

SENATE BILL NO. 90

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST

Introduced: 2/20/95

Referred: STA, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Public Officers Compensation Commission; relating to
2 the compensation of the governor, lieutenant governor, members of the legislature,
3 heads of the principal departments of the executive branch of government,
4 supreme court justices, judges of the court of appeals, judges of the superior
5 court, and district court judges; and providing for an effective date."

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

7 * **Section 1.** AS 22.05.140(a) is repealed and reenacted to read:

8 (a) The compensation of a supreme court justice shall be established by order
9 of the Public Officers Compensation Commission.

10 * **Sec. 2.** AS 22.07.090(a) is repealed and reenacted to read:

11 (a) The compensation of a judge of the court of appeals shall be established
12 by order of the Public Officers Compensation Commission. The compensation of a
13 judge may not be diminished during the term of office, unless by general law applying

1 to all salaried officers of the state.

2 * **Sec. 3.** AS 22.10.190(a) is repealed and reenacted to read:

3 (a) The compensation of a superior court judge shall be established by order
4 of the Public Officers Compensation Commission.

5 * **Sec. 4.** AS 22.15.220(a) is repealed and reenacted to read:

6 (a) The compensation of a district court judge shall be established by order of
7 the Public Officers Compensation Commission.

8 * **Sec. 5.** AS 22.15.230 is amended to read:

9 Sec. 22.15.230. ADDITIONAL COMPENSATION. Subject to rule of the
10 supreme court, a [DISTRICT JUDGE OR] magistrate shall receive a per diem
11 allowance and a transportation allowance commensurate with that authorized for other
12 state employees.

13 * **Sec. 6.** AS 24.10.100 is repealed and reenacted to read:

14 Sec. 24.10.100 SALARY OF LEGISLATORS. The salary for a member of
15 the legislature shall be established by order of the Public Officers Compensation
16 Commission. The commission may authorize per diem for legislators. The
17 commission may also authorize additional compensation for the president of the senate
18 and the speaker of the house of representatives.

19 * **Sec. 7.** AS 24.10.120 is amended to read:

20 Sec. 24.10.120. METHOD OF PAYMENT. Salaries, per diem **if authorized**
21 **by order of the Public Officers Compensation Commission**, and additional
22 allowances for members of the legislature shall be paid by warrants drawn on vouchers
23 approved by the legislative fiscal officer. The legislative fiscal officer shall, by
24 January 31 of each year, file with the legislature's fiscal office a report of all vouchers
25 approved for payment under this section during the preceding calendar year. The
26 report must **include** [PROVIDE], by legislator, the date of each voucher, the amount
27 paid, and the basis for approval for payment. The report is a public record.

28 * **Sec. 8.** AS 24.10.130(c) is amended to read:

29 (c) The Alaska Legislative Council shall adopt a policy regarding
30 reimbursement for moving expenses applicable to all legislators [AND AN
31 APPLICABLE PER DIEM ALLOWANCE POLICY]. The policy must set conditions

1 for the reimbursement for moving expenses [AND PAYMENT OF PER DIEM] and
2 prescribe the amounts of reimbursement adapted to the special needs of the legislative
3 branch as determined by the council.

4 * **Sec. 9.** AS 39.20.010 is repealed and reenacted to read:

5 Sec. 39.20.010. COMPENSATION OF GOVERNOR. The compensation of
6 the governor shall be established by order of the Public Officers Compensation
7 Commission.

8 * **Sec. 10.** AS 39.20.030 is repealed and reenacted to read:

9 Sec. 39.20.030. COMPENSATION OF LIEUTENANT GOVERNOR. The
10 compensation of the lieutenant governor shall be established by order of the Public
11 Officers Compensation Commission.

12 * **Sec. 11.** AS 39.20.050 is amended to read:

13 Sec. 39.20.050. EXCLUSIVE COMPENSATION. The compensation
14 established by order of the Public Officers Compensation Commission and other
15 benefits established [FIXED] by law for the governor and lieutenant governor **are**
16 compensation [IS] in full for all services rendered by each of them in any official
17 capacity or employment whatsoever during their respective terms of office, and shall
18 be paid throughout their respective terms of office unless the office becomes vacant.

19 * **Sec. 12.** AS 39.20.080(a) is repealed and reenacted to read:

20 (a) The compensation of the head of each principal executive department shall
21 be established by order of the Public Officers Compensation Commission.

22 * **Sec. 13.** AS 39.23 is amended by adding a new section to read:

23 Sec. 39.23.201. COMPENSATION COMMISSION ESTABLISHED. (a) The
24 Public Officers Compensation Commission is established in the Office of the
25 Governor. The commission is composed of seven members appointed by the governor.
26 Members serve staggered terms of four years. Commission membership shall include
27 at least one business executive, one person with experience in public administration,
28 one representative of a nonpartisan voters' organization, one representative of a labor
29 organization, and one lawyer. A vacancy shall be filled for the balance of the
30 unexpired term. A commission member may serve no more than two complete
31 consecutive terms.

1 (b) The commission shall elect a member to chair its meetings. A majority
2 of the commission members constitutes a quorum to transact business. The affirmative
3 vote of four members is required to approve the commission's report or an order on
4 compensation.

5 (c) The commission shall meet every other year at the call of the chair. Notice
6 of a meeting shall be mailed to each member at least 15 days before the date
7 scheduled for the meeting.

8 (d) The commission shall hold a public hearing to discuss its findings before
9 submitting its report or an order to the legislature.

10 * **Sec. 14.** AS 39.23.230(a) is amended to read:

11 (a) If requested by the commission, the **Department of Administration**
12 [LEGISLATIVE AFFAIRS AGENCY] shall provide staff for the commission.

13 * **Sec. 15.** AS 39.23 is amended by adding a new section to read:

14 Sec. 39.23.241. DUTIES OF THE COMMISSION. (a) The commission shall
15 review the compensation of the governor, lieutenant governor, members of the
16 legislature, heads of the principal departments of the executive branch of state
17 government, supreme court justices, judges of the court of appeals, judges of the
18 superior court, and district court judges. The commission shall submit a report to the
19 legislature on its findings every odd-numbered year no later than the 10th day of the
20 regular session of the legislature. A commission member who does not concur in the
21 report may file a minority report.

22 (b) If the commission finds that compensation over which it has jurisdiction
23 should change, the commission shall submit an order with the report making changes
24 to the compensation. Before submitting a report or order on compensation, the
25 commission shall give reasonable public notice of its preliminary findings, solicit
26 public comments, and give due regard to the public comments.

27 (c) An order changing the compensation of a public officer takes effect unless
28 a bill disapproving the order in its entirety is enacted into law within 60 days after the
29 order is submitted to the legislature. Unless disapproved, an order increasing the
30 compensation of a public officer is subject to funding through legislative appropriation
31 and takes effect on the later of January 1 of the next calendar year and the effective

1 date of the first appropriation to fund the increase. Unless disapproved and except as
2 provided in (d) of this section, an order decreasing the compensation of a public
3 officer takes effect January 1 of the next calendar year.

4 (d) An order decreasing the compensation of persons currently holding office
5 as the governor, lieutenant governor, justices of the supreme court, or judges of the
6 court of appeals, superior court, or district court takes effect on the later of

7 (1) January 1 of the next calendar year; and

8 (2) the effective date of a general law, applying to all salaried officers
9 of the state that diminishes compensation but only if the order is consistent with the
10 general law.

11 * **Sec. 16.** AS 39.23.250 is amended to read:

12 Sec. 39.23.250. FILING WITH LIEUTENANT GOVERNOR AND
13 CERTIFICATION. The commission shall, upon transmitting **an order on** [ITS FINAL
14 RECOMMENDATIONS FOR THE] compensation [OF LEGISLATORS] to the
15 legislature, file the **order** [RECOMMENDATIONS] in the office of the lieutenant
16 governor. When the **order becomes** [RECOMMENDATIONS BECOME] effective,
17 the commission shall certify the copy of the **order** [RECOMMENDATIONS] on file
18 in the office of the lieutenant governor.

19 * **Sec. 17.** AS 39.23.260 is amended to read:

20 Sec. 39.23.260. POLICY OF THE LEGISLATURE. It is the policy of the
21 legislature that the commission determine an equitable rate and form of compensation
22 [, BENEFITS, AND ALLOWANCES] for **the governor, lieutenant governor,**
23 **members of the legislature, heads of the principal departments of the executive**
24 **branch of state government, supreme court justices, judges of the court of**
25 **appeals, judges of the superior court, and district court judges.** **In determining**
26 **the compensation for each office, the commission shall consider the following**
27 **factors:**

28 (1) **the skill required;**

29 (2) **the time required;**

30 (3) **the opportunity for other earned income;**

31 (4) **the value of public services as performed in other states and in**

1 the federal government;

2 (5) the value of similar services when performed in the private
3 sector of this state and in other states based on the responsibility and discretion
4 required in the office;

5 (6) the reasonable expenses incurred in performing the public
6 service;

7 (7) the percentage change in the Consumer Price Index for
8 Anchorage, Alaska, as determined by the United States Department of Labor,
9 Bureau of Labor Statistics since the last compensation adjustment;

10 (8) the compensation presently received by the public officers and
11 all other benefits received;

12 (9) the interests and welfare of the public and the financial ability
13 of the state to meet the costs;

14 (10) the geographic cost-of-living based on a public officer's
15 primary place of assignment;

16 (11) the cost-of-living differential between Anchorage, Alaska, and
17 other locations in the United States; and

18 (12) other factors that are normally or traditionally considered in
19 the determination of compensation [LEGISLATORS].

20 * **Sec. 18.** AS 39.23 is amended by adding a new section to read:

21 Sec. 39.23.401. DEFINITIONS. In this chapter,

22 (1) "commission" means the Public Officers Compensation
23 Commission;

24 (2) "compensation" means the salary and per diem paid a public officer.

25 * **Sec. 19.** AS 22.05.140(c), 22.05.140(d); AS 22.07.090(c); AS 22.10.190(c), 22.10.190(d);
26 AS 22.15.220(d), and 22.15.220(e) are repealed.

27 * **Sec. 20.** AS 39.23.200, 39.23.240, and 39.23.400 are repealed.

28 * **Sec. 21.** AS 24.10.101 and 24.10.130(b) are repealed.

29 * **Sec. 22.** Notwithstanding AS 39.05.055(5) and the provisions of AS 39.23.201, enacted
30 by sec. 13 of this Act, one of the initial members appointed to the Public Officers
31 Compensation Commission shall serve a one-year term, two members shall serve two-year

1 terms, two members shall serve three-year terms, and two members shall serve four-year
2 terms.

3 * **Sec. 23.** Notwithstanding the requirement in AS 39.23.201(c), enacted by sec. 13 of this
4 Act, that the commission meet every other year, and the requirement in AS 39.23.241(a),
5 enacted by sec. 15 of this Act, that the Public Officers Compensation Commission submit
6 reports in odd-numbered years, the commission shall submit its first report concerning the
7 compensation of public officers no later than the 10th day of the regular session of the
8 legislature immediately following the enactment of this Act. Thereafter, the commission shall
9 meet in even-numbered years under AS 39.23.201(c) and submit reports in odd-numbered
10 years under AS 39.23.241(a).

11 * **Sec. 24.** When the Public Officers Compensation Commission files its first order
12 changing the compensation of justices of the supreme court or judges of the court of appeals,
13 superior court, or district court, it shall address the compensation of all of those public offices
14 in the order. The commission shall include both the governor and the lieutenant governor in
15 the first order it issues addressing the compensation of either of those public offices.

16 * **Sec. 25.** Sections 1 - 5 and 19 of this Act take effect on the date that the first order
17 changing the compensation of justices and judges issued by the Public Officers Compensation
18 Commission takes effect.

19 * **Sec. 26.** Sections 6 - 8, and 21 of this Act take effect on the date that the first order
20 changing the compensation of members of the legislature issued by the Public Officers
21 Compensation Commission takes effect.

22 * **Sec. 27.** Sections 9 - 11 of this Act take effect on the date that the first order changing
23 the compensation of the governor and the lieutenant governor issued by the Public Officers
24 Compensation Commission takes effect.

25 * **Sec. 28.** Section 12 of this Act takes effect on the date that the first order changing the
26 compensation of the heads of the principal departments of the executive branch of state
27 government issued by the Public Officers Compensation Commission takes effect.

28 * **Sec. 29.** Sections 13 - 18, 20, and 22 - 24 of this Act take effect immediately under
29 AS 01.10.070(c).