is conditioned on

(A) the Department of Health and Social Services establishing a program of additional payments to ensure access for community hospitals under a distribution methodology approved by the federal Health Care Financing Administration for government-owned and -operated hospitals in this state; and

18 (B) participating hospitals signing an agreement by May 17, 2000, to
19 return 90 percent of the additional payment amounts to the state.

(3) If the statutory designated program receipts for the fiscal year ending June 30, 2000, for the Medicaid pro-share program are not sufficient to fully finance the Medicaid program for the fiscal year ending June 30, 2000, the amount of the shortfall is appropriated from the general fund.

24 (f) Longevity Bonus Grant Program Source.

(1) The legislature finds that, when the general fund appropriation to fully fund the fiscal year 2000 longevity bonus grant program was made in sec. 8(b), ch. 8, SLA 2000, the general fund amount was estimated to be \$1,430,000. The general fund amount of the appropriation is now estimated to be \$612,000, a general fund savings of \$818,000.

29 (2) Section 8(b), ch. 8, SLA 2000, is amended to read:

(b) If the amount reappropriated in (a) of this section is not sufficient to fully fund the longevity bonus grant program for the fiscal year ending June 30, 2000, the

WORK DRAFT

WORK DRAFT

J-GH2084VD

1 amount of the shortfall, not to exceed \$612,000, is appropriated from the general fund.

2 (3) The sum of \$818,000, from general fund savings realized by the longevity
3 bonus grant program, is appropriated from the general fund to the Office of the Governor,
4 office of management and budget, to implement the monetary terms of the collective
5 bargaining agreements, and to pay salary and benefit adjustments, described in sec. 1 of this
6 Act, for the fiscal year ending June 30, 2001.

7 (g) Debt Service Offset. Section 34(c), CCS HB 312, Twenty-First Alaska State
8 Legislature, is amended to read:

9 (c) The sum of \$9,789,234 [\$13,813,530] is appropriated to the Alaska debt
10 retirement fund (AS 37.15.011) from the following sources:

11 (1) General fund \$9,389,234 [\$13,413,530]

12 (2) the unexpended and unobligated general
13 fund balance on June 30, 2000, of the
14 appropriation made by sec. 43, ch. 84,

15 SLA 1999, page 23, line 30 (K-12 support -

16 \$762,280,800) in the amount of \$ 400,000

17 * Sec. 6. Section 5(e) of this Act is retroactive to April 30, 2000.

18 * Sec. 7. Section 5(e) of this Act takes effect immediately under AS 01.10.070(c).

19 * Sec. 8. Except as provided in sec. 7 of this Act, this Act takes effect July 1, 2000.

Lapses, reappropriations, supplemental updates and non-general funds not for

DEC	Capital balances from 7 completed studies or projects	150.7
Educ	Foundation formula lapse	52.6
DOT	Reduce fuel price supplemental	82.0
AHFC	AHFC housing disaster fund balance	107.0
	ILTF	55.6
Admin	Longevity Bonus	818.0
Debt	FY00 school debt reduction	4,024.3
F&G	Excess CFEC receipts	900.0
HSS	Additional FY2000 Medicaid ProShare	<u>8,148.6</u>
	Subtotal	14,338.8

Use part of Legislative cut over \$30 million	<u>4,712.2</u>
--	-----------------------

TOTAL	19,051.0
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FISCAL NOTE

STATE OF ALASKA

BILL NO. HB 3002

2000 LEGISLATIVE SESSION

Revision Date (Note if correction) _____

Dept. Affected _____

University of Alaska

Title Compensation for certain state officials

BRU

Systemwide

Component _____

Sponsor House Rules by Request of the Governor

Requester House Finance Committee

Component Serial No. _____

Expenditures/Revenues

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05
Personal Services	4,326.4	4,438.6	4,553.8		
Travel					
Contractual					
Supplies					
Equipment					
Land & Structures					
Grants & Claims					
Miscellaneous					
TOTAL OPERATING	4,326.4	4,438.6	4,553.8	0.0	0.0

CAPITAL EXPENDITURES					
----------------------	--	--	--	--	--

CHANGE IN REVENUES ()					
------------------------	--	--	--	--	--

FUND SOURCE

1002 Federal Receipts	174.8	179.3	183.9		
1003 GF Match					
1004 GF	3,176.3	3,258.8	3,343.5		
1005 GF/Program Receipts					
1037 GF/Mental Health					
1015 Auxiliary Receipts	99.5	102.0	104.6		
1048 University Receipts	875.8	898.5	921.8		
TOTAL	4,326.4	4,438.6	4,553.8	0.0	0.0

Estimate of any current year (FY00) cost:

none

POSITIONS

Full-time					
Part-time					
Temporary					

ANALYSIS: *(Attach a separate page if necessary)*

Provides for policy mandated salary obligations to 2,500 non-represented UA employees. The modest increase allows for annual performance increases on permanent authorized positions of 2.6% and increased wage requirements on non-permanent employees.

Prepared by Pat Pitney, Director

Division UA Budget and Institutional Research

Phone 474-7958

Date _____

Approved by Commissioner Pat Pitney, Director

Date _____

Agency UA Budget and Institutional Research

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FISCAL NOTE

STATE OF ALASKA

BILL NO. HB 3002

2000 LEGISLATIVE SESSION

Revision Date (Note if correction) _____

Dept. Affected _____

University of Alaska

Title _____

Compensation for certain state officials

BRU _____

Systemwide

Component _____

Sponsor _____

House Rules by Request of the Governor

Requester _____

House Finance Committee

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Expenditures/Revenues

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TOTAL OPERATING	4,326.4	4,438.6	4,553.8	0.0	0.0

CAPITAL EXPENDITURES					
----------------------	--	--	--	--	--

CHANGE IN REVENUES ()					
------------------------	--	--	--	--	--

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TOTAL	4,326.4	4,438.6	4,553.8	0.0	0.0

Estimate of any current year (FY00) cost: _____

none

POSITIONS

Full-time					
Part-time					
Temporary					

ANALYSIS:

(Attach a separate page if necessary)

Provides for policy mandated salary obligations to 2,500 non-represented UA employees. The modest increase allows for annual performance increases on permanent authorized positions of 2.6% and increased wage requirements on non-permanent employees.

Prepared by _____

Pat Pitney, Director

Phone 474-7958

Division _____

UA Budget and Institutional Research

Date _____

Approved by Commission _____

Pat Pitney, Director

Date _____

Agency _____

UA Budget and Institutional Research

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1-GH2085\K

Lauterbach/Cramer

5/5/00

*Adopted***CS FOR HOUSE BILL NO. 3002(FIN)****IN THE LEGISLATURE OF THE STATE OF ALASKA****TWENTY-FIRST LEGISLATURE - THIRD SPECIAL SESSION****BY THE HOUSE FINANCE COMMITTEE**

Offered:

Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**A BILL****FOR AN ACT ENTITLED**

1 "An Act setting the compensation and certain benefits of certain public officials,
2 officers, and employees not covered by collective bargaining agreements; and
3 providing for an effective date."

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

5 * **Section 1.** AS 39.20.010 is amended by adding new subsections to read:

6 (b) Effective July 1, 2001, the amount set out in (a) of this section is increased
7 by two percent.

8 (c) Effective July 1, 2002, the amount set out in (a) of this section, as
9 increased under (b) of this section, is increased by three percent.

10 * **Sec. 2.** AS 39.20.030 is amended by adding new subsections to read:

11 (b) Effective July 1, 2001, the amount set out in (a) of this section is increased
12 by two percent.

13 (c) Effective July 1, 2002, the amount set out in (a) of this section, as
14 increased under (b) of this section, is increased by three percent.

* Sec. 3. AS 39.27.011(a) is repealed and reenacted to read:

(a) The following monthly basic salary schedule is approved as the pay plan for classified and partially exempt employees in the executive branch of the state government who are not members of a collective bargaining unit established under the 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	1557	1602	1647	1693	1743	1789
06	1647	1693	1743	1789	1841	1895
07	1743	1789	1841	1895	1954	2014
08	1841	1895	1954	2014	2071	2137
09	1954	2014	2071	2137	2206	2269
10	2071	2137	2206	2269	2338	2409
11	2206	2269	2338	2409	2491	2568
12	2338	2409	2491	2568	2656	2745
13	2491	2568	2656	2745	2842	2946
14	2656	2745	2842	2946	3049	3165
15	2842	2946	3049	3165	3267	3392
16	3049	3165	3267	3392	3515	3640
17	3267	3392	3515	3640	3765	3895
18	3515	3640	3765	3895	4022	4174
19	3765	3895	4022	4174	4302	4463
20	4022	4174	4302	4463	4599	4767
21	4302	4463	4599	4767	4918	5095
22	4599	4767	4918	5095	5263	5457
23	4918	5095	5263	5457	5639	5850
24	5263	5457	5639	5850	6048	6253
25	5639	5850	6048	6253	6484	6727
26	5850	6048	6253	6484	6727	6969
27	6048	6253	6484	6727	6969	7234

1	28	6253	6484	6727	6969	7234	7486
2	29	6484	6727	6969	7234	7486	7750
3	30	6727	6969	7234	7486	7750	8023

4 * Sec. 4. AS 39.27.011(e) is repealed and reenacted to read:

5 (e) Effective July 1, 2001, the amounts set out in the salary schedule contained
6 in (a) of this section are increased by two percent.

7 * Sec. 5. AS 39.27.011(f) is repealed and reenacted to read:

8 (f) Effective July 1, 2002, the amounts set out in the salary schedule contained
9 in (a) of this section, as increased under (e) of this section, are increased by three
10 percent.

11 * Sec. 6. AS 39.30.095(b) is amended to read:

12 (b) After obtaining the advice of an actuary, the commissioner of
13 administration shall determine the amount necessary to provide benefits under
14 AS 39.30.090, 39.30.091, and 39.30.160 and, subject to (f) of this section, shall set
15 the rate of employer contribution and employee contribution, if any. With money in
16 the fund, the commissioner of administration shall pay premiums, claims, and
17 administrative costs required under the insurance policies in effect under AS 39.30.090
18 and 39.30.160, or required under self-insurance arrangements in effect under
19 AS 39.30.091.

20 * Sec. 7. AS 39.30.095 is amended by adding a new subsection to read:

21 (f) Notwithstanding (b) of this section, the rate of employer contribution to
22 provide hospital, surgical, dental, audiovisual, and other medical care benefits under
23 AS 39.30.091 is \$515 monthly beginning July 1, 2000; \$575 monthly beginning July 1,
24 2001; and \$630 monthly beginning July 1, 2002, for the following employees and
25 officials: -

26 (1) employees in the executive branch of the state government,
27 including the governor and lieutenant governor, who are not members of a collective
28 bargaining unit established under the authority of AS 23.40.070 - 23.40.260 (Public
29 Employment Relations Act);

30 (2) officials and employees of the legislative branch of state
31 government under AS 24;

1 (3) employees in the judicial branch of state government, including
2 magistrates and other judicial officers, who are not members of a collective bargaining
3 unit established under AS 23.40.070 - 23.40.260 (Public Employment Relations Act).

4 * Sec. 8. AS 39.27.011(g) is repealed.

5 * Sec. 9. The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 LUMP SUM PAYMENT FOR EMPLOYEES OF THE LEGISLATIVE BRANCH
8 AND CERTAIN OFFICERS AND EMPLOYEES OF THE EXECUTIVE BRANCH. (a)
9 Subject to an appropriation for fiscal year 2001 for that purpose, and except as provided in
10 (b) of this section, classified and partially exempt officers and employees in the executive
11 branch of the state government who are not members of a collective bargaining unit
12 established under the authority of AS 23.40.070 - 23.40.260 (Public Employment Relations
13 Act), and employees of the legislature under AS 24, other than legislators, employed and in
14 pay status on July 1, 2000, are entitled to receive a lump sum payment of \$1,200, reduced by
15 \$50 for each pay period that the officer or employee was not in pay status in fiscal year 2000.
16 The lump sum shall also be reduced by amounts necessary to pay mandatory employee and
17 employer deductions.

18 (b) Notwithstanding the requirements of (a) of this section, employees of the
19 legislature, other than legislators, who would otherwise be entitled to payment under (a) of
20 this section but who were not employed or in pay status on July 1, 2000, because their
21 employment was limited to the legislative session are entitled to receive the prorated lump
22 sum payment provided in (a) of this section.

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

25 LUMP SUM PAYMENT FOR CERTAIN ELECTED AND APPOINTED OFFICIALS,
26 MAGISTRATES, AND JUDICIAL OFFICERS. Justices of the supreme court, judges of the
27 court of appeals and the superior and district courts, magistrates, the governor, and the
28 lieutenant governor are entitled to receive the lump sum payment provided for in sec. 9 of this
29 Act, subject to the conditions set out in that section.

30 * Sec. 11. The uncodified law of the State of Alaska is amended by adding a new section
31 to read:

1 SALARY ADJUSTMENTS AND LUMP SUM PAYMENT FOR CERTAIN EXEMPT
2 OFFICERS AND EMPLOYEES OF THE EXECUTIVE BRANCH. Public officers and
3 permanent and temporary employees in the executive branch of the state government, other
4 than the governor and lieutenant governor, who are in the exempt service under AS 39.25, are
5 not members of a collective bargaining unit established under AS 23.40.070 - 23.40.260
6 (Public Employment Relations Act), and are not otherwise covered by AS 39.27.011(a), are
7 entitled to receive

8 (1) salary adjustments comparable to those received by classified and partially
9 exempt employees of the executive branch under AS 39.27.011(e) and (f), as repealed and
10 reenacted by secs. 4 and 5 of this Act; and

11 (2) the lump sum payment provided for in sec. 9 of this Act, subject to the
12 conditions set out in that section.

13 * Sec. 12. The uncoded law of the State of Alaska is amended by adding a new section
14 to read:

15 SALARY ADJUSTMENTS AND LUMP SUM PAYMENT FOR CERTAIN
16 EMPLOYEES OF THE JUDICIAL BRANCH. (a) Permanent and temporary employees in
17 the judicial branch of the state government, other than magistrates and judicial officers, who
18 are not members of a collective bargaining unit established under AS 23.40.070 - 23.40.260
19 (Public Employment Relations Act) are entitled to receive

20 (1) salary adjustments comparable to those received by classified and partially
21 exempt employees of the executive branch under AS 39.27.011(e) and (f), as repealed and
22 reenacted by secs. 4 and 5 of this Act; and

23 (2) the lump sum payment provided for in sec. 9 of this Act, subject to the
24 conditions set out in that section.

25 (b) Justices of the supreme court, judges of the court of appeals and the superior and
26 district courts, and magistrates are entitled to receive salary adjustments provided for in secs. 4
27 and 5 of this Act, in accordance with AS 22.05.140(d), AS 22.07.090(c), AS 22.10.190(d), and
28 AS 22.15.220(b) and (e).

29 * Sec. 13. The uncoded law of the State of Alaska is amended by adding a new section
30 to read:

31 SALARY INCREASES FOR CERTAIN EMPLOYEES OF THE UNIVERSITY OF

- 1 ALASKA. The employees of the University of Alaska who are not members of a collective
2 bargaining unit are entitled to receive salary increases in accordance with the compensation
3 policy of the Board of Regents of the University of Alaska.
4 * Sec. 14. This Act takes effect July 1, 2000.

UNIVERSITY OF ALASKA
FY01 Salary Maintenance Request

	Allocation	General Fund	Univ. Receipts	Federal	Auxiliary
ACCFT (266 Faculty)	429.5	428.5	1.0		
CEA (250 Maintenance & Trade)	164.3	164.3			
United Academics (675 Faculty)	1,259.8	1,145.7	62.6	51.5	
United Academics Adjuncts (950 Temporary Faculty)	246.3	246.3			
Non-Represented Employees (2,500 Employees)	4,326.4	3,176.3	875.8	174.8	99.5
TOTAL	6,426.3	5,161.1	939.4	226.3	99.5

264
250
1025

1191 RM

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Chuck O'Connell, Business Manager
Alaska State Employees Association
626 "F" Street
Anchorage AK 99501

Dear Mr. O'Connell:


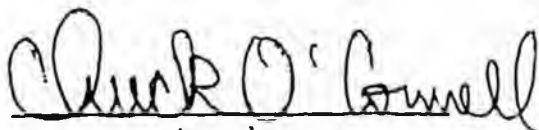
Re: HEALTH INSURANCE SAVINGS

In our recently concluded contract negotiations we agreed to a three-year schedule for the State of Alaska's monthly contributions to health care premiums for each eligible employee. We also agreed that you may choose to implement a health benefit trust plan to provide health benefits to your bargaining unit employees and any savings achieved as a result of a reduced premium would be shared between the individual employees and the State of Alaska.

With respect to the specific issue of savings, it was our intent that in the event the Union obtains or establishes a total premium cost per employee through its trust plan that is less than the amount of monthly premium contributions being made by the State, the State will remit fifty percent (50%) of the net savings to individual employees for their exclusive use as a pre-tax contribution to a Health Care Reimbursement Account, or such other distribution as may be determined by the Union or Association. The State of Alaska will retain the remaining fifty-percent (50%) of the savings.

Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,

Robert Poe Jr., Commissioner
Department of Administration

Agreed

4-17-00

Date

02-091M

APR 17 '00 13:24

907 465 2576 PAGE.002

** TOTAL PAGE.001 **

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Bruce Ludwig, Business Manager
Alaska Public Employees Assn.
211 Fourth Street, Suite 306
Juneau AK 99801

Dear Mr. Ludwig:

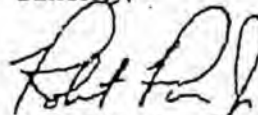
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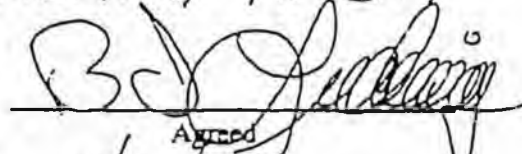
Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,



Robert Poe Jr., Commissioner
Department of Administration

EXISTING INTENT


Agreed
4/17/00
Date

APR-17-00 MON 15:45

P. 02

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Don Valesko, Business Manager
Public Employees Local 71, AFL-CIO
2510 Arctic Boulevard
Anchorage AK 99503-2516

Dear Mr. Valesko:

Re: HEALTH INSURANCE SAVINGS

In our recently concluded contract negotiations we agreed to a three-year schedule for the State of Alaska's monthly contributions to health care premiums for each eligible employee.

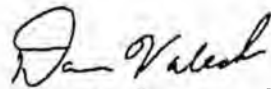
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Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

April 17, 2000

Date

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2135

April 17, 2000

Keith Perrin, Business Manager
Public Safety Employees Assn.
4300 Boniface Pkwy., Suite 116
Anchorage AK 99504-4387

Dear Mr. Perrin:

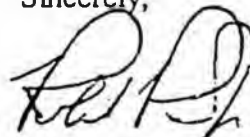
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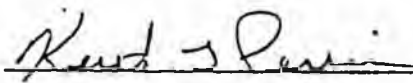
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Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

4-17-00

Date

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
FAX: (907) 465-2155

April 17, 2000

Margaret Mackinnon, President
Alyeska Central School Education Assn.
PO Box 20665
Juneau AK 99802-0665

Dear Ms. Mackinnon:

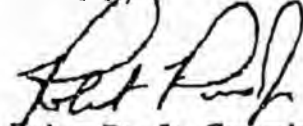
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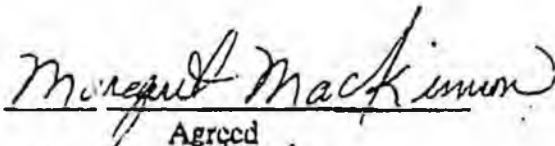
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Sincerely,



Robert Poe Jr., Commissioner
Department of Administration



Agreed

4/17/00

Date

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200
PHONE: (907) 485-2200
FAX: (907) 465-2135

April 17, 2000

Capt. Steve Demeroutis, Vice President
Int'l. Organization of Masters, Mates & Pilots
2333 Third Avenue
Seattle WA 98121-1711

Dear Capt. Demeroutis:

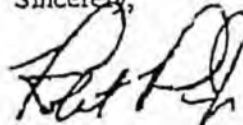
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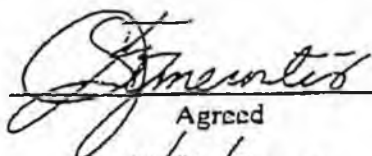
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Please acknowledge your agreement with the above by signing and dating in the space provided below. Thank you for your attention to this matter.

Sincerely,



Robert Poe Jr., Commissioner
Department of Administration


Agreed
4/17/2000
Date

FAX TRANSMITTAL
STATE OF ALASKA
Department of Administration

To: Darryl TseuDate: 4/17/00

Phone: _____

Fax#: 586-8222From: Dave K.

Phone: (907) 465-2200

Department of Administration

Office of the Commissioner

P.O. Box 110200

Juneau, Alaska 99811-0200

Fax#: (907) 465-2133

Number of Pages(Including Cover Sheet): _____

{ } Please Call On Receipt

Comments:

The legislature has
clarification of what the
50% of savings that is
returned to the emp
letter reflects our agree
state will retain 50% of any savings
realized - call me if you have any
questions - fax it back to me as soon
as possible - today - Monday - 4/17/00.

I have called, e-mailed &
faxed in an attempt to
get this to Darryl Tseu.
He will see it no
later than Tuesday
morning.

leif

Employee Contract Talking Points

05/04/00

- **State employees have held the line on payroll costs for the last four years.** For the first three of these years, state employees received increases equal to one half of the Anchorage CPI and for the last of these four years they received no increase.
- **State employees provide vital services to the people of Alaska** through their work as state troopers, public health nurses, social workers, corrections officers, architects and engineers, employment specialists, health inspectors, road maintenance crews, probation officers, fisheries managers, prosecutors, surveyors, park rangers, and many other professions.
- **State employees contribute significantly to the Alaskan economy.** State employees live and work in Alaska. In FY 99 state employees, including the university, numbered almost 21,700 with a total payroll of \$795 million. Using an economic multiplier of 1.8 (U.S. Bureau of Economic Analysis estimate), state workers earning \$795 million in 1998 injected a total of \$1.43 billion into Alaska's economy by the spending and re-spending of those dollars.
- **State employees are your neighbors.** Of the 15,768 person state workforce (not including the University of Alaska):
 - 7,000 plus (45 percent) live in the Anchorage-Mat/Su region,
 - 4,800 plus (30 percent) work in the state capital or Southeast region,
 - 1,800 plus (11.8 percent) live in the Interior,
 - 1,200 plus (8 percent) live in the Gulf Coast region,
 - 400 plus (2.6 percent) live in the Southwest region, and
 - 274 (1.7 percent) live in the Northern region.
- **Average monthly earnings for state employees, not adjusted for inflation, from 1996 to 1998 lagged far behind the increase in average earnings for other sectors of the Alaskan economy.**
 - Private sector employees in Alaska: increased by 4.9 percent
 - Federal employees in Alaska: increased by 16.0 percent.
 - Alaska state employees: increased by 0.1 percent.
- **State of Alaska contribution in 1999 for most state employees' health insurance is less than that of other public sector employers for comparable plans and employee contributions for state health insurance plans are significantly more.**
 - Fairbanks monthly employer contribution \$600.00, employee contribution \$0.
 - Kenai Peninsula monthly employer contribution \$559.00, employee contribution \$0.
 - Anchorage monthly employer contribution \$500.00, most employees pay between \$17 - \$0 per month.
 - Mat-Su Borough monthly employer contribution \$500.00, employee contribution \$0.
 - State of Alaska monthly employer contribution ranges between \$423.50 - \$550.00 with 85% of the employees receiving an employer contribution of \$488.50 or less, employee contribution ranges from \$174 - \$50.
 - Federal monthly employer contribution \$330, employee contribution \$135. However, this is a preferred provider plan and is not directly comparable to the other health plans described above.

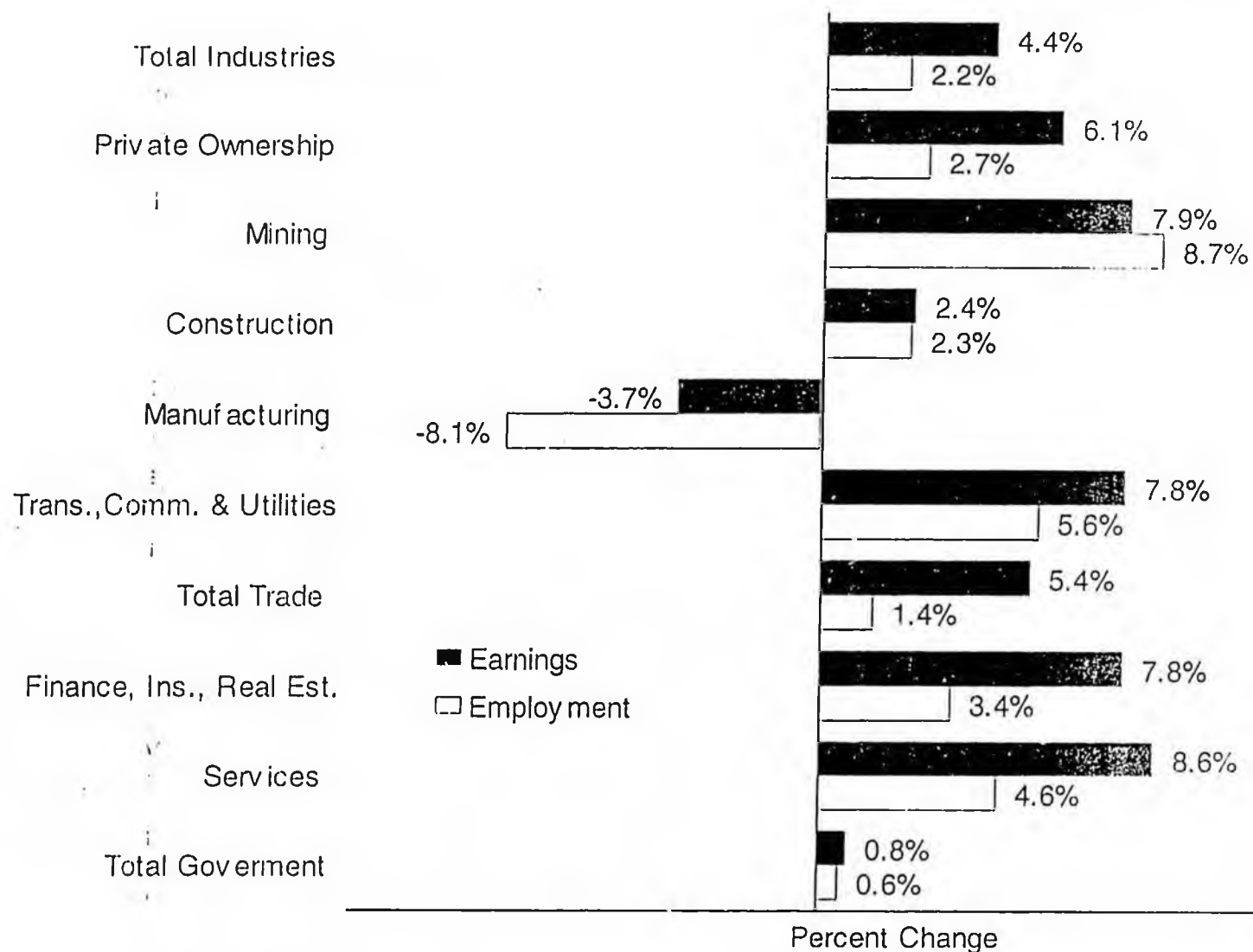
Employee Contract Talking Points
05/04/00

- **Average monthly reported earnings in 1998, not adjusted for inflation, for state employees is significantly less than the earnings paid in the sectors in which the state competes to recruit its workforce.**
 - Top five private Alaskan industries: \$3,998
 - Federal government in Alaska: \$3,805
 - Alaska state government: \$3,078
- **Average mean earnings of state employees is considerably less than in the industries the state competes with for its labor force.** (based on 1998 employer reports to the Alaska Department of Labor).
 - major oil companies employees: \$111,068
 - utility employees: \$50,328
 - telecommunications employees: \$47,381
 - construction employees: \$45,768
 - transportation employees: \$41, 279
 - state employees: \$39,994
- **State merit increases are very much in line with ongoing compensation increases provided by other employers in Alaska.**
 - Only about 1/3 of state employees receive a merit increase in any year.
 - Merit increases are included in the wage comparison data presented above, so even with merit increases, state employees are falling significantly behind the compensation offered by our biggest competitors for employees.
 - Since many of our most experienced employees are in longevity, they receive no benefit from merit increases.
 - State employees do not receive a variety of other financial benefits offered by private sector employers including bonuses and other promotions.
 - The Federal government offers merit increases, COLA for living in Alaska.

Notes: The top five private sector industries are mining (including the petroleum industry), construction, durable goods manufacturing, wholesale trade and transportation, communication and utilities.

PERCENT CHANGE IN EMPLOYMENT AND EARNINGS BY INDUSTRY 1997-1998

Source: Alaska Department of Labor and Workforce
Development, Research and Analysis Section



MEMORANDUM

State of Alaska

Department of Administration
Division of Personnel
Labor Relations Section

To: Bob Poe
Commissioner
Department of Administration
Thru: Sharon Barton
Director
Division of Personnel

Date: April 18, 2000

From: Art Chance
Labor Relations Specialist
Division of Personnel

File:
Subject: Consultant's Report

I have been asked to review the analysis of the negotiated agreements performed by the Legislature's consultants, Kempel, Huffman, and Ellis. Following is a summary of major points raised by the consultants and the Division of Personnel's response

Consultant: The State will not benefit from health insurance savings.

Response:

There is language in each contract to encourage cost containment in the purchase of health care. The premium savings rebate language is to encourage unions when establishing a health care trust or purchasing their own health insurance to achieve a premium rate less than the contractually mandated employer contribution

If the unions achieve a premium rate less than employer contribution, then fifty percent of savings go to the employee or union trust and the State retains the other fifty- percent in the form of a reduced contribution rate. Letters have been obtained from the various unions agreeing that this is the intent of the language.

Consultant: The State showed favoritism to ASEA particularly in contribution to health insurance trusts and trust set-up costs.

Response:

Union operated health insurance plans have been a State goal at least since the Cowper Administration. Union operated plans reduce the State's administrative costs and remove it from the controversies over plan composition.

There have been various methods of implementation of health trusts over the years. All have represented the state of the particular bargaining relationship at the time of implementation. All have involved some form of direct contribution to establish the trust. Some trusts have been established solely through directly appropriated funding as the result of arbitrator awards or negotiations,

The PSEA trust initially received \$400,000 from reserves previously contributed on the employees behalf by employer contributions. The balance of the \$1,050,000 that PSEA received as a result of conversion to a trust was through direct appropriation.

Local 71 received \$1,000,000 in start-up money from direct appropriation, but these funds were repaid by Local 71 through reduced employer contributions during the ten months following the conversion to the trust.

The \$4,000,000 contribution to ASEA is from reserves only. Again, the reserves accrue from employer and employee premium contributions, which are made on behalf of the employee. There is no direct appropriation requested for the GGU health trust.

The only direct contribution to ASEA is the \$144,000 to be used for printing information and an educational effort regarding the trust for GGU members. This \$144,000 is to be paid for by savings generated elsewhere in the contract.

The consultant focuses on PSEA's diversion of the bulk of the \$1200 lump-sum payment to their trust and implies that this might be more advantageous to the State than other contribution schemes. In fact, the overall economics are the same for the State as PSEA receives substantially equivalent employer contributions to all other unions (\$546.50 year 1, \$575.00 year 2, and \$630.00 year 3 per member/per month) PSEA choose to direct their \$960 of their \$1200 flat payment to their health trust for two reasons: First, is for the long term benefit of their trust and their members. They believed the additional deposit to their trust would ensure its viability and reduce required employee contributions into the future. Second, the deposit in the trust avoids employees deductions such as FWT and SBS and any required employer payroll contributions. Each unit had flexibility on how the \$1200 flat payment would be used.

Consultant: The ASEA conversion to personal leave is of little or indeterminate benefit to the State.

Response:

The consultant overlooks the primary measurable and predictable benefit to the State; reduced accrual, in this case from 45 days per year to 36 at the maximum accrual rate.

Any prediction on the impact on usage is largely speculative, but the State's experience with other units has been positive.

The speculation on the deleterious effect of leave donations is specious. While some employees may "waste" valuable leave and attempt to rely on donations, responsible employees will be reluctant to donate their valuable leave to such employees.

All bargaining units and all non-covered employees have long been allowed leave donations and leave cash-in benefits under either contracts or the State Personnel Act.

Consultant: The leave conversion imposes a \$22 million liability on the State.

Response:

The liability is only theoretical and is largely an unfunded liability since the State has never budgeted for leave except through the terminal leave account and the leave cash-in account. Contributions to these accounts are assessed against the personal services line item of each agency's budget. The rates are experience based and it is projected that the GGU conversion will result in only a modest increase in the contribution rate from the current rate 1.88% to a rate 1.93% in FY 2002. No increased appropriation is requested or required to fund the two leave accounts as a result of the GGU conversion.

The State's experience with other conversions has been that employees use the leave conservatively. There has never been a "run on the bank."

Consultant: Waiver of the no-strike clause significantly changes the balance of power in bargaining.

Response:

Waiver gives relative balance to the parties inasmuch as it does not require the union to forego the benefits of its bargain should the monetary terms not be approved. Waiver of the no-strike clause is also waiver of the no-lockout clause which gives the employer the power to lockout generally or specifically to stop hit-and-run work stoppages.

Waiver provisions are neither new nor unique to these agreements. The following is a list of known waiver provisions, which lists includes agreements negotiated in every administration since Egan's.

Masters, Mates, and Pilots

80 - 83

90 - 93

96- 99

MEBA

82 - 85

85 - 88

89 - 92

93 - 96

APEA/SU

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90 - 92

IBU

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90 - 93

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96 - 99

Local 71
80 - 82
1983
90 - 92
99 - 02

APEA/GGU
80 - 82

I. GGU Leave Conversion

Q.: How does the current GGU Annual/Sick Leave system work?

A.:

- Employees accrue both sick and annual leave.
- Sick leave accrues at 15 days per year for all employees; annual leave accrual varies up to 30 days depending on years of service, for a combined total of 45 days.

Q.: How will the new GGU personal leave system work?

A.:

- Employees accrue up to a maximum of 36 days of personal leave, for both scheduled absences and sick leave.

Q.: Is there a cap or limit on accrual?

A.:

- Accrual will be limited to a maximum of 36 days per year, depending on years of service, and the 15 days of sick leave are eliminated.

Q.: What savings will the new system achieve?

A.:

- The average GGU employee, having 7.5 years of service, will accrue 9 fewer days (down from 45 to 36) per year under the new contracts.
- All new GGU employees hired after July 1, 2000 will accrue only personal leave after December 16, 2000.

Q.: How does leave conversion work?

A.:

- All new GGU employees hired after July 1, 2000 will accrue only personal leave.
- Leave conversion will occur, for those employees who elect to move to personal leave, on December 16, 2000.
- When the total number of eligible bargaining unit members remaining in the sick/annual leave system reaches less than 1500, all remaining GGU members shall be converted to the personal leave system.
- 100% of accrued annual leave is transferred to the employee's personal leave account.
- 50% of accrued sick leave is transferred to the employee's personal leave account.
- 50% of accrued sick leave is transferred to a medical leave bank to be accessed only for catastrophic illnesses exceeding 20 consecutive work days, if the personal leave balance has been exhausted; management controls authorization of personal leave use.

Q.: How will the employer benefit from the personal leave system?

A.:

- Personal leave reduces total annual accrual of leave for a GGU member with over two years of service from 45 days per year of combined leave to a maximum of 36 days personal leave. These 9 fewer days of total leave result in 9 additional days of productive work hours.
- All new GGU employees hired after July 1, 2000 will accrue only personal leave.
- Ultimately, all GGU members will convert to the personal leave system when the total number of members in the sick/annual leave system drops below 1500.
- Because personal leave has a cash value and employees accrue fewer total hours, employees tend to use leave more judiciously.
- Sick leave is generally an unscheduled absence, temporarily causing delays in work completion, additional burden to other staff, and budget impacts.
- Unscheduled sick leave increases costs in certain environments, such as the pioneers' homes, where the absence of a direct care staff member must be covered by an on-call substitute employee. The decrease in leave accrual and usage is estimated to save the pioneers' homes as much as \$140,000 annually, providing additional funding that can be redirected to providing more direct care staff.
- The GGU conversion puts all state employees in the personal leave system (except two marine units and two small teacher units) equalizing leave benefits for all employees, increasing efficiency and productivity, simplifying administration of leave, and improving morale.

Q.: What is the budget impact of the personal leave system?

A.:

- Conversion of GGU to the personal leave system requires no additional appropriation.
- All new GGU employees hired after July 1, 2000 will accrue only personal leave.
- Ultimately, the elimination of sick leave will result in 9 additional days of additional efficiency and productivity.
- Currently the state maintains two reserve accounts – one for leave cash-in and one for terminal leave payments. Operating budget personal services line items include a contribution to each of the working reserve accounts.
- Personal services contributions to each of these accounts are adjusted annually to ensure that reserves are sufficient to cover leave cash-in and terminal leave payments.
- Currently the working reserve rates generate \$20 million annually, \$10 million for each of the working reserve accounts. It is estimated that the GGU conversion will have a minimal annual cash impact, approximately \$267,000, on each of the working reserve accounts. This may result in a small adjustment, which will be absorbed by agency operating budgets.

II. Cost containment in health care

Q.: Is there any incentive or encouragement to contain cost of health care?

A.: There is language in each of the newly negotiated collective bargaining agreements to encourage cost containment in the purchase of health care. The language in each contract is similar to the following language, contained in the GGU contract:

Article 19.03 F. Premium Savings Rebate

In the event that the Union obtains or establishes a total premium cost per employee that is less than the per month Employer contributions described above, the Employer will remit fifty percent (50%) of the net savings to individual employees for the exclusive use as a pre-tax contribution to a Health Care Reimbursement Account or such other distribution as may be determined by the Union, subject to applicable tax rules.

Q.: Who receives the savings, if any?

A.: Contract language clearly states if the union obtains a total premium less than the employer contribution of \$515 in year 1, \$575 in year 2, and/or \$630 in year 3, 50% of the savings will go to the employee or union trust. The remaining 50% of savings will remain with the state.

Q.: Where does the initial funding of the health care trust come from?

A.: Upon establishment of an employee health care trust, the initial funding of the trust will come from the reserves collected from premiums paid, not from a separate general fund appropriation.

III. Merit Step "G"

Q.: What are merit steps?

A.: Merit step increases (steps "b-f") are performance incentives which may be granted to employees receiving an overall "acceptable" or higher annual evaluation. Merit steps may, but are not required to, be awarded as often as annually.

Q.: What are longevity increments?

A.: Longevity steps ("j-m") are statutory increases awarded to long-time employees which better enable the state to retain experienced, valued employees. Longevity steps are service bonuses awarded based on years of service and acceptable or higher performance. Periods between service steps range from two to five years.

Q.: What is the "G Step?"

A.: This is a new merit step designed to further reward valued employees.

Q.: Is the GGU's G Step an increase none of the other unions receive?

A.: No. Similar service step or longevity step increases are available in other units.

Q.: Won't the G Step make the GGU contract cost more than those of other bargaining units?

A.: No. The GGU negotiated a contract within the same fiscal restraints as all other bargaining units.

Q.: How did GGU pay for the G Step?

A.: GGU agreed to the following changes in the monetary package: employees who benefit from the G Step will not receive the \$1200.00 flat payment; the effective date of the 2% wage scale increase in year 2 of the contract is delayed from July 1, 2001 to January 1, 2002; and the effective date of the the 3% increase is delayed from July 1, 2002 to December 1, 2002.

LETTER OF AGREEMENT

Between the

STATE OF ALASKA

and the

ALASKA STATE EMPLOYEES ASSOCIATION

representing

GENERAL GOVERNMENT UNIT EMPLOYEES

Re: ELECTION TO CONVERT TO PERSONAL LEAVE

LOA 00-GG-

Upon legislative approval of the monetary terms of the 2000-2003 collective bargaining agreement the parties agree that the following terms and conditions of employment apply to leave eligible bargaining unit members. No provision of the master agreement not specifically referenced herein is modified by this agreement.

Whereas, it was the intention of the parties, in the recently completed contract negotiations, to follow the principles in the January 1, 1990 to December 31, 1992 collective bargaining agreement between the Employer and the Alaska Public Employees Association, representing Supervisory Unit employees, regarding conversion from a sick and annual leave system to a personal leave system.

And whereas, Article 26 of the General Government Contract for the period of July 1, 2000 through June 30, 2003 does not clearly define all the parameters of the conversion to personal leave, and it is important to eligible bargaining unit members to have a clear understanding of the impact of the conversion when they make their election, it is agreed that the election form will provide the following details of the conversion:

1. A bargaining unit member who has accrued annual leave shall have one-hundred percent (100%) of the annual leave balance transferred to the member's personal leave account.
2. A bargaining unit member who has accrued sick leave shall have fifty percent (50%) of the sick leave balance transferred to the member's personal leave account.
3. A bargaining unit member, upon separation from state service, shall receive the total value of all unused leave including that leave which was converted from sick to personal leave.
4. A bargaining unit member may cash-in up to seventy-five (75) hours of the leave converted from sick to personal leave in any fiscal year.

5. A bargaining unit member may cash in additional hours of the leave converted from sick to personal leave in exigent circumstances on a case-by-case basis at the discretion of the Employer.

This Agreement remains in effect from July 1, 2000 through June 30, 2002.

For the State of Alaska:

For ASEA/AFSCME Local 52

SIGNED COPY ON FILE

Robert Poe, Jr., Commissioner
Department of Administration

Charles O'Connell
Business Manager

Date

Date

Summary of Contract Changes

ALASKA PUBLIC EMPLOYEES ASSOCIATION APEA—Supervisory Unit

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 19—Positions, Classifications & Reclassifications Section 19.1 E page 43	In the event that a position is determined to be reclassified to a higher range, the effective date of the reclassification shall be sixty (60) days prior to the filing of an appeal under Art.19 or the date a PDQ was submitted by the employee requesting the reclassification which ever is shorter.	To ensure that reclassifications are processed timely	No cost. Provides disincentive for delays of reclass actions.	Union
Article 24-Wages Sect. 24.1 A2 page 47 Sect. 14.1 B2 page 52	Effective 7/1/00 each employee will receive payment equal to \$50 for each pay period during FY2000 they were in pay status.	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$1,587,700.00 total funds	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 24.1 A3 page 48 Sect. 24.1 B3 page 53	Effective 7/1/01 2% salary increase	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$1,911,085.00 total funds	State / Agreement does not exceed State economic package.
Sects. 24.1 A4, A5, & A6 pages 49-51 Sects. 24.1 B4, B5, & B6 Pages 54-56	In CY2003 there are three separate wage actions: (July 1: The 4 Longevity Steps are replaced with 5 Service Steps resulting in 256 employees receiving a 3% increase; August 1: The 1044 employees who did not receive a step adjustment receive a 3 percent Salary Adjustment; and finally on Dec 1: the 256 employees who did not receive the step adjustment receive a 3% salary adjustment.	Recognize the service of long term employees to retain them and compete with other employers	\$2,923,761.00 total funds	State / Agreement does not exceed State economic package.
Sect. 24.3 C3 page 58	To increase geographical differential of five SU members that directly supervise PSEA Troopers who have a higher geographical differential.	Adjustment was made in PSEA Trooper contract which increased their geographical differential to a higher level than the supervisors.	\$11,116.08 (Paid from savings from frozen salaries)	State/Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 24.7 C5 page 60	When an employee promotes into SU and there is not a match between two unit's wage schedules, the employee will be placed at the next higher step on the Supervisory schedule or at Step A, whichever is greater.	To insure that an employee does not take a pay decrease when moving to supervisory position.	No identifiable cost; increase-promotes morale.	Union
Article 25-Overtime, Recall, & Standby Sect. 25.11 B12 page 69	Once an employee has completed a Flexible Time Plan as provided in B 1 through 11 in a calendar year by which they have earned a minimum of 30.0 hours of Flexible Time, the Employer may sign a new Flexible Time Plan for future periods in that year. This next Flexible Time Plan for that year will use 45.0 hours as the thresh hold described in 25.11.B.3.c.	To facilitate the use of the Flexible Time Plan for management and to recognize hardship on employee being asked to work unusually long work weeks during more than one period in a year.	Allows more management flexibility in meeting workload requirements.	Union
Article 28-Health & Security Sect. 28.3 B, C, & D page 73	Sets employer contribution at \$515.00/month effective 7/1/00, \$575.00/month effective 7/1/01, \$630.00/month effective 7/1/02	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$1,028,500 total funds FY 02 \$952,076 total funds FY 03 \$872,736 total funds	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 28.7 page 76	Defines process and conditions for moving the SU to a health trust	One of the goals of the administration is to explore the merits of a health trust environment for cost containment purposes; provides incentives for all parties to save on health costs.	Employee directed healthcare coverage may be better tailored to individual unit needs	State
Article 29-Leave Sect. 29.1 G page 79	Allows access to Medical Leave Bank after 5 consecutive days of illness with a Doctor's certificate. Allows use of medical bank for a death in the family. Transfers 2 days of a resigning members medical leave bank to an Association Medical Leave Bank. Upon the death of an employee, any unused sick leave balance shall be paid in cash to the employee's beneficiaries at the employee's base pay rate.	Increases access to medical leave bank for long term illness or death of family member.	No increased cost or no increase in lost of productive work hours.	Union
Sect. 29.1 H page 80	Deleted provision capping the number of leave cash ins.	No need to limit the number of withdrawals when the requirement that a balance of 37.5 hours must be maintained.	No increased cost or loss of productive work hours.	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 36- Legislative Action Sect. 36.2 page 85	Parties agree that they are at impasse if legislature fails to approve contract.	Desire to establish what action will occur in the event of non-approval.	Return to bargaining table and possible union work action.	Union
Article 40-Duration of Agreement Sects. 40.1 & 40.2 page 91	Duration of contract and date for bargaining successor agreement	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State

Summary of Contract Changes

GENERAL GOVERNMENT UNIT AGREEMENT GGU

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 2 - Union Representatives Section 2.02B (page 2)	Reallocates Steward release time to allow up to 7.5 hours of training in the first year, and 4 hours in subsequent years	Better trained standards benefits both state and union.	Increase efficiency of contract administration	Union
Section 2.02E (page 3)	Requires 6 months service as steward to acquire super-seniority.	Prevents abuse of Steward position	The 6 month period will prevent employees with disciplinary issues or facing lay off from using Stewardship as a refuge.	
Section 2.05 (page 3)	Requires union to adhere to State's Technology Policy when using State telecommunications.	Assures consistency and prevents abuse.	Less time spent dealing with problems.	
Article 3 - Union Security Section 3.02C (page 3)	Requires Union to provide procedural safeguards to fee-payers that meet Constitutional minima.	Brings agreement into compliance with current law.	No economic impact.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 6 - Non-discrimination Section 6.01 (page 6)	Adds "mental disability" to list of contractually protected classes.	Conforms with legally protected classes	No economic impact.	Union
Article 7 - Labor Management Committees Section 7.02G (page 8)	Requires that training be given to all members of a LMC, if employer provides training	Ensures that equally skilled parties participate in committees.	Joint training will reduce communication difficulties and make LMCs more productive.	Union
Article 9 - Nonpermanent Appointments Section 9.06 C, 4 (page 10) Section 9.07D (page 11)	On-call substitutes retain earned salary steps if appointed to non-permanent or permanent position Provides that mentoring of Alaska Temporary Assistance Program workers will not be considered supervision for purposes of bargaining unit placement.	Equity - gives credit for time actually worked. Prevents general government employees from becoming supervisors if they serve as mentors.	Minimal cost Reduced adjudication of unit clarification requests.	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 10 - Recruitment and Examination (page 11)	Extensive rewrite to reflect conversion from manual list system to computerized Workplace Alaska system	Reflects process and technological changes, and prior adjudication.	Avoids disputes. Incorporation of the new system in the agreement will reduce administrative costs and avoid adjudication.	State
Section 10.02C (page 13)	Requires State to check for layoff candidates at beginning and close of recruitment period and to consider candidate laid off during recruitment period.	Technical change in layoff procedures protects employee laid off during a recruitment period.	Avoids disputes.	Union
Article 11 - Employment Status Section 11.05 (page 21)	Seasonal employees allowed to carry over 187.5 hours of annual/personal leave when placed on seasonal leave without pay (SLWOP). If anticipated SLWOP is less than 45 days, employee may carry over entire leave balance. Previously, employee was restricted to 5 days carry over.	Reflects employee desire to retain accrued leave for use upon return from SLWOP; with conversion to personal leave, allows seasonal employees to occur more leave in case of illness.	No economic impact or change in productive hours.	Union
Article 12 - Layoff Section 12.05 (page 27)	In instances where 1.5% or more of the employees in a job class family are in lay off, the State will close open recruitment in that class family and recruit only from among lay off eligibles in parallel or closely related classes.	Job security provision where large number of employees are laid off due to organizational or technological change.	No economic impact.	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 14 - Notice of Discipline and Discharge (page 32)	Possession, viewing, or accessing pornography at work defined as egregious misconduct and therefore just cause for immediate dismissal.	Reflects societal and technological changes.	No economic impact. Incorporates State technology policy into contract	State
Article 18 - Performance Evaluations Section 18.02 (page 40)	Performance incentive steps granted unless affirmatively denied.	Provides management with incentive to perform timely evaluations.	Employer can mitigate any potential impact by performing timely evaluations.	Union
Section 18.04 (page 42)	18.04 - Eliminates appeals of evaluations in which employee is rated mid-acceptable or higher.	Eliminates frivolous appeals.	Efficiency measure.	State
Article 19 - Health and Security Section 19.03A (page 43)	Enables Employee Directed Health Benefit Plan on or after July 1, 2000. Establishes Employer Health Benefit contribution at \$515.00/employee/month effective July 1, 2000.	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	\$2485.8	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Section 19.03B (page 43)	Establishes Employer Health Benefit contribution at \$575.00/employee/month effective July 1, 2001.	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	\$5583.9	
Section 19.03C (page 44)	Establishes Employer Health Benefit contribution at \$630.00/employee/month effective July 1, 2002.	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	\$5118.5	

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 21 – Wages Section 21.01M (page 46)	No change in salary schedule in first year. NOTE: Published prior contract salaries are for 1 st year of prior agreement and do not reflect 2 nd and 3 rd year CPI increases.	The proration of the lump sum payment and delayed implementation of percentage increases are used to finance		State
Section 21.01D (page 49)	All employees who have been in Steps A - F for one year or less and who do NOT advance to Step G shall receive a lump sum payment of \$50.00/pay period for each month in which the State made a health insurance contribution on the employee's behalf in the prior twelve months up to a total payment of \$1200.00. Payment to be made prior to July 31, 2000.	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$5,795.4	State / Agreement does not exceed State economic package.
Section 21.01 A & F (page 49)	Step G is established as a performance incentive step for employees who have been at Step F for more than one year.	Step G is funded from within the total economic package by proration of lump sum payment.		
Article 21.02 Section B (page 50)	Levelized longevity steps at 3.75%.	Levelized longevity steps are consistent with statute.	\$521.6 Funded by the delay in implementation of the 3% increase	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Section 21.02A	Effective December 1, 2001, the basic salary schedule shall be increased by 2.0%.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$3655.6	State / Agreement does not exceed State economic package.
Section 21.02C (page 50)	Effective January 1, 2002, the basic salary schedule shall be increased by 3.0%.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$3897.1	
Article 22 – Overtime (page 56)	Employee recalled to work within four hours of end of regular shift or within two hours of beginning of next regular shift is paid recall premium on regular shift rate of pay. If recalled more than four after end of shift or more than two before next regular shift, then paid appropriate shift differential.	The 2 hours before next shift is a concession from prior language, which would have paid the employee shift differential.	Indeterminate economic impact, but some savings will result from paying regular shift pay to day shift or swing shift workers who are recalled to work in night shift period.	State
Article 23.01 - Meal and Relief Periods (page 59)	Claims for missed relief periods forfeited after 30 days.	Eliminates stale claims	No measurable economic impact, but some savings will result from quieting stale claims.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 24 – Holidays (page 59)	Overtime exempt employees required to work a holiday compensated by crediting a day of leave.	Equity - OT eligible employees receive holiday pay and time and one half for hours worked on a holiday.	Change of work hours.	Union
Article 26 - Personal Leave (page 70)	Enables transition to Personal Leave system supplanting the current sick/annual system.	Satisfies long term State objective of moving all bargaining units to the personal leave system, which system is less susceptible to abuse and results in cost savings over time as well as increased productive hours.	No appropriation required. The general government unit is the last remaining white collar unit in the old annual/personal leave system. When the staged conversion is complete, all major employee groups will be on same system.	State
Article 40 – Legislative Action (page 84)	No strike - no lockout provision waived if Legislature fails or refuses to fund the agreement.			Union
Article 42 – Duration of Agreement (page 85)	Parties agree that the 1996 - 1999 agreement is extended as to its terms to June 30, 2000, if successor agreement is approved. Successor agreement is effective from July 1, 2000, to June 30, 2003.	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Labor Management Committee on Delivery of Public Services (page 116)	Establishes a joint labor and management committee to review the modernization, effectiveness, and efficiency of the delivery of public services.		Provides a relatively informal and non-adversarial forum to address issues such as telecommunications changes and privatization issues.	State

Summary of Contract Changes

ALASKA VOCATIONAL TECHNICAL EDUCATION CENTER AVTECA

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 9-Labor Management Committee Page 7	Clarifies that there will be no monetary or leave cost to the union as a result of their participation in the Statewide Labor Management Committee on Delivery of Public Services	State request to participate in LMC. Smaller units do not have sufficient business leave to allow participation	Minimal-LMC should result in minimal cost	Union and state
Article 18-Health & Safety Sect 3A 1,2, & 3 page 17	Sets employer health care contribution at \$515.00/month effective 7/1/00, \$575.00/month effective 7/1/01, \$630.00/month effective 7/1/02	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$25,700 (total funds) FY 02 \$23,811 (total funds) FY 03 \$21,825 (total funds)	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 3B page 19	Defines process & conditions for moving to a health trust	One of the goals of the administration is to explore the merits of a health trust environment for cost containment purposes; provides incentives for all parties to save on health costs.	Employee directed healthcare coverage may be better tailored to individual unit needs.	State
Article 19-Salary Sect. 2A page 19	\$1200 one time flat payment less required employee deductions and employer contributions 7/1/00	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$40,500.00 (total funds)	State / Agreement does not exceed State economic package.
Sect. 2B page 19	2% salary increase effective 7/1/01	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$40,759.00 (total funds)	State / Agreement does not exceed State economic package.
Sect. 2C page 19	3% salary increase effective 7/1/02	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$62,361.00 (total funds)	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 30-Substitute Teachers Sect. 3 page 34	Defines how negotiation of pay for substitutes will take place	Allowing the substitute to request re-negotiation of pay is good policy and improves morale	No monetary impact	Union
Sect. 5 page 34	Defines process if substitute teacher assignment exceeds 10 months	Clarify how subs are used and improve morale	No monetary impact	Union
Article 37-Duration page 38	Specifies 3 year contract with no re-openers	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State

Summary of Contract Changes

ALEYKA CENTRAL SCHOOL EDUCATION ASSOCIATION ACSEA

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 4--Security of Parties (page 4) Section 7	Clarifies that there will be no monetary or leave cost to the union as a result of their participation in the Statewide Labor Management Committee on Delivery of Public Services	State request to participate in LMC. Smaller units do not have sufficient business leave to allow participation.	Minimal—LMC meetings should not result in travel costs to this union	Union and state
Article 14--Salary (page 27) Section 1-C	\$1200 lump sum payment, less required employee deductions and employer contributions, to all bargaining unit members no later than July 31, 2000	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$29,400.00 (total cost)	State / Agreement does not exceed State economic package.
Section 1-D	Current salary schedule stays in effect until June 30, 2001	Maintain same base salary schedule	\$0	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Section 1-E	2% salary increase effective 7/1/2001	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$31,414.00 (total cost)	State / Agreement does not exceed State economic package.
Section 1-F	3% salary increase effective 7/1/2002	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$48,067.00 (total cost)	State / Agreement does not exceed State economic package.
Article 15—Insurance (page 30) Section 3-A	Sets employer contribution at \$515.00/month effective 7/1/2000, \$575.00 effective 7/1/2001, \$630/month effective 7/1/2002	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$26,600 (total cost) FY 02 \$17,464 (total cost) FY 03 \$16,004 (total cost)	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 35—Duration of Agreement (page 47) Section A	Specifies 3 year agreement	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State
Section D	Waives provisions of Article 4, Sect. 1, no strike no lockout if legislature fails to fund monetary terms and negotiations do not result in a new agreement	Standard contract language if there is no negotiated agreement after failure to fund	Possible labor action	Union and state
Section E	Specifies time period, December 1, 2002 for beginning negotiation of successor agreement	Need to specify time for notice and time to re-enter negotiations for successor agreement	Re-enter negotiations with union for successor agreement	State

Summary of Contract Changes

CONFIDENTIAL EMPLOYEES ASSOCIATION, APEA/AFT CEA

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 7.01 – Workweek (page 7) second paragraph	Add the phrase “within the pay period.”	Clarifies the section and complies with current practice.	No cost	Union
Article 7.06 – Holidays (page 8) subsection A, last paragraph	Add the phrase “long-term nonpermanent.”	Conforming language to the rest of the contract.	No cost	Union
Article 8.03 – Medical Leave Bank and transfer of Accrued Sick Leave (page 11) subsection A	Employees transferring into the Confidential unit shall have fifty per cent (forty percent under the prior agreement) of sick leave converted to personal leave and fifty per cent (sixty per cent under the prior agreement) to a medical leave bank.	Conforms to all other collective bargaining agreements.	No cost	State and union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 8.07 – Leave Cash-In (page 13)	Add the phrase “at the annualized hourly rate of pay.”	Clarifies the section and complies with current practice.	No cost	Union
Article 8.13 – Other Approved Absences (page 15)	Allows leave of absence with pay and clarifies that service credit shall not accrue during a period of leave without pay.	Gives managers the option to grant an extended leave for the good of the organization with or without pay and clarifies current practice of not allowing accrual of service credit while an employee is on leave without pay.	No cost	Union
Article 13.01 – Wages Subsection A (page 22)	Effective July 1, 2000, steps J, K, L and M shall be established at 3.75% above the previous step at each range.	“Squares” the salary schedule to the statutory amount and gives an equal increase in wages at all longevity step levels.	\$10,000 Funded from proration of \$1200 lump sum amount.	Union
Subsection C (page 23)	Controls movement and pay for longevity increments during the period of July 1, 2000 to July 31, 2001 when a new longevity pay schedule goes into effect.	Retains current longevity increment system before a new system begins.	No cost	State and union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Subsection D (page 23)	Provides a lump sum payment equal to \$50, less mandatory employer and employee contributions, for each period during FY 2000 in which a person was in pay status – same as the \$1,200 lump sum payment to other bargaining units – specifies that individual employees may elect to contribute all or part of the payment to their Deferred Compensation Plan. This subsection applies specifically to employees in steps A through F.	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$246,100 (total funds) – includes employees in all pay ranges. Proration creates cost savings to fund a portion of increased employer contribution to health insurance.	State / Agreement does not exceed State economic package.
Subsection E (page 23)	Same \$50 lump sum payment for employees in steps J through M – also provides that the lump sum payment will be reduced by \$5 for each \$5 increase in pay under the salary schedule in subsection A.	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	See above total funds	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Subsection F (page 23)	2% salary increase effective August 1, 2001 and establishes a new Service step J – no one currently in the bargaining unit will move to the new step during the life of the agreement.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$205,858 (total funds) Delayed implementation of 2% increase. Funds increased costs of Subsection A.	State / Agreement does not exceed State economic package.
Subsection G (page 24)	3% salary increases effective August 1, 2002. Delayed employee to help cover increased cost to health insurance.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$314,960 (total funds) Delayed implementation funds increased costs in Section A	State / Agreement does not exceed State economic package.
Subsection H (page 25)	Changes the time required to move from step K to step L from five years to three years and from step L to step M from four years to three years and establishes that it will take three years to move from step M to the new step N.	Assists the state with recruitment and retention concerns, recognizes the need to retain trained and qualified individuals.	No cost	State
Subsection I (page 25)	After August 1, 2001, changes any reference to “longevity increments” or “longevity steps” to “service increments” or “service steps.”	Clean up language	No cost	State and union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 13.15 Overpayments (page 28)	Adds new section to the contract providing that overpayments to an employee discovered after one year are forgiven provided the employee was not involved in the error.	Specifies how long the state has to find and correct an overpayment problem.	Incentive to resolve overpayment problems in a timely manner.	Union
Article 14.01 – Employee Health Insurance Plan (page 28) second, third and fourth paragraphs	Sets employer contribution at \$540.00/month effective 7/1/2000; \$575.00 effective 7/1/2001 and \$630/month effective 7/1/2002	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$98,100 (total funds) FY 02 \$85,977 (total funds) FY 03 \$135,103 (total funds)	State / Agreement does not exceed State economic package.
Article 14.03 – Health Trust (page 29)	Provides for the process for the Association to move to a health insurance trust, participation in a health care coalition or other appropriate delivery mechanism. Adds language for remission of fifty percent of any savings if plan costs are less than the monthly employer contribution.	One of the goals of the administration is to explore the merits of a health trust environment for cost containment purposes; provides incentives for all parties to save on health costs.	Employee directed healthcare coverage may be better tailored to individual unit needs.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 27 – Term of Agreement (page 43)	Specifies 3-year agreement from 7/1/00 to 6/30/03. Specifies dates for giving notice of negotiations for successor agreement and what will occur should the legislature not fund the agreement.	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State

Summary of Contract Changes Wage and Health Reopener Only

INLANDBOATMEN'S UNION OF THE PACIFIC (IBU-P)

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 17 – Pay Plan Note: 2000-2003 CBA Section 17.01 A (page 19)	\$1,200 lump sum payment, less required employee deductions and employer contributions, to all bargaining unit members no later than July 31, 2000. This payment will be prorated based on employee pay status from May 1999 to June 2000.	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$675,000 (total cost)	State / Agreement does not exceed State economic package.
	The proration creates a savings to provide a slightly higher lump sum payment to Jr. Engineers and Oilers.	This additional amount recognizes the Union's desire to restructure the package for these classifications.	No economic impact beyond package provided above.	Union and State
	Current salary schedule stay in effect until June 30, 2001.			

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 17 – Pay Plan Note: 2000-2003 CBA Section 17.01 (page 20)	2% salary increase effective July 1, 2001.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$554,738 (total cost)	State / Agreement does not exceed State economic package.
Rule 17 – Pay Plan Note: 2000-2003 CBA Section 17.01 (page 20)	3% increase effective July 1, 2002.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$848,748 (total cost)	State / Agreement does not exceed State economic package.
Rule 17 – Pay Plan Note: 2000-2003 CBA Section 17.10	Delete Rule 17.10	Employer complied with this requirement in the previous agreement.	No economic impact	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 29 -- Health and Welfare Section A-F (page 46)	Sets employer contribution at \$515.00/month effective 7/1/2000, \$575.00 effective 7/1/2001, \$630/month effective 7/1/2002. Lays out detail for eventual health trust authorized in previous contract.	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$452,400 (total cost) FY 02 \$417,600 (total cost) FY 03 \$382,800 (total cost)	State / Agreement does not exceed State economic package.
Rule 39—Term of Agreement (page 53)	Specifies 3 year agreement	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State

Summary of Contract Changes

MARINE ENGINEERS BENEFICIAL ASSOCIATION MEBA

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 1 – Scope (page 1) Section 1.03	Adds language that defines Union membership for negotiating team comprising representation from Southeast and Southwest regions.	Recognizes the Union representatives for negotiation purposes.	No economic impact	Union
Rule 1 – Scope (page 1) Section 1.05	Defines Union jurisdiction	Clarifies MEBA jurisdiction.	No economic impact. Does not change current relationship, but does acknowledge a role for MEBA in future operations.	Union
Rule 5 – Union Membership (page 4) Section 5.04	Added Hudson language from U.S. Supreme Court decision.	Releases the employer from liability when the union requests termination of employee for non-payment of dues.	Hold employer harmless. Provides protection if union incorrectly requests termination of an employee.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 9 – Occupational Injury and Illness Benefits (page 6) Section 9.03	Reflects a change in the State's group insurance carrier.	Change carrier name.	No economic impact	State
Rule 11 – Cash Allowance for Subsistence and Quarters (page 7) Section 11.02	Meal rate increase from \$41/day to \$42/day.	Comports with Administrative Manual rate.	\$3,000 (total cost). Funded increase with a portion of \$1,200 lump sum amount.	Union
Rule 16 – Shipyard and Terminal Work (page 14) Section 16.10	The parties will meet and negotiate if initiating conditions found in Rule 35 are met.	The State sought this change to provide for negotiation of this non-mandatory term when required by impacts to the AMHS.	Impacts to the AMHS as defined in Rule 35.	State
Rule 17 - Pay Plan (page 14) Section 17.01 A	Current salary schedule stay in effect until June 30, 2001.	Maintain same base salary schedule.	\$0 In lieu of \$1,200 lump sum amount MEBA elected to use this amount to fund increase for Rules 11, 17, 22, and 28.	Union and State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 17 Pay Plan (page 14) Section B	Increase in Nonwatch Pay effective July 1, 2001.	Recognizes cost of living increases for employees and does not change base salary schedule. Note: in lieu of \$1,200 flat payment.	\$49,133 (total cost for FY02 and FY03) Allows the employer to recognize the contribution of the most experienced Engineer Officers without increasing their base rate of pay.	Union and State
Rule 17 - Pay Plan (page 15) Section 17.02 B	Addresses calculation for COLD payments when working in another classification.	Provides clarification language regarding treatment of COLD payment related to classification matters.	No economic impact. Reduces admin. burden by using the PFD as a crosscheck provided for in Alaska State Statute.	State
Rule 17 Pay Plan (page 16) Section 17.05	2% salary increase effective July 1, 2001.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$64,800 (total cost)	State / Agreement does not exceed State economic package.
	3% increase effective July 1, 2002.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$59,400 (total cost)	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 17 Pay Plan (page 16) Section 17.07 A	Adds language identifying MEBA and corrects error from previous contract when referring to wrong section.	Clean up language	No economic impact	Union
Rule 22 – Overtime (page 20) Section 22.04	Increase in penalty pay rate effective July 1, 2000. Refer to Rule 15.02 A – F for specific conditions that apply.	Penalty pay increase from \$6.94/hr to \$13/hr.	\$22,977 (total cost) Note: in lieu of \$1,200 flat sum amount.	State
Rule 23 – Leave (page 21) Section 23.03 E	Establishes guidelines for personal leave account balances for officers.	Defines personal leave account balance that may be maintained by officers.	No economic impact. This reinforces that the employer may force employees on to vacation to provide work opportunities for other employees.	Union
Rule 23 - Leave (page 21) Section 23.05	Establishes the calculation for determining personal leave payrate associated with temporary upgrade classifications.	Memorializes the practice of the employer with regard to pay when Officer works in a temporary upgrade position.	No economic impact. This allows the employer to continue to use Engineer officers in temporary upgrades without creating new positions.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 23 - Leave (page 23) Section 23.06 C	Establishes leave conversion between Southeast and Southwest systems.	Provides mechanism that allows officers to work in both systems without penalizing them financially.	No economic impact. Provides the Engineer Officer a method to maintain consistent paychecks by using their own leave.	Union and State
Rule 23 - Union Business Leave Bank (page 23) Section 23.07 A	Defines how employer will make payments to Union Business Leave Bank.	Internal Union equity matter.	No economic impact	Union
Rule 24 - Holidays (page 26) Section 24.06	Adds prior agreement language regarding Lincoln's Holiday.	Clean up language that incorporates prior agreement into current master agreement.	No economic impact	State and Union
Rule 26 - Seniority (page 28) Section 26.07 A	Establishes time periods related to posting and filling positions.	Provides flexibility for employer when filling positions.	No economic impact	State and Union
Section 26.07 B	Defines time periods associated with employer filling vacancies.	Specifies that a position will be filled within 30 days of closing bid.	No economic impact	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Section 26.08	Defines who will participate in providing recommendations for transfer or bid opportunities.	Establishes how recommendation process will work.	No economic impact	Union
Rule 27 – Health and Welfare (page 28) Section A-G	Sets employer contribution at \$515.00/month effective 7/1/2000, \$575.00 effective 7/1/2001, \$630/month effective 7/1/2002	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$70,200 (total cost) FY 02 \$131,419 (total cost) FY 03 \$201,071 (total cost)	State / Agreement does not exceed State economic package.
Rule 27 – Health and Welfare (page 30) Section 27.04 A	Increase in benefit for Temporary Relief Engineer. In lieu of \$1,200 flat payment amount.	Provide increase from \$27.50/day to \$31.00/day effective January 1, 2000.	\$4,291 (total cost a year)	Union
Rule 27 -Health and Welfare (page 30) Section 27.05 A and B	Adds language for MEBA retirees.	Provides MEBA with a communication vehicle associated with retiree benefits.	No economic impact	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 28 – Pensions (page 31) Section 28.04	Outlines amount of MPB employer contribution that will be allocated for each permanent Engineer Officer in order to fund UBLB.	Provides MEBA with a communication vehicle associated with retiree benefits.	No economic impact	Union
Rule 28 – Pensions (page 30) Section 28.05 A, B, C, D and E	Adds language for MEBA retirees.	Provides MEBA with a communication vehicle associated with retiree benefits.	No economic impact	Union
Rule 32 – Pass Privileges (page 33) Section 32.01 A, 32.03, Section 32.07 A and D	Clarifies pass privileges for Engineer Officers.	Provides enhancements to Engineer Officers while balancing operational needs.	No economic impact. Benefit continues to be on a space available basis only. A shift from weight privilege to length; standardizes program with tariff schedule.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 37 – Education (page 36) Section 37.02 A, B, C and D	Clarifies educational requests.	Provides guidelines for determining training opportunities.	No economic impact. Recognizes that employer will maintain discretion in non-mandatory training area in order to manage limited resources.	Union and State
Rule 39 - Term of Agreement (page 36) Section 39.01	Specifies 3 year agreement	Three year contracts were a goal of the administration for all units.	Provides stable labor- management environment for the longest term permitted by the Public Employment Relations Act.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
M/V Tustumena Supplemental Rule 22 Overtime (page 42) Section 22.03	Provides pay benefit to officer if employer fails to relief them as scheduled.	Acts to ensure that employer schedules in advance in order to avoid cost of premium pay.	Minimal cost impact. Employee morale enhanced.	Union
M/V Tustumena Supplemental Rule 23 - Personnel Leave (page 42) Section 23.01	Provides personal leave accrual option in lieu of 23.01.	Creates alternative option to personal leave accrual.	No economic impact. Provides standardization of leave accrual system with this one vessel. Changes employees from an accruing leave to a non accruing leave.	Union
M/V Bartlett Supplemental Agreement Rule 22 -- Overtime (page 48) Section 22.03	Requires employer to pay overtime to an officer in the event he is not relieved after assignment is complete.	Compensates officer not to exceed five (5) days if the officer is required to work beyond assignment.	Minimal cost impact	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
M/V Bartlett Supplemental Rule 23 - Personnel Leave (page 48) Section 23.01	Alternative personal leave accrual option in lieu of Rule 23.01.	Creates an alternative option to the personal leave accrual noted in 23.01.	No economic impact. Provides standardization of leave accrual system with this one vessel. Changes employees from an accruing leave to a non accruing leave.	Union
M/V Bartlett Supplemental Rule 23 - Personnel Leave (page 48) Section 23.05	Defines rate of pay for personal leave accrual in instances when officer is working in a temporary upgrade position.	Creates an alternative option to the personal leave accrual noted in 23.01.	No economic impact	Union
Port Engineers Supplemental Agreement Rule 17 - Pay (page 54) Section 17.01	Defines how engineering officers will accrue personal leave.	Clarifies how personal leave will be accrued for officers working in temp. assignments.	No economic impact. Encourages fleet engineers to work ashore for temporary assignments.	State
M/V Kennicott Supplemental Rule 23 - Personal Leave (page 64) Section 23.11	Reduces the time period associated with leave accrual from 30 days to 28.	Time period to reflect 28 days. Reflects current practice in work scheduling.	Minimal economic impact. Allows the employer to more reliably hire temporary relief workers.	Union

Summary of Contract Changes

MASTERS, MATES AND PILOTS MMP

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 1 – Scope (page 1) Section 1.01	Add M/V Kennicott to the list of vessels covered under the scope provision.	Clarifies the vessels under agreement with MMP.	No economic impact	Union
Rule 5 – Union Membership (page 2) Section 5.03	Added Hudson language from U.S. Supreme Court decision.	Releases the employer from liability when the Union requests termination of employee for non-payment of dues.	Holds employer harmless. Protects employer's liability if the union mistakenly or incorrectly requests termination.	State
Rule 9 – Occupational Injury and Illness Benefits (page 4) Section 9.02	Increase payment of maintenance under doctrine of maintenance and cure.	Provides increased benefit to employees in the event they are unable to work due work related injury.	The cost is approximately \$10,000 per year and is offset by the elimination of year long "set up" pay in Rule 17.04.	Union
Section 9.03	Change carrier name.	Reflects a change in the State's group health insurance carrier.	No economic impact	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 12 – Relief Terminal (page 6) Section 12.01 C	Add Homer as home port for the M/V Tustumena.	Operational efficiency	No economic impact	State
Rule 17 - Pay Plan (page 12) Section 17.01 A	\$1,200 lump sum payment, less required employee deductions and employer contributions, to all bargaining unit members no later than July 31, 2000.	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$87,300 (total cost)	State
Rule 17.01 A (page 12)	Current salary schedule stay in effect until June 30, 2001.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$54,000 (total cost)	State
Rule 17.01 (page 13) Section B	2% salary increase effective July 1, 2001.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$49,500 (total cost)	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 17.01 (page 14) Section C	3% increase effective July 1, 2002.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	Approximately \$17,000 in savings; offsets the improvements received in Rule 9.	State
Rule 17.04 Vacation Relief Deck Officers' (page 15)	Modifies the pay received for the Vacation Reliefs.	Pay modification for Vacation Reliefs to reflect majority of time worked in job class.	No economic impact	Union and State
Rule 18 -- Hours -- Vessels on the Run (page 15)	Incorporates work hours for the M/V Tustumena supplemental into Master Agreement.	Operational efficiency	Cost savings associated with incorporating the M/V Tustumena supplemental into Master Agreement.	State and Union
Rule 19 -- Monthly Work (page 16) Section 19.04	Incorporates work assignment for the M/V Tustumena supplemental into Master Agreement.	Operational efficiency	Cost savings associated with incorporating the M/V Tustumena supplemental into Master Agreement.	State and Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Rule 22 -- Overtime (page 17) Section 22.02 B	Incorporates work assignment for purposes of overtime calculation regarding the M/V Tustumena supplemental into Master Agreement.	Operational efficiency	Cost savings associated with incorporating the M/V Tustumena supplemental into Master Agreement.	State and Union
Rule 23 -- Use of Vacation (page 19) Section 23.03 C	Provides additional guidance to the Union Vacation Committee representatives.	Memorializes current practice and limits its expansion.	No economic impact.	Union and State
Rule 26 -- Seniority (page 23) Section 26.01 B	Adds language that precludes seniority from accruing in instances of temporary emergency assignments.	Maintains and clarifies seniority provision.	No economic impact.	Union
Rule 27 -- Health and Welfare (page 25) Section A-F	Sets employer contribution at \$515.00/month effective 7/1/2000, \$575.00 effective 7/1/2001, \$630/month effective 7/1/2002	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$58,500 (total cost) FY 02 \$119,275 (total cost) FY 03 \$182,491 (total cost)	State

Rule 29 - Sick Leave (page 27) Section 29.04	Defines time period associated with requirement for providing a doctor's certificate.	In the event an employee is sick, it allows relief for up to five (5) days before requiring a doctor's certificate.	No economic impact. Relieves parties of administrative burden by recognizing that leave abuse does not occur with professional deck officers.	Union
Rule 29 - Sick Leave (page 28) Section 29.06	Clarification language related to FMLA and Alaska Family Leave Act (AFLA).	Clean up language.	No economic impact.	State
Rule 32 Pass Privileges (page 29) Section 32.01 A, B, C; Section 32.02; Section 32.03; A, B, C and D; Section 32.05; Section 32.07 A and B	Clarifies pass privileges for deck officers.	Balances operational needs with employee benefit.	No economic impact. All benefits remain space available. Shift from weight privilege to length which is consistent with tariff.	State
Rule 37—Term of Agreement (page 33) Section 37.01	Specifies 3 year agreement	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State
Appendix B	Delete	Eliminate Me Too	Precludes MMP from receiving benefits they did not specifically bargain for.	State

Appendix C	Delete	Eliminate Me Too	Precludes MMP from receiving benefits they did not specifically bargain for.	State
Supplemental Agreement M/V Tustumena	Delete Supplemental Agreement and incorporate into Master Agreement.	Operational efficiency	Cost savings associated with incorporating the M/V Tustumena supplemental into Master Agreement. Administrative burden should decrease with standardization.	State and Union

Summary of Contract Changes

PUBLIC EMPLOYEES LOCAL 71 LTC

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 13.02 – Wage Schedule & Step Placement (page 9) new section 1	\$1200 lump sum payment, less required employee deductions and employer contributions, to all bargaining unit members with a pro ration of the payments for seasonal and new employees – payable no later than July 31, 2000.	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$1,740,200 (total funds)	State / Agreement does not exceed State economic package.
Article 13.02 – Wage Schedule & Step Placement (page 9) new section 2	Provides for effective dates of the agreement.	Clarifies the dates of the agreement during which the salary schedules are in effect.	No cost	State and union
Article 13.02 – Wage Schedule & Step Placement (page 10) Section A	New wage schedules for the period 7/1/99 to 6/31/01 adding new wage group 49 and 61	Clean up language to comply with current wage groups.	No cost	State and union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 13.02 – Wage Schedule & Step Placement (page 10) new wage schedule added (page 10)	2% salary increase effective 7/1/2001 3% salary increase effective 7/1/2002	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is. Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$1,606,612 (total funds – includes 2% increase to Service Bonus steps in 13.04) \$2,458,135 (total funds – includes 3% increase to Service Bonus steps in 13.04)	State / Agreement does not exceed State economic package. State / Agreement does not exceed State economic package.
Article 13.03 – Job Classification (page 10) Section A	Job titles changed to reflect new job classifications.	Clean up language	No cost	State and union
Article 13.04 – Service Bonus (page 14)	Add reference to new step E.	Conforming language to the rest of the contract.	No cost	State and union

Contract Article	Summary of Change	Rationale	Impact	Requestor
(page 14)	Add a new step E, beginning July 1, 2002 for employees with 15 or more years of service and who have been at step D for at least 2 years.	Recruitment and retention of employees, especially well trained employees, with more than 15 years of service.	\$547,744 (total funds) – savings from employees in frozen salaries who will not receive the 2% and 3% raises.	State / Agreement does not exceed State economic package.
New wage schedules (page 14)	New wage schedules set out in contract.	Clean up to keep contract consistent.	No cost	State and union
Article 13.05 – Subsistence (page 15) first paragraph	Adds reference to new wage groups 49 and 61.	Conforming language to the rest of the contract.	No cost	State and union
Article 22.01 – Duty Station Seniority (page 31) first paragraph	Deletes reference to Division of Design and Construction within DOT/PF as it no longer exists and clarifies that this subsection only applies to employees working in design and construction in DOT/PF.	Clean up language to reflect reorganization or DOT/PF.	No cost	State and union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 23.01 – Health Insurance (page 33) third, fourth and fifth paragraphs	Sets employer contribution at \$570.00/month effective 7/1/2000; \$590.00 effective 7/1/2001 and \$630/month effective 7/1/2002	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$352,400 (total funds) FY 02 \$352,155 (total funds) FY 03 \$704,309 (total funds)	State / Agreement does not exceed State economic package.
Seventh paragraph	Adds language for remission of fifty percent of any savings if plan costs are less than the monthly employer contribution.	Employer and employee incentive to save on the cost of health insurance.	No cost	State
Article 23.03 Health Insurance Rate Adjustment (page 33)	Clean up language to delete reference to re-negotiation of the health insurance language and changes the date by which the union will provide an actuarial analysis of their trust fund to the state.	Proposed three-year agreement does not need re-opener language.	No cost	State and union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 25 – Tool Allowance (page 34) first paragraph	Changes titles of wage groups to reflect changes made in Article 13.03.	Conforming language to the rest of the contract.	No cost	State and union
Article 29 – Term of Agreement (page 39) 29.01	Specifies 3 year agreement	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State
29.04 (old contract)	Delete	Language not required – standard procedure.	No cost	State and union
29.05 (old contract)	Delete	Re-negotiation language not needed – three-year contract.	No cost	State and union
29.06 (old contract)	Delete	Language not needed – no re-negotiation language.	No cost	State and union
29.04 (new contract)	Language the same as old contract 29.07.	Renumber section to reflect elimination of sections listed above.	No cost	State and union

Summary of Contract Changes

PUBLIC SAFETY EMPLOYEES ASSOCIATION CORRECTIONAL OFFICERS

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 9-Employment Status (page 10) Section 9.8-Transfers	Reduced the number from 5 to 3 most senior candidates on the transfer list to be given first consideration and opportunity to interview for transfer to vacant position	Provide more opportunity for more senior employees to be selected for transfer	No economic impact	Union
Article 17--Insurance (page 30) Section 17.3	Sets employer contribution at \$515.00/month effective 7/1/2000, \$575.00 effective 7/1/2001, \$630/month effective 7/1/2002	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$285,800.00 (total cost) FY 02 \$511,701.00 (total cost) FY 03 \$469,059.00 (total cost)	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 21--Wages (page 40) Section 21.1	\$1200 lump sum payment, less required employee deductions and employer contributions, to all bargaining unit members no later than July 31,2000	Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.	\$853.200.(total cost)	State / Agreement does not exceed State economic package.
	Current salary schedule stays in effect until June 30, 2001	Maintain same base salary schedule	\$0	State
	2% salary increase effective 7/1/2001	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$798.694.00 (total cost)	State / Agreement does not exceed State economic package.
	3% salary increase effective 7/1/2002	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$1,302,549.00 (total cost)	State / Agreement does not exceed State economic package.

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 24-Safety and Health (page 46) Section 24.2B Monitored Health	Remove language requiring annual physical evaluations to include tests for occupational exposures	Change makes contract consistent with previous contract requirement for receiving annual physical reimbursement	Minimal Impact- Employer reimbursement of \$105.00 for annual physical evaluation remains unchanged	Union
Article 37—Duration of Agreement (page 54)	Specifies 3 year agreement	Three year contracts were a goal of the administration for all units	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State
	Specifies time period, November 1-30, 2002, for giving notice to begin negotiation of successor agreement	Need to specify time for notice and time to re-enter negotiations for successor agreement	Re-enter negotiations with union for successor agreement	State

Summary of Contract Changes

PUBLIC SAFETY EMPLOYEES ASSOCIATION PSEA--Troopers

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 8-Travel & Per Diem Sect. 1 page 13	Members may receive a higher allowance with department approval	Clarify current practice	No cost impact	Union & State
Sect. 3 page 13	Sets meal allowance equal to that in the Administrative Manual	Standardize meal allowance	Minimal cost impact	State
Article 14-Leaves of Absence for Permanent Employees Sect 1h page 39	Section reformatted with the following changes: Balance required to be maintained after leave cash in reduced from 45 days to 40 hrs., number of cash in allowed changed to 3 from 1 and others with hardship, payment will be no later than 1 pay period instead of within 10 days	Change brings this contract closer to practice in other bargaining units.	No major administrative impact and no cost impact.	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 6f page 42	Clean-up language on administrative leave. Final sentence allows for a delay in the onset of coverage for a work related injury or illness	Clarification eliminates interpretation questions	No cost impact	Union & State
Article 15-Wages Sect. 1b page 44	2% salary increase effective 7/1/01	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$669,433.00 (total funds)	State / Agreement does not exceed State economic package.
Sect. 1c page 44	3% salary increase effective 7/1/02	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$1,024,238.00 (total funds)	State / Agreement does not exceed State economic package.
Sect. 3 page 44	Geographic Differential steps increased for Klawock from 2 to 3, Kodiak from 2 to 4	Recognize the higher cost of living in Klawock and Kodiak	Funded by a reduction in the \$1200 lump sum payment of \$280 per member.	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 9 page 47	Deleted language that specified that this section applied to Department of Public Safety only Incorporates letter of agreement into the contract. LOA allows a 7 day on, 7 day off, 84 hr. week at Anchorage airport	Apply same contract provisions to all members of the bargaining unit	Minimal cost. Administrative efficiency	Union
Sect. 13c page 52	All compensatory time agreements must be in accordance with Fair Labor Standards Act	Contract terms reflect practice as agreed on in the letter of agreement	None—reflects current practice	Union & State
Sect. 13e page 52		Assure contract compliance with FSLA	Avoids future disputes or contract problems	State
Article 22-Insurance Entire article reformatted with the following major changes: Sect. 2A page 62	Sets employer health care contribution at \$546.50/month effective 7/1/2000	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$127,100.00 (total funds)	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 2B page 62	Employer health care contribution \$575.00 per month effective 7/1/2001	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 02 \$136,752.00 (total funds)	State
Sect. 2C page 62	Employer health care contribution \$630.00 per month effective 7/1/2002	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 03 \$263,907.00 (total funds)	State
Sect. 2D page 62	Contributes a one time payment of \$920 per member to the health trust on 7/1/2000.	Union wants to insure that their health trust is funded adequately to maintain its long term viability and to provide quality health care to its members	Remainder of \$1200 lump sum payment funds this provision (\$920 per member).	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Sect. 2E page 62	Provides if PSEA trust obtains health care at a cost less than the employer contribution 50% of savings will be remitted to state and 50% to employee	One of the goals of the administration is to explore the merits of a health trust environment for cost containment purposes; provides incentives for all parties to save on health costs.	Employee directed healthcare coverage may be better tailored to individual unit needs.	State
Sect. 2I' page 62	Specifies employee contribution until changed by health trust board of trustees	Allows members to know what their contribution rate will be and how changes in employee contribution is made	None to state	Union
Sect. 2G-I page 62	Clarifies relationship between trust and state	Avoid future disputes on reporting etc.	Increased efficiency	State
Article 36-Duration of Agreement page	Specifies term of agreement from 3/1/2000 through 2/28/2003 with no re-openers. Specifies that bargaining for a successor agreement will begin on or after January 1, 2003	Three year contracts were a goal of the administration for all units.	Provides stable labor-management environment for the longest term permitted by the Public Employment Relations Act.	State

Summary of Contract Changes

TEACHERS' EDUCATION ASSOCIATION OF MT. EDGE CUMBE TEAME

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 1-General Provisions (page 1) Section i- Nondiscrimination	Add the terms physical or mental disability, pregnancy, and parenthood to nondiscrimination provision.	Clarify scope of nondiscrimination to make language consistent with AS18.80.200.	No economic impact	Union and State
Article 2 -Negotiations Procedure Section 2-inaugurating Negotiations (page 2)	Specifies time period, December 1, 2002 for beginning negotiation of successor agreement.	Need to specify time for notice and time to re-enter negotiations for successor agreement.	Re-enter negotiations with union for successor agreement.	Union and State
Article 3—Duration of Agreement (page 3) Section 1	Specifies 3 year agreement	Three year contracts were a goal of the administration for all units.	Provides stable labor- management environment for the longest term permitted by the Public Employ- ment Relations Act	State

Contract Article	Summary of Change	Rationale	Impact	Requestor
Article 4-Association Rights (page 3& 4) Section 5	Add section to clarify that there will be no monetary or leave cost to the Union as a result of participation in statewide labor management Committee on Delivery of Public Services.	State request to participate in LMC. Smaller units do not have sufficient business leave to allow participation.	Impact minimal-LMC meetings should not result in travel costs to this union.	Union
Article 12-Leave (page 18) Section 3 Family Leave	Add heading "Parental Leave" to section 3 and change the word annual to personal leave and change the words "sick leave" to "banked sick leave."	Textual changes required to clarify and make contract terms consistent with practice.	No economic impact	State
Article 13--salary (page 24) Section 1	<p>\$1200 lump sum payment, less required employee deductions and employer contributions, to all bargaining unit members no later than July 31, 2000.</p> <p>Current salary schedule stays in effect until June 30, 2001.</p>	<p>Lump sum payment defrays cost of living increases and past increases in the cost of health insurance for employees without changing the base salary schedule.</p> <p>Maintain same base salary schedule.</p>	<p>\$21,100.00 (total cost)</p> <p>\$0</p>	<p>State / Agreement does not exceed State economic package.</p> <p>State</p>

Contract Article	Summary of Change	Rationale	Impact	Requestor
Section 2- (page 25) Salary placement credit	2% salary increase effective 7/1/2001.	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$21,733.00 (total cost)	State / Agreement does not exceed State economic package.
	3% salary increase effective 7/1/2002	Salary adjustment offsets anticipated cost of living increases; and will help make the state more competitive as an employer than it currently is.	\$33,241.00 (total cost)	State / Agreement does not exceed State economic package.
	Specify that education credits earned by teachers for intern teacher program qualify toward existing applicable education courses for salary placement credit.	Intern credits count toward credit to maintain teacher certification and intern work could be approved as a substitution for education courses.	Impact minimal- provision existed on a discretionary basis in previous contract.	Union

Contract Article	Summary of Change	Rationale	Impact	Requestor
Section 6 (page 28-31) Student Activity Sponsorship	Effective in year two of the agreement, implement adjusted Student Activity Sponsorship compensation scale and range. Some activities such as basketball coach were adjusted up and year book advisory adjusted down, while compensation for other activities remain unchanged.	Equalize compensation for student activity sponsorships based on time required for sponsoring activity.	No economic impact in year one. Impact minimal for year two and three due to adjustment offset.	State
Article 13—Health Insurance (page 26) Section 3	Sets employer contribution at \$515.00/month effective 7/1/2000, \$575.00 effective 7/1/2001, \$630/month effective 7/1/2002.	Recognize the increasing cost of health care by increasing employer contribution; large factor in recruitment and retention of employees; over the three years, equalize employer participation in all units.	FY 01 \$8,200.00 (total cost) FY 02 \$12,509.00 (total cost) FY 03 \$11,467.00 (total cost)	State / Agreement does not exceed State economic package.

UNIVERSITY OF ALASKA
SUMMARY OF CONTRACT SETTLEMENT WITH UNITED ACADEMICS
February 2000

Introduction

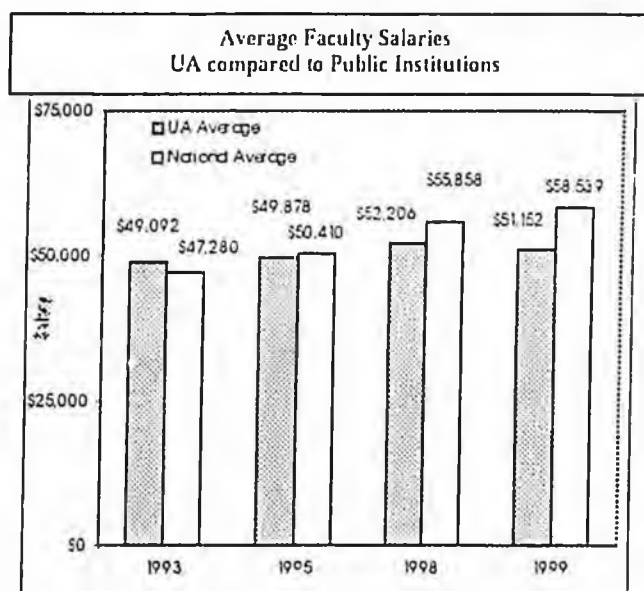
The University's ability to recruit and retain the most qualified faculty is critical to achieving our teaching, research, and service mission. The faculty members represented by United Academics (675) deliver high quality instruction and research, and provide university and public service on UA's Anchorage, Fairbanks, and Southeast campuses.

Background

Collective bargaining negotiations often divert faculty and administrative resources from our students to the battle at the bargaining table. Last month, the administration and United Academics agreed to an expedited negotiation that would not harm the educational process. The process resulted in a reasonable agreement, meeting the needs of the administration, the faculty, and most important our students.

The National Context

The University of Alaska recruits its faculty from a national (and in some cases international) market, in large part because the University has a limited number of programs that prepare faculty for university teaching and research. As the following figure demonstrates, faculty salaries across the nation have increased much more than salaries at UA and now exceed them.



Economic Highlights

Provide 2.6% annual across the board increases; provide a 0.6% pool for promotions, equity, and retention; provide a 0.8% pool for non-base merit bonuses to recognize extraordinary performance as determined by administration; and maintain that increases are subject to legislative approval and funding. (Note, last year, faculty contracts nationally, resulted in a 4.8% average increase.) The general fund increment request for FY01 is \$1,145,700. Based on the current membership, additional funding requirements for FY02 and FY03 are estimated at \$1,375,000 and \$1,400,000 respectively.

Provide three health benefits options to the union – (1) maintain current coverage, (2) withdraw from all UA health plans, (3) or participate in another UA health plan – such as the UA 2000 plan currently offered to non-represented employees; and clarify that costs in excess of the university's defined contribution are based on the participants in a particular plan.

Discontinue annual \$400 lump sum payment.

Operational Highlights

The agreement is for three years, January 1, 2001 through December 31, 2003. Streamline and improve faculty evaluation processes.

**Highlights of
January 01, 2001 to December 31, 2003
Agreement Between
United Academics & University of Alaska**

Duration

- 3 years, January 1, 2001 to December 31, 2003

Compensation

- Lift salary cap for purpose of raises;
- 2.6% across the board raises on July 1 2001, 2002 & 2003;
- .6% pool for promotions, retention and equity;
- .8% pool for non-base merit bonuses determined solely by management – awards not subject to grievance process;
- FY01 Merit paid Across the Board.

Health Benefits

- Retain current defined contribution plan with no entitlement to participant pool;
- Discontinue annual \$400 lump sum payment.

Sabbatical Leaves

- Add one-semester leaves at 3 months pay. Eliminate grievances.

Evaluation of Faculty

- Streamline and improve evaluation processes;
- Clarify confidentiality of faculty evaluator votes.

Contract Extensions

- Allow sick leave accrual on certain contract extensions.

Department Heads/Chairs

- Increase discretion of dean to compensate heads/chairs;
- Provide heads/chairs an optional role in evaluating faculty.

Dispute Resolution

- Limit arbitrations to grievances filed by United Academics;
- Limit discrimination grievances to union activity.

Negotiations

- Limit compulsory negotiation window.

UNIVERSITY OF ALASKA
SUMMARY OF CONTRACT SETTLEMENT WITH ACCFT
February 2000

Introduction

The University's ability to recruit and retain the most qualified faculty is critical to achieving our teaching, research, and service mission. The faculty members (266) represented by ACCFT deliver high quality instruction and provide university and public service on all UA campuses across the state.

Background

Collective bargaining negotiations often divert faculty and administrative resources from our students to the battle at the bargaining table. Last year, the administration and ACCFT agreed to an expedited negotiation that would not harm the educational process. The process resulted in a reasonable agreement, meeting the needs of the administration, the faculty, and most important our students.

The National Context

The University of Alaska recruits its faculty from a national (and in some cases international) market, in large part because the University has a limited number of programs that prepare faculty for university teaching and research. As the following figure demonstrates, faculty salaries across the nation have increased much more than salaries at UA and now exceed them.

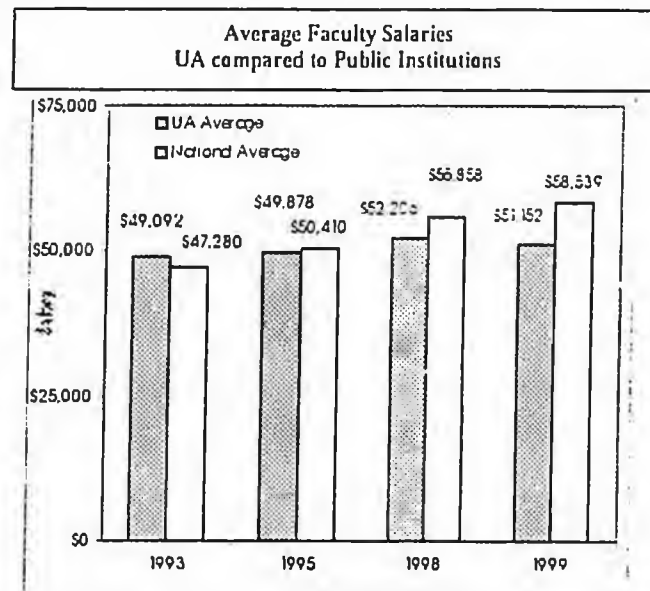
Economic Highlights

Continue 2.6% annual across the board increases; continue an annual \$200 lump sum bonus; and clarify that increases are subject to legislative approval and funding. (Note, last year, faculty contracts nationally, resulted in a 4.8% average increase.) The general fund increment request for FY01 is \$428,500. Based on the current membership, additional funding requirements for FY02 and FY03 are estimated at \$440,000 and \$450,000 respectively.

Provide three health benefits options to the union - (1) maintain current coverage, (2) withdraw from all UA health plans, (3) or participate in another UA health plan - such as the UA 2000 plan currently offered to non-represented employees; and clarify that costs in excess of the university's defined contribution are based on the participants in a particular plan.

Operational Highlights

The agreement is for three years, July 1, 2000 through June 30, 2003. Non-tenure track term faculty will be given notice of non-retention, based on longevity.



SUMMARY OF JULY 1, 2000-JUNE 30, 2003
AGREEMENT BETWEEN ACCFT & UNIVERSITY OF ALASKA

- **TERM**—Provide a three-year collective bargaining agreement, beginning July 1, 2000, ending June 30, 2003.
- **BARGAINING UNIT**—Expand the bargaining unit by including faculty with ACCFT workloads who work more than 50 but less than 60 per cent of a full time workload, while excluding adjunct faculty. This brings this unit into line with the other bargaining units by using a threshold of 50%.
- **ECONOMIC**—Continue 2.6% across the board salary increases in FY01, 02 and 03 (adjusting salary maximums for each rank by 2.6% in FY01 only); continue a ten per cent salary increase in the year of a promotion, with no other increase that year; continue an annual \$200 lump sum bonus; and clarify that across the board salary increases are subject to legislative approval and funding.
- **HEALTH BENEFITS**—Provide three health benefits options to the union - maintain current coverage, withdraw from any university plan and use the defined contribution amount (pegged at \$439.59/employee/month on July 1, 2000) for health coverage, or elect another university plan; clarify that costs in excess of the university's defined contribution are based on the participants in a particular plan. The defined contribution MAY increase by up to 3% per year, if the cost of benefits increases that much.
- **EVALUATION**—Continue the promotion/tenure/post-tenure review evaluation processes currently in place at the three MAUs.
- **NON-RENEWAL OF TERM EMPLOYEES**—Provide for minimum notice periods based on longevity, or payment in lieu of notice, when the university does not renew the appointment of a fixed term faculty member with more than two consecutive years of uninterrupted service.
- **INCORPORATION OF UNIVERSITY POLICY**—Continue to use the April 12, 1997, versions of Regents' Policy and University Regulation (those used in the current CBA) wherever they are referenced in the CBA, except as otherwise agreed.
- **OTHER PROVISIONS**—Continue the balance of the current collective bargaining agreement with appropriate adjustments in dates, and with modifications agreed to during the life of the current agreement.