

**HOUSE BILL NO. 545**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 3/22/96

Referred: State Affairs, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the cost-of-living differential for certain public employees  
2 residing in the state and the criteria for determining eligibility for the  
3 differential; and providing for an effective date."

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

5 \* **Section 1.** PURPOSE AND LEGISLATIVE INTENT. The purpose of the amendment  
6 to AS 23.40.210 in sec. 2 of this Act is to affirm the interpretation and practice of the state  
7 with regard to the use of criteria similar to the criteria in the permanent fund dividend  
8 program for determining the establishment and maintenance of state residency for eligibility  
9 for the cost-of-living differential under AS 23.40.210. It also is the intent of the legislature  
10 to provide express statutory authority to the state to establish or clarify those standards through  
11 adoption of regulations by the Department of Administration.

12 \* **Sec. 2.** AS 23.40.210 is amended by adding a new subsection to read:

13 (b) The Department of Administration may adopt regulations under AS 44.62  
14 (Administrative Procedure Act) to establish or clarify the criteria for determining

1 eligibility for the cost-of-living differential required under (a) of this section. Until the  
2 Department of Administration adopts regulations and the regulations take effect,  
3 eligibility for the cost-of-living differential paid to employees residing in the state shall  
4 be determined by using the definition of “state resident” for the permanent fund  
5 dividend program contained in AS 43.23.095 and the regulations adopted under  
6 AS 43.23 for establishing and maintaining state residency. In determining an  
7 employee's eligibility for the cost-of-living differential, a public employer may require  
8 the public employee to provide, on a periodic or other basis, relevant information and  
9 documentation relating to that determination.

10 \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).