

CS FOR HOUSE BILL NO. 199(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 4/23/99
Referred: Finance

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to compensation for certain state employees; and providing for
2 an effective date."

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

4 * **Section 1.** AS 14.20.470 is amended to read:

5 (a) The commission may

6 (1) study proposals developed by regular committees of any existing
7 professional organization whose members are within the teaching profession;

8 (2) subpoena witnesses, place them under oath, and maintain written
9 records;

10 (3) warn or reprimand members of the teaching profession, if in the
11 judgment of the commission such action is warranted;

12 (4) suspend or revoke the certificate of a member of the teaching
13 profession for one of the reasons set out in AS 14.20.030 except that in the case of an
14 administrator, the commissioner must concur;

1 (5) make any recommendation to the board or to school boards that will
2 promote an improvement in the teaching profession;

3 (6) request assistance through any of the investigative processes of any
4 existing professional teaching organizations when analyzing charges of breach of
5 ethical or professional teaching practices;

6 (7) appoint an executive secretary, delegate those ministerial functions
7 to the executive secretary as the commission may decide and set the executive
8 secretary's compensation with a starting salary not exceeding **Step A, Range** [RANGE]
9 26, [STEP B] of the pay plan for state employees in AS 39.27.011(a).

10 * **Sec. 2.** AS 22.05.140(d) is amended to read:

11 (d) Beginning **July 1, 1999** [JANUARY 1, 1991], if the monthly basic salary
12 for **Step C** [STEP E], Range 28, of the salary schedule set out in AS 39.27.011
13 increases, the monthly base salary of the chief justice and the other justices shall
14 increase by the same percentage. The increase takes effect when the salary increase
15 under AS 39.27.011 takes effect and may be retroactive if consistent with the change
16 in AS 39.27.011. The commissioner of administration shall, by regulation, establish
17 the percentage at which the salary is increased and the increased salary amount.

18 * **Sec. 3.** AS 22.07.090(c) is amended to read:

19 (c) Beginning **July 1, 1999** [JANUARY 1, 1991], if the monthly basic salary
20 for **Step C** [STEP E], Range 28, of the salary schedule set out in AS 39.27.011
21 increases, the monthly base salary of the judges of the court of appeals shall increase
22 by the same percentage. The increase takes effect when the salary increase under
23 AS 39.27.011 takes effect and may be retroactive if consistent with the change to
24 AS 39.27.011. The commissioner of administration shall, by regulation, establish the
25 percentage at which the salary is increased and the increased salary amount.

26 * **Sec. 4.** AS 22.10.190(d) is amended to read:

27 (d) Beginning **July 1, 1999** [JANUARY 1, 1991], if the monthly basic salary
28 for **Step C** [STEP E], Range 28, of the salary schedule set out in AS 39.27.011
29 increases, the monthly base salary of the judges of the superior court shall increase by
30 the same percentage. The increase takes effect when the salary increase under
31 AS 39.27.011 takes effect and may be retroactive if consistent with the change to

1 AS 39.27.011. The commissioner of administration shall, by regulation, establish the
2 percentage at which the salary is increased and the increased salary amount.

3 * **Sec. 5.** AS 22.15.220(e) is amended to read:

4 (e) Beginning **July 1, 1999** [JANUARY 1, 1991], if the monthly basic salary
5 for **Step C** [STEP E], range 28, of the salary schedule set out in AS 39.27.011
6 increases, the monthly base salary of the judges of the district court shall increase by
7 the same percentage. The increase takes effect when the salary increase under
8 AS 39.27.011 takes effect and may be retroactive if consistent with the change to
9 AS 39.27.011. The commissioner of administration shall, by regulation, establish the
10 percentage at which the salary is increased and the increased salary amount.

11 * **Sec. 6.** AS 23.40.075 is amended by adding a new subsection to read:

12 (b) An agreement concerning the wages of state employees may not establish
13 a geographic differential or other cost-of-living allowance that is greater than the
14 differential set out in AS 39.27.021.

15 * **Sec. 7.** AS 23.40.215 is amended by adding a new subsection to read:

16 (d) If an agreement that applies to state employees contains a term that
17 authorizes a longevity pay increment or service bonus based on length of state
18 employment and the increment or bonus is based on service that is greater than seven
19 years, the commissioner of administration shall specifically report the term authorizing
20 the longevity pay increment or service bonus to the legislature, and the term may not
21 take effect unless it is approved by the legislature under (a) of this section.

22 * **Sec. 8.** AS 39.20.080(a) is amended to read:

23 (a) The monthly salary of the head of each principal executive department of
24 the state is equal to **Step C** [STEP E], Range 28, of the salary schedule in
25 AS 39.27.011(a) for Juneau, Alaska.

26 * **Sec. 9.** AS 39.27.011(a) is repealed and reenacted to read:

27 (a) The following monthly basic salary schedule is approved as the pay plan
28 for classified and partially exempt employees in the executive branch of the state
29 government whose salaries are not determined under a valid collective bargaining
30 agreement adopted under the authority of AS 23.40.070 - 23.40.260 (Public
31 Employment Relations Act) and for employees of the legislature under AS 24.10 and

1	AS 24.20:			
2	Range No.	Step	Step	Step
3		A	C	F
4	5	1,557	1,647	1,789
5	6	1,647	1,743	1,895
6	7	1,743	1,841	2,014
7	8	1,841	1,954	2,137
8	9	1,954	2,071	2,269
9	10	2,071	2,206	2,409
10	11	2,206	2,338	2,568
11	12	2,338	2,491	2,745
12	13	2,491	2,656	2,946
13	14	2,656	2,842	3,165
14	15	2,842	3,049	3,392
15	16	3,049	3,267	3,640
16	17	3,267	3,515	3,895
17	18	3,515	3,765	4,174
18	19	3,765	4,022	4,463
19	20	4,022	4,302	4,767
20	21	4,302	4,599	5,095
21	22	4,599	4,918	5,457
22	23	4,918	5,263	5,850
23	24	5,263	5,639	6,253
24	25	5,639	6,048	6,727
25	26	5,850	6,253	6,969
26	27	6,048	6,484	7,234
27	28	6,253	6,727	7,486
28	29	6,484	6,969	7,750
29	30	6,727	7,234	8,023

30 * **Sec. 10.** AS 39.27.011 is amended by adding a new subsection to read:

31 (h) An employee who is compensated under the salary schedule set out in (a)

1 of this section qualifies for the next step in the salary schedule only by completing
 2 three years of continuous service that is evaluated as being of progressively greater
 3 value to the state.

4 * **Sec. 11.** AS 39.27 is amended by adding a new section to read:

5 **Sec. 39.27.021. Pay differentials by election district and in other states.**

6 (a) The following pay differentials are approved as an amendment to the basic salary
 7 schedules provided in AS 39.27.011:

8	Percentage Pay	Geographic Areas
9	Differential	(Election Districts)
10	0	1, 2, 3, 4, 7, 8, 9, and 10
11	4	16a (Fairbanks South of the Arctic Circle except
12		the duty stations of Tok and Delta Junction)
13	5	5
14	9	11
15	11	6
16	16	16b (the duty stations of Tok and Delta Junction)
17	20	15b (the duty station of Nenana)
18	27	12 and 13
19	30	15a (Yukon-Kuskokwim except the duty station
20		of Nenana) and 19
21	34	18
22	38	14
23	42	16c (Fort-Yukon - North of the Arctic Circle) and
24		17
25	-13	Seattle-Tacoma

26 (b) For purposes of (a) of this section, "election district" means an election
 27 district designated in the governor's proclamation of reapportionment and redistricting
 28 of December 7, 1961.

29 (c) The director of the division of personnel shall establish salary differentials
 30 for positions in other states or foreign countries. The differentials shall be adjusted
 31 annually, effective July 1, to maintain equitable relationships between salaries for

1 positions in other states or foreign countries and salaries for positions in Alaska.

2 * **Sec. 12.** AS 39.27.030 is amended to read:

3 **Sec. 39.27.030. Cost-of-living survey.** Subject to an appropriation for this
4 purpose, the director shall conduct a survey, at least every five years, to review the pay
5 differentials established in AS 39.27.021 [AS 39.27.020]. The survey may address
6 factors, as determined by the director, that are also relevant in review of state salary
7 schedules, entitlement for beneficiaries of state programs, and payments for state
8 service providers. The survey must reflect the costs of living in various election
9 districts of the state, and Seattle, Washington, by using the cost of living in Anchorage
10 as a base.

11 * **Sec. 13.** AS 39.27 is amended by adding a new section to read:

12 **Sec. 39.27.036. Salaries paid by agencies not subject to AS 39.27.011.** (a)
13 A state agency or other entity in the executive, legislative, or judicial branch of state
14 government that has chosen to adopt the state salary schedule set out in
15 AS 39.27.011(a) as the basis for paying its employees shall adopt the revisions to the
16 salary schedule as amended on July 1, 1999.

17 (b) A state agency that employs employees in the exempt service who are not
18 subject to AS 39.27.011 and that offers its employees a longevity pay increment or
19 service bonus based on the length of state employment may not offer a longevity pay
20 increment or service bonus based on service that is greater than seven years unless the
21 legislature makes a specific appropriation to fund the longevity pay increment or
22 service bonus. An appropriation for personal services shall not be considered to
23 include authorization to use the appropriation for the longevity pay increment or
24 service bonus unless it so states.

25 * **Sec. 14.** AS 39.27.045 is amended to read:

26 **Sec. 39.27.045. Definition.** In AS 39.27.021 - 39.27.045 [AS 39.27.020 -
27 39.27.030], "director" means the director of the division of personnel.

28 * **Sec. 15.** AS 39.35.675(d) is amended to read:

29 (d) In this section, "cost-of-living differential" means an adjustment to salary
30 based on the cost of living in the geographic region where the employee works and
31 includes a pay step differential under **former** AS 39.27.020 **or a pay differential**

1 under AS 39.27.021.

2 * **Sec. 16.** AS 39.27.020 and 39.27.022 are repealed.

3 * **Sec. 17.** LIMITATION ON SALARY REDUCTION FOR GEOGRAPHIC
4 DIFFERENTIALS. (a) The salary that an employee is receiving on June 30, 1999, may not
5 be reduced by application of a provision of sec. 11 of this Act so long as the employee
6 remains in the same geographic area as set out in AS 39.27.021, enacted by sec. 11 of this
7 Act. If an employee moves to another geographic area on or after July 1, 1999, the pay
8 differential in AS 39.27.021, enacted by sec. 11 of this Act, applies to the employee's salary
9 on the effective date of the move.

10 (b) If, on July 1, 1999, an employee's salary would have been reduced but for the
11 provisions of (a) of this section, that employee's salary may not be increased by application
12 of an adjustment to the salary schedules in AS 39.27.011 or a step increase until the
13 application of the adjustment or increase to the reduced salary the employee would otherwise
14 have been receiving as of July 1, 1999, results in an amount that meets or exceeds the salary
15 that the employee was receiving on June 30, 1999.

16 * **Sec. 18.** SALARY SCHEDULE TRANSITION. (a) An employee who, on June 30,
17 1999, is compensated in Step A or B of the salary schedule set out in AS 39.27.011(a) shall
18 remain in that step until the employee qualifies for Step C by completing three years of
19 continuous service that is evaluated as being of progressively greater value to the state from
20 the date of the employee's appointment to Step A. If the employee was directly appointed
21 to Step B, the three years shall be counted from the date of the employee's initial
22 appointment.

23 (b) An employee who, on June 30, 1999, is compensated in Step C, D, or E of the
24 salary schedule set out in AS 39.27.011(a) shall remain in that step until the employee
25 qualifies for Step F by completing three years of continuous service that is evaluated as being
26 of progressively greater value to the state from the date that the employee was appointed to
27 Step C. If the employee was appointed directly to Step D or E, the years of continuous
28 service shall be counted from the date of the employee's initial appointment.

29 (c) Notwithstanding the repeal of AS 39.27.022 made by sec. 16 of this Act, an
30 employee who, on June 30, 1999, was compensated under the longevity steps based on pay
31 increments for longevity in service under AS 39.27.022 may continue to receive longevity pay

1 increments until July 1, 2001, if the employee would have been entitled to them but for the
2 repeal of AS 39.27.022. Beginning July 1, 2001, an employee may not be compensated at
3 greater than Step F of the salary schedule under AS 39.27.011(a), as amended by sec. 9 of this
4 Act.

5 * **Sec. 19.** COMMISSIONERS' SALARIES. Notwithstanding the amendments to
6 AS 39.20.080(a), made by sec. 8 of this Act, and to AS 39.27.011(a) made by sec. 9 of this
7 Act, the head of a principal executive department of the state who was serving in that capacity
8 on June 30, 1999, is entitled to receive a monthly salary in the amount of \$7,234 until the date
9 on which the next governor is sworn into office.

10 * **Sec. 20.** This Act takes effect July 1, 1999.