

HOUSE BILL NO. 199

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Introduced: 4/15/99

Referred: State Affairs, Finance

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 January 1, 1991, **and ending June 30, 1999,** if the monthly
12 basic salary for 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 January 1, 1991, **and ending June 30, 1999,** if the monthly
20 basic salary for 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 January 1, 1991, **and ending June 30, 1999,** if the monthly
28 basic salary for 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 January 1, 1991, and ending June 30, 1999, if the monthly
5 basic salary for 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 29.60.160(a) is amended to read:

23 (a) Payments to a municipality or other eligible recipient under AS 29.60.110
24 - 29.60.130 shall reflect area cost-of-living differentials. Payments shall be based on
25 the sum of per capita, per mile, and per bed or facility grants due each municipality
26 or other recipient multiplied by the appropriate area cost-of-living differential. The
27 area cost-of-living differential for each recipient shall be determined annually by
28 election district under the provisions of former AS 39.27.020 and AS 39.27.030.
29 Application of the area cost-of-living differential may not result in distribution of an
30 amount less than the amount of the payment determined without reference to
31 application of this section.

1 * **Sec. 9.** AS 29.60.290(b) is amended to read:

2 (b) The area cost-of-living differential payable to each municipality under this
 3 section shall be determined annually by election district under the provisions of **former**
 4 **AS 39.27.020 and** AS 39.27.030. Except as provided in AS 29.60.300, application of
 5 the area cost-of-living differential may not result in a payment that is less than the
 6 minimum payment determined under (a) of this section. For purposes of this
 7 subsection, the election districts used are those designated by the proclamation of
 8 reapportionment and redistricting of December 7, 1961, and retained for the house of
 9 representatives by proclamation of the governor September 3, 1965.

10 * **Sec. 10.** AS 39.20.080(a) is amended to read:

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

14 * **Sec. 11.** AS 39.27.011(a) is repealed and reenacted to read:

15 (a) The following monthly basic salary schedule is approved as the pay plan
 16 for classified and partially exempt employees in the executive branch of the state
 17 government whose salaries are not determined under a valid collective bargaining
 18 agreement adopted under the authority of AS 23.40.070 - 23.40.260 (Public
 19 Employment Relations Act) and for employees of the legislature under AS 24.10 and
 20 AS 24.20:

21	Range No.	Step	Step	Step
22		A	C	F
23	5	1,557	1,647	1,789
24	6	1,647	1,743	1,895
25	7	1,743	1,841	2,014
26	8	1,841	1,954	2,137
27	9	1,954	2,071	2,269
28	10	2,071	2,206	2,409
29	11	2,206	2,338	2,568
30	12	2,338	2,491	2,745
31	13	2,491	2,656	2,946

1	14	2,656	2,842	3,165
2	15	2,842	3,049	3,392
3	16	3,049	3,267	3,640
4	17	3,267	3,515	3,895
5	18	3,515	3,765	4,174
6	19	3,765	4,022	4,463
7	20	4,022	4,302	4,767
8	21	4,302	4,599	5,095
9	22	4,599	4,918	5,457
10	23	4,918	5,263	5,850
11	24	5,263	5,639	6,253
12	25	5,639	6,048	6,727
13	26	5,850	6,253	6,969
14	27	6,048	6,484	7,234
15	28	6,253	6,727	7,486
16	29	6,484	6,969	7,750
17	30	6,727	7,234	8,023

18 * **Sec. 12.** AS 39.27.011 is amended by adding a new subsection to read:

19 (h) An employee who is compensated under the salary schedule set out in (a)
 20 of this section qualifies for the next step in the salary schedule only by completing
 21 three years of continuous service that is evaluated as being of progressively greater
 22 value to the state.

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

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

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

27	Percentage Pay	Geographic Areas
28	Differential	(Election Districts)
29	0	1, 2, 3, 4, 7, 8, 9, and 10
30	4	16a (Fairbanks South of the Arctic Circle except
31		the duty stations of Tok and Delta Junction)

1	5	5
2	9	11
3	11	6
4	16	16b (the duty stations of Tok and Delta Junction)
5	20	15b (the duty station of Nenana)
6	27	12 and 13
7	30	15a (Yukon-Kuskokwim except the duty station
8		of Nenana) and 19
9	34	18
10	38	14
11	42	16c (Fort-Yukon - North of the Arctic Circle) and
12		17
13	-13	Seattle-Tacoma

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

17 (c) The director of the division of personnel shall establish salary differentials
 18 for positions in other states or foreign countries. The differentials shall be adjusted
 19 annually, effective July 1, to maintain equitable relationships between salaries for
 20 positions in other states or foreign countries and salaries for positions in Alaska.

21 * **Sec. 14.** AS 39.27.030 is amended to read:

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

30 * **Sec. 15.** AS 39.27.045 is amended to read:

31 **Sec. 39.27.045. Definition.** In AS 39.27.021 - 39.27.045 [AS 39.27.020 -

1 39.27.030], "director" means the director of the division of personnel.

2 * **Sec. 16.** AS 39.30 is amended by adding a new section to read:

3 **Sec. 39.30.165. Limitation on participation by state employees.** A state
4 employee may participate in the supplemental benefits program under AS 39.50.150 -
5 39.50.180 only if

6 (1) the employee was in pay status, on approved leave without pay, or
7 on seasonal leave without pay on June 30, 1999;

8 (2) the state made a contribution to the system under AS 39.30.150 -
9 39.30.180 for the pay period that included June 30, 1999, for that employee or, in the
10 case of an employee on approved leave without pay or on seasonal leave without pay,
11 the state made a contribution for the last pay period that the employee worked before
12 beginning the leave; and

13 (3) the employee remains continuously employed by the state after
14 June 30, 1999; for purposes of this paragraph, an employee is continuously employed
15 if the employee is in pay status, on approved leave of absence, or on seasonal leave
16 without pay.

17 * **Sec. 17.** AS 39.35.675(d) is amended to read:

18 (d) In this section, "cost-of-living differential" means an adjustment to salary
19 based on the cost of living in the geographic region where the employee works and
20 includes a pay step differential under **former** AS 39.27.020 **or a pay differential**
21 **under AS 39.27.021.**

22 * **Sec. 18.** AS 39.27.020 and 39.27.022 are repealed.

23 * **Sec. 19. LIMITATION ON SALARY REDUCTION FOR GEOGRAPHIC**
24 **DIFFERENTIALS.** (a) The salary that an employee is receiving on June 30, 1999, may not
25 be reduced by application of a provision of sec. 13 of this Act until July 1, 2001, so long as
26 the employee remains in the same geographic area as set out in AS 39.27.021, enacted by
27 sec. 13 of this Act. If an employee moves to another geographic area on or after July 1, 1999,
28 the pay differential in AS 39.27.021, enacted by sec. 13 of this Act, applies to the employee's
29 salary on the effective date of the move.

30 (b) If, on July 1, 1999, an employee's salary would have been reduced but for the
31 provisions of (a) of this section, that employee's salary may not be increased by application

1 of an adjustment to the salary schedules in AS 39.27.011 or a step increase until the
2 application of the adjustment or increase to the reduced salary the employee would otherwise
3 have been receiving as of July 1, 1999, results in an amount that meets or exceeds the salary
4 that the employee was receiving on June 30, 1999.

5 * **Sec. 20. SALARY SCHEDULE TRANSITION.** (a) An employee who, on June 30,
6 1999, is compensated in Step A or B of the salary schedule set out in AS 39.27.011(a) shall
7 remain in that step until the employee qualifies for Step C by completing three years of
8 continuous service that is evaluated as being of progressively greater value to the state from
9 the date of the employee's appointment to Step A. If the employee was directly appointed
10 to Step B, the three years shall be counted from the date of the employee's initial
11 appointment.

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

18 (c) Notwithstanding the repeal of AS 39.27.022 made by sec. 18 of this Act, an
19 employee who, on June 30, 1999, was compensated under the longevity steps based on pay
20 increments for longevity in service under AS 39.27.022 may continue to receive longevity pay
21 increments until July 1, 2001, if the employee would have been entitled to them but for the
22 repeal of AS 39.27.022. Beginning July 1, 2001, an employee may not be compensated at
23 greater than Step F of the salary schedule under AS 39.27.011(a), as amended by sec. 11 of
24 this Act.

25 * **Sec. 21. COMMISSIONERS' SALARIES.** Notwithstanding the amendments to
26 AS 39.20.080(a), made by sec. 10 of this Act, and to AS 39.27.011(a) made by sec. 11 of this
27 Act, the head of a principal executive department of the state who was serving in that capacity
28 on June 30, 1999, is entitled to receive a monthly salary in the amount of \$7,234 until the date
29 on which the next governor is sworn into office.

30 * **Sec. 22.** This Act takes effect July 1, 1999.