

**ALASKA STATE LEGISLATURE
HOUSE RULES STANDING COMMITTEE**

April 27, 2005

8:16 a.m.

MEMBERS PRESENT

Representative Norman Rokeberg, Chair
Representative John Coghill, Vice Chair
Representative John Harris
Representative Vic Kohring
Representative Lesil McGuire
Representative Ethan Berkowitz
Representative Beth Kerttula

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CS FOR SENATE BILL NO. 51(FIN)

"An Act relating to contracts for the provision of state public assistance to certain recipients in the state; providing for regional public assistance plans and programs in the state; relating to grants for Alaska Native family assistance programs; relating to assignment of child support by Alaska Native family assistance recipients; relating to paternity determinations and genetic testing involving recipients of assistance under Alaska Native family assistance programs; and providing for an effective date."

- MOVED HCS CSSB 51(RLS) OUT OF COMMITTEE

HOUSE BILL NO. 98

"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."

- MOVED CSHB 98(RLS) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 51

SHORT TITLE: PUBLIC ASSISTANCE PROGRAMS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/12/05 (S) READ THE FIRST TIME - REFERRALS
 01/12/05 (S) CRA, HES, FIN
 01/26/05 (S) CRA AT 1:30 PM FAHRENKAMP 203
 01/26/05 (S) Moved SB 51 Out of Committee
 01/26/05 (S) MINUTE(CRA)
 01/27/05 (S) CRA RPT 4DP
 01/27/05 (S) DP: STEVENS G, WAGONER, KOOKESH, ELLIS
 02/07/05 (S) HES AT 1:30 PM BUTROVICH 205
 02/07/05 (S) Heard & Held
 02/07/05 (S) MINUTE(HES)
 02/09/05 (S) HES AT 1:30 PM BUTROVICH 205
 02/09/05 (S) Moved SB 51 Out of Committee
 02/09/05 (S) MINUTE(HES)
 02/10/05 (S) HES RPT 3DP 2NR
 02/10/05 (S) DP: DYSON, ELTON, OLSON
 02/10/05 (S) NR: WILKEN, GREEN
 02/25/05 (S) FIN AT 9:00 AM SENATE FINANCE 532
 02/25/05 (S) Heard & Held
 02/25/05 (S) MINUTE(FIN)
 03/01/05 (S) FIN AT 9:00 AM SENATE FINANCE 532
 03/01/05 (S) Moved CSSB 51(FIN) Out of Committee
 03/01/05 (S) MINUTE(FIN)
 03/02/05 (S) FIN RPT CS 5DP
 SAME TITLE
 03/02/05 (S) DP: GREEN, WILKEN, OLSON, DYSON,
 STEDMAN
 03/22/05 (S) TRANSMITTED TO (H)
 03/22/05 (S) VERSION: CSSB 51(FIN)
 03/23/05 (H) READ THE FIRST TIME - REFERRALS
 03/23/05 (H) FIN
 04/18/05 (H) FIN AT 1:30 PM HOUSE FINANCE 519
 04/18/05 (H) Moved Out of Committee
 04/18/05 (H) MINUTE(FIN)
 04/19/05 (H) FIN RPT 5DP 1DNP 3NR
 04/19/05 (H) DP: HAWKER, CROFT, MOSES, FOSTER,
 MEYER;
 04/19/05 (H) DNP: KELLY;
 04/19/05 (H) NR: HOLM, WEYHRAUCH, CHENAULT;
 04/25/05 (H) RLS AT 5:00 PM CAPITOL 106
 04/25/05 (H) <Bill Hearing Postponed to 4/27>
 04/27/05 (H) RLS AT 8:00 AM CAPITOL 106

BILL: HB 98

SHORT TITLE: NONUNION PUBLIC EMPLOYEE SALARY & BENEFIT

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/21/05 (H) READ THE FIRST TIME - REFERRALS

01/21/05 (H) STA, FIN
 02/17/05 (H) STA AT 8:00 AM CAPITOL 106
 02/17/05 (H) Moved CSHB 98(STA) Out of Committee
 02/17/05 (H) MINUTE(STA)
 02/18/05 (H) STA RPT CS(STA) 7NR
 02/18/05 (H) NR: GARDNER, LYNN, RAMRAS, GATTO,
 GRUENBERG, ELKINS, SEATON
 02/19/05 (H) STA AT 10:00 AM CAPITOL 106
 02/19/05 (H) ELECTIONS
 04/13/05 (H) FIN AT 1:30 PM HOUSE FINANCE 519
 04/13/05 (H) Moved CSHB 98(STA) Out of Committee
 04/13/05 (H) MINUTE(FIN)
 04/14/05 (H) FIN RPT CS(STA) 5DP 3NR
 04/14/05 (H) DP: MOSES, KELLY, FOSTER, MEYER,
 CHENAULT;
 04/14/05 (H) NR: HAWKER, HOLM, STOLTZE
 04/20/05 (H) RLS AT 8:30 AM CAPITOL 106
 04/20/05 (H) Heard & Held
 04/20/05 (H) MINUTE(RLS)
 04/25/05 (H) RLS AT 5:00 PM CAPITOL 106
 04/25/05 (H) Heard & Held
 04/25/05 (H) MINUTE(RLS)
 04/27/05 (H) RLS AT 8:00 AM CAPITOL 106

WITNESS REGISTER

SUE STANCLIFF, Staff
 to Representative Mike Kelly
 Alaska State Legislature
 Juneau, Alaska
 POSITION STATEMENT: Presented amendments to CSSB 51(FIN).

ELLIE FITZJARRALD, Chief
 Policy & Program Development
 Division of Public Assistance
 Department of Health and Social Services
 Juneau, Alaska
 POSITION STATEMENT: During discussion of CSSB 51(FIN), answered questions.

STACIE KRALY, Senior Assistant Attorney General
 Human Services Section
 Civil Division (Juneau)
 Department of Law
 Juneau, Alaska
 POSITION STATEMENT: During discussion of CSSB 51(FIN), answered questions.

MIKE TIBBLES, Deputy Commissioner
Office of the Commissioner
Department of Administration
Juneau, Alaska

POSITION STATEMENT: During discussion of HB 98, answered questions.

ACTION NARRATIVE

CHAIR NORMAN ROKEBERG called the House Rules Standing Committee meeting to order at [8:16:10 AM](#). Representatives Rokeberg, Coghill, Harris, McGuire, Berkowitz, and Kerttula were present at the call to order. Representative Kohring arrived as the meeting was in progress.

SB 51-PUBLIC ASSISTANCE PROGRAMS

[8:17:14 AM](#)

CHAIR ROKEBERG announced that the first order of business would be CS FOR SENATE BILL NO. 51(FIN), "An Act relating to contracts for the provision of state public assistance to certain recipients in the state; providing for regional public assistance plans and programs in the state; relating to grants for Alaska Native family assistance programs; relating to assignment of child support by Alaska Native family assistance recipients; relating to paternity determinations and genetic testing involving recipients of assistance under Alaska Native family assistance programs; and providing for an effective date."

[8:17:23 AM](#)

SUE STANCLIFF, Staff to Representative Mike Kelly, Alaska State Legislature, explained that the amendment labeled 24-GS1089\G.1, Mischel, 4/19/05, would insert language that's a statutory reference rather than the language "tribal assistance program". She characterized this change as a matter of continuity in drafting. The amendment labeled GS1089\G.2, Mischel, 4/22/05, inserts new subsections defining "organization" and "Alaska Native organization" with statutory references.

[8:19:11 AM](#)

REPRESENTATIVE HARRIS moved that the committee adopt Amendment 1, labeled 24-GS1089\G.1, Mischel, 4/19/05, which read:

Page 3, line 17:

Delete "a tribal assistance program in this state"

Insert "an Alaska Native organization family assistance program under AS 47.27.070"

CHAIR ROKEBERG objected for purposes of discussion.

[8:19:25 AM](#)

REPRESENTATIVE HARRIS noted that he and Representative Coghill had the opportunity to meet with some of the Native leaders of Alaska. One of the issues discussed during the aforementioned meeting was the involvement of the tribes in the decision making [of the Native organizations]. He inquired as to the reasoning behind the changes embodied in Amendment 1.

MS. STANCLIFF explained that the federal government has approved the tribal assistance program. The State of Alaska has to have a federally approved program to administer it, which is the purpose of AS 47.27.070. She informed the committee that originally [the tribal assistance program] was placed in statute as a pilot program, and [this legislation] will codify it due to its success. Therefore, [Amendment 1] merely refers to the organization that is approved by the federal government to administer this program.

[8:21:00 AM](#)

REPRESENTATIVE HARRIS surmised then that the aforementioned issue wasn't brought up when the legislation went through the Senate.

MS. STANCLIFF confirmed that to be the case.

REPRESENTATIVE HARRIS related his understanding then that a tribal assistance program without a definition doesn't meet the federal criteria required to receive funds.

MS. STANCLIFF disagreed and related the belief that the language in the legislation and the program meet the federal criteria. However, in order to have clarity and continuity with statute the desire is to replace the language with statutory language. A similar issue arose with the Department of Health and Social

Services budget. The allocation for the Division of Public Assistance appropriation used the language "tribal assistance program", which wasn't defined in statute and thus the budget language was amended to be consistent with statute.

[8:22:23 AM](#)

REPRESENTATIVE BERKOWITZ asked if the current language of CSSB 51(FIN) is patterned after federal [law].

MS. STANCLIFF related her understanding that it isn't federal language, but was drafted by the Department of Law.

[8:22:47 AM](#)

REPRESENTATIVE BERKOWITZ highlighted that the organizations under AS 47.27.070 are essentially the regional nonprofits. He asked if there are any village nonprofits or other forms of tribal assistance programs.

MS. STANCLIFF replied no, and added that [the federal law] is specific to the 13 [federally authorized tribal] organizations.

REPRESENTATIVE BERKOWITZ posed a situation in which the 13 regional nonprofits decided to create a new program to coordinate efforts, which he suggested wouldn't be part of this legislation under the proposed amendments.

MS. STANCLIFF said that she didn't know, but pointed out that the legislation sets up a regional provision.

[8:24:49 AM](#)

ELLIE FITZJARRALD, Chief, Policy & Program Development, Division of Public Assistance, Department of Health and Social Services, explained that the federal law - allows the 12 regional Native nonprofit organizations and Metlakatla Indian Association the option to run temporary assistance programs. The federal program refers to it as the tribal temporary assistance programs for needy families. Part of the requirement is that they must have a federally approved tribal temporary assistance program plan for needy families. The [federal] law includes a provision that requires that there be a comparable program in Alaska. Therefore, village nonprofits couldn't apply, operate, and receive federal funds directly, although they may be able to subcontract with an organization and provide services similar to the state.

[8:27:15 AM](#)

STACIE KRALY, Senior Assistant Attorney General, Human Services Section, Civil Division (Juneau), Department of Law, agreed with Ms. Fitzjarrald.

[8:27:27 AM](#)

REPRESENTATIVE KERTTULA asked if the language in CSSB 51(FIN), without the proposed amendments, gets the money to the programs.

MS. FITZJARRALD replied yes.

[8:28:11 AM](#)

CHAIR ROKEBERG inquired as to the department's opinion of the amendments.

MS. KRALY said that the department doesn't object. The [Department of Law] is neutral with regard to the amendments because they don't change the legislation to a point that there would be concern with federal funding.

CHAIR ROKEBERG expressed interest in doing what's correct in terms of the statute and in order to avoid any unintended consequences. He asked if Ms. Kraly had an opinion with regard to the drafting of the legislation.

MS. KRALY concurred with Ms. Fitzjarrald that the language in CSSB 51(FIN) is sufficient.

[8:29:47 AM](#)

CHAIR ROKEBERG said that it seems that there should be a correct answer in this case or perhaps either reference could be correct depending upon the context.

MS. KRALY opined that both [references] could be correct.

[8:30:22 AM](#)

REPRESENTATIVE COGHILL said that he would agree with Amendment 1. However, he highlighted that Alaska has been struggling with regard to the legal definition of "tribe". He surmised that the sponsor merely wants to clarify that this refers to an Alaska Native organization family assistance program. Representative

Coghill opined that this program works, provides much flexibility, and allows these organizations to do things that the state can't do under its program.

[8:32:11 AM](#)

REPRESENTATIVE BERKOWITZ related his belief that Amendment 1 brings up other tribal issues. He characterized Amendment 1 as an effort by those who aren't friendly to the notion of tribal sovereignty. He imagined that there will be a battle regarding whether [the language] is respectful enough for the existence of tribes. He said that's a battle he didn't want to have.

[8:33:07 AM](#)

CHAIR ROKEBERG pointed out that Amendment 1 wants to replace the language "a tribal assistance program in this state" with the language "an Alaska Native organization family assistance program under AS 47.27.070". However, page 3, line 16, refers to "federal tribal family assistance plan". He asked if there is a [federal] plan that uses the aforementioned language.

MS. FITZJARRALD nodded yes. She then explained that [the provision on page 3, line 16] sets out that in order to receive an Alaska Native family assistance program grant from the department, the organization must have received federal approval to operate a tribal assistance program in the state. The federal law refers to it as a tribal assistance program, which is what the federal government is approving. The federal program doesn't approve an Alaska Native family assistance program, which is what the department is responsible for doing "and this is one of the contingencies." In further response to Chair Rokeberg, Ms. Fitzjarrald specified that SB 51 reauthorizes and codifies the [Alaska Native family assistance program] in law.

REPRESENTATIVE COGHILL referred to page 11, line 13, of CSSB 51(FIN), which defines the [Alaska Native family assistance grant] as such.

[8:36:20 AM](#)

CHAIR ROKEBERG indicated that the amendments seem appropriate.

[8:36:35 AM](#)

REPRESENTATIVE HARRIS opined that it seems the "Alaska Native family assistance program" and the "tribal family assistance plan" both need federal approval. He asked if the language "federally approved tribal family assistance plan" on page 11, line 17, subparagraph (13), meets the federal plan.

MS. KRALY replied yes.

[8:39:26 AM](#)

REPRESENTATIVE MCGUIRE opined that Amendment 1 does make a good point in that if the desire is to codify a successful pilot program, then it should be made clear what program is to qualify. Without the specific definition, any tribal assistance program in the state could be operated in the state. The point of the legislation seems to confine this to the newly created Alaska Native organization family assistance program.

[8:41:12 AM](#)

REPRESENTATIVE BERKOWITZ addressed the policy call and said that when there is an effort to tie to existing organizations under AS 47.27.070, it precludes the flexibility from leaving the language open if the federal government might decide to accept other entities. As a technical matter, there is reference to "Alaska Native organization family assistance program". Although the aforementioned language exists in AS 47.27.070, it doesn't exist in the context of page 3, line 17. Therefore, it seems that two terms are being used, when the desire seems to be to use one term.

REPRESENTATIVE COGHILL agreed, and opined that it should be "family assistance program".

REPRESENTATIVE BERKOWITZ said that he wasn't sure which it should be because the existing statute refers to "Native organization family assistance program". Hopefully, such inconsistencies don't cause a problem. In response to Chair Rokeberg, Representative Berkowitz clarified that he believes the reference to AS 47.27.070 in Amendment 1 is limiting.

CHAIR ROKEBERG restated Representative Berkowitz's earlier question regarding whether any other organizations can qualify under this new statute if they are not an organization specified in AS 47.24.070.

[8:43:44 AM](#)

MS. KRALY explained that the authorization to provide these services comes from a federal statute; the 13 organizations authorized to administer this program are set forth specifically in federal law and set forth in AS 47.24.070. Therefore, unless there is a change in the federal law authorizing this program, no other entity in the state could administer the program. If the federal government amends its statute, then the state would also have to amend its statute to mirror the authorization.

[8:44:43 AM](#)

REPRESENTATIVE BERKOWITZ related his understanding that under CSSB 51(FIN) [a new organization] would automatically be recognized and wouldn't require an amendment to AS 47.24.070.

CHAIR ROKEBERG interjected that the aforementioned would be a strange construction because the statute reference would have to be replaced with U.S. code.

[8:46:16 AM](#)

MS. FITZJARRALD, in response to Representative Berkowitz, clarified that under CSSB 51(FIN) and current law an amendment would be required if the federal government changed its law such that other Native organizations could run tribal family assistance programs. In further response to Representative Berkowitz, Ms. Fitzjarrald confirmed that Amendment 1 has no impact on the flexibility of the program.

[8:47:50 AM](#)

CHAIR ROKEBERG withdrew his objection.

REPRESENTATIVE BERKOWITZ objected.

[8:48:01 AM](#)

A roll call vote was taken. Representatives McGuire, Harris, Coghill, and Rokeberg voted in favor of Amendment 1. Representatives Berkowitz, Kerttula, and Kohring voted against it. Therefore, Amendment 1 was adopted by a vote of 4-3.

[8:48:39 AM](#)

REPRESENTATIVE COGHILL moved that the committee adopt Amendment 2, labeled 24-GS1089\G.2, Mischel, 4/22/05, which read:

Page 9, following line 21:

Insert a new subsection to read:

"(q) In this section, "organization" means an organization identified in AS 47.27.070(a)."

Page 11, following line 11:

Insert a new subsection to read:

"(g) In this section, "Alaska Native organization" or "organization" means an organization identified in AS 47.27.070(a)."

REPRESENTATIVE BERKOWITZ objected. He, again, highlighted the difference in terminology.

[8:49:17 AM](#)

REPRESENTATIVE COGHILL referred to the language on page 3, line 13, which he believes provides enough consistency.

[8:49:43 AM](#)

A roll call vote was taken. Representatives Harris, Coghill, Kohring, McGuire, and Rokeberg voted in favor of Amendment 2. Representatives Berkowitz and Kerttula voted against it. Therefore, Amendment 2 was adopted by a vote of 5-2.

[8:50:05 AM](#)

REPRESENTATIVE MCGUIRE moved to report CSSB 51(FIN), as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HCS CSSB 51(RLS) was reported from the House Rules Standing Committee.

The committee took an at-ease from 8:51 a.m. to 9:02 a.m.

HB 98-NONUNION PUBLIC EMPLOYEE SALARY & BENEFIT

[9:03:04 AM](#)

CHAIR ROKEBERG announced that the final order of business would be HOUSE BILL NO. 98, "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."

[9:03:14 AM](#)

REPRESENTATIVE COGHILL moved Amendment 1, labeled 24-GH1099\G.5, Craver, 4/25/05, which read:

Page 1, following line 3:

Insert a new bill section to read:

"* **Section 1.** AS 39.20.080(a) is amended to read:

(a) The monthly salary of the head of each principal executive department of the state is not less than Range 28 nor more than Range 30 [EQUAL TO STEP E, RANGE 28] of the salary schedule in AS 39.27.011(a) for Juneau, Alaska."

Page 1, line 4:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 3, lines 9 - 10:

Delete "sec. 1"

Insert "sec. 2"

Page 3, line 10:

Delete "secs. 2 and 3"

Insert "secs. 3 and 4"

Page 3, line 19:

Delete "sec. 1"

Insert "sec. 2"

Delete "secs. 2 and 3"

Insert "secs. 3 and 4"

Page 3, lines 22 - 23:

Delete "secs. 1 - 3"

Insert "secs. 2 - 4"

REPRESENTATIVE HARRIS objected for discussion purposes.

CHAIR ROKEBERG announced that he brought forward the discussions on this matter. He related his understanding that Amendment 1 was offered, in concept, by former Governor Tony Knowles at the end of his last administration. He opined that the commissioners in the state are underpaid.

[9:03:49 AM](#)

MIKE TIBBLES, Deputy Commissioner, Office of the Commissioner, Department of Administration, explained that the salary of commissioners are unique in that they are tied to a range and a step in statute. The aforementioned results in a situation in which directors and deputy commissioners, through longevity, receive a higher salary than commissioners. Furthermore, in reviewing the Council of State Government's information regarding Western [states], Alaska doesn't offer competitive salaries.

[9:04:55 AM](#)

REPRESENTATIVE KERTTULA asked if Amendment 1 could result in a commissioner starting at a lower range, and therefore those [commissioners] who haven't already been in state service could receive a 28A rather than a 28E. She suggested that the language should be "not less than step E Range 28".

MR. TIBBLES said he read Amendment 1 to allow the option of a the full scale of Ranges 28-30 for the commissioner, including Range 28A.

CHAIR ROKEBERG surmised then that Amendment 1 creates flexibility.

[9:06:14 AM](#)

REPRESENTATIVE MCGUIRE agreed that there would be the desire for more discretion on the lower end. However, she questioned whether on the upper end there should be the sideboard of a step E.

MR. TIBBLES expressed concern with placing a step with a Range 30 because it doesn't take that long in a Range 28 before one equals a Range 30A. Therefore, as one moves up, he/she would run into barriers, even at a different step because an equivalent can be calculated.

[9:07:09 AM](#)

REPRESENTATIVE COGHILL said that due to the four-year gubernatorial cycle, commissioners change rather rapidly. Therefore, he said he didn't know whether it's a "big deal."

[9:07:34 AM](#)

REPRESENTATIVE HARRIS related his belief that the governor should be the highest paid person in the state bureaucracy, higher than the commissioners. He inquired as to the highest step in a Range 30.

MR. TIBBLES answered that a Range 30M is at the end of the pay schedule, which amounts to \$117,000.

[9:08:49 AM](#)

CHAIR ROKEBERG referred to a handout in the committee packet entitled "COMMISSIONERS", which relates that under CSHB 98(STA) [Range 30M] would [increase] to \$124,752 from the current \$117,000.

REPRESENTATIVE HARRIS said that he would have a difficult time with "having anything more than whatever step and Range 30 would be ... \$115,000 or less." He reiterated that the governor should have a higher salary than commissioners.

CHAIR ROKEBERG pointed out that several specialties and practitioners make more than [\$115,000].

REPRESENTATIVE HARRIS highlighted that most often commissioners are political appointees, not specialists. He reiterated that he has difficulty with commissioners making more than the governor.

CHAIR ROKEBERG pointed out that Amendment 1 offers flexibility, and the commissioners wouldn't necessarily make more than the governor.

[9:10:20 AM](#)

MR. TIBBLES provided the following scenario. Within the executive branch a number of directors have been in place longer than the commissioners. These directors have expertise in a certain area and are a good applicant pool to move up when vacancies occur. However, at the Range 26 director level, first year in longevity at seven years, the individual is at Range 28E, which is the current salary for the commissioner. Caps result in the same situation that exists now in which the caps become barriers to [promoting] those already in the state system.

[9:11:37 AM](#)

REPRESENTATIVE HARRIS highlighted that people who work with the state long term aren't normally subject to the change in administrations, but commissioners are. Commissioners have no expected longevity beyond the term of the governor; although state employees expect longevity, if they do good job.

[9:12:39 AM](#)

CHAIR ROKEBERG asked if a division director can also be terminated during the change of an administration.

MR. TIBBLES noted that although division directors are partially exempt, they are frequently [terminated] with the change of administrations.

CHAIR ROKEBERG referred to a spreadsheet in the committee packet [from CSG information] regarding the 13 western states. Of the 12 states, excluding Alaska, listed, [the salary for department heads] in 10 of the states is higher than the proposed salary of \$115,000 that's being proposed for the governor. Chair Rokeberg said that he is in support of Amendment 1 without any modifications. He indicated the need to have competitive salaries in order to recruit [qualified individuals].

[9:14:25 AM](#)

REPRESENTATIVE KERTTULA maintained her concern with [the possibility of Amendment 1 allowing a commissioner] to receive a lower step than E.

[9:14:42 AM](#)

REPRESENTATIVE COGHILL commented that Representative Harris brings up a good point in that commissioners are hired and fired at will. He opined that the proposed range is good. However, he wasn't sure about the argument that [the governor] should have a higher [range than commissioners]. He indicated that the governor receives a "package" beyond his salary, which may outweigh the actual dollar amount.

[9:15:54 AM](#)

REPRESENTATIVE HARRIS withdrew his objection to Amendment 1.

There being no further objection, Amendment 1 was adopted.

[9:16:08 AM](#)

REPRESENTATIVE COGHILL moved that the committee adopt Amendment 2, labeled 24-GH1099\G.3, Craver, 4/21/05, which read:

Page 1, line 1, following "**compensation of**":
Insert "**the governor, the lieutenant governor, and**"

Page 1, following line 3:
Insert new bill sections to read:
"*** Section 1.** AS 39.20.010(a) is amended to read:
Sec. 39.20.010. Annual salary of governor. (a)
The annual salary of the governor is **\$115,000**
[\$81,648].
*** Sec. 2.** AS 39.20.030(a) is amended to read:
Sec. 39.20.030. Annual salary of lieutenant
governor. (a) The annual salary of the lieutenant
governor is **\$100,000** [\$76,188]."

Page 1, line 4:
Delete "**Section 1**"
Insert "**Sec. 3**"

Renumber the following bill sections accordingly.

Page 2, following line 30:
Insert a new bill section to read:
"*** Sec. 6.** AS 39.20.010(b), 39.20.010(c),
39.20.030(b), and 39.20.030(c) are repealed."

Renumber the following bill sections accordingly.

Page 3, lines 9 - 10:
Delete "sec. 1"
Insert "sec. 3"

Page 3, line 10:
Delete "secs. 2 and 3"
Insert "secs. 4 and 5"

Page 3, line 19:
Delete "sec. 1"
Insert "sec. 3"
Delete "secs. 2 and 3"
Insert "secs. 4 and 5"

Page 3, lines 22 - 23:

Delete "secs. 1 - 3"
Insert "secs. 3 - 5"

REPRESENTATIVE HARRIS objected.

[9:16:28 AM](#)

CHAIR ROKEBERG explained that Amendment 2 would increase the annual salary of the governor to \$115,000 and the annual salary of the lieutenant governor to \$100,000.

[9:16:38 AM](#)

CHAIR ROKEBERG referred to an attachment to Amendment 2, which specified the language of AS 39.20.010, AS 39.20.020, AS 39.20.030, and AS 39.20.040. He highlighted the following statute:

Sec. 39.20.020. Date of entitlement of governor's salary.

The governor is entitled to receive the salary established for the office effective from the date on which the oath of office is taken by the governor.

Sec. 39.20.040. Date of entitlement of lieutenant governor's salary.

The lieutenant governor is entitled to receive the salary established for the office effective from the date on which the oath of office is taken by the lieutenant governor.

CHAIR ROKEBERG specified that the current statutes specify that the enactment of any increase to the governor's or lieutenant governor's salary wouldn't be impacted until the swearing in of the next governor in December 2006. Chair Rokeberg reiterated that he brought this issue forward on his own accord, not at the request of the governor. In fact, the governor has said he doesn't need a raise, but acknowledged that it might be good for the next occupant of the position.

[9:18:24 AM](#)

REPRESENTATIVE HARRIS moved to adopt Amendment 1 to Amendment 2, which would increase the governor's salary from "\$115,000" to "\$130,000" [on line 8 of the Amendment 2]. Amendment 1 to Amendment 2 would allow the governor to be paid more than the highest Range for a commissioner.

CHAIR ROKEBERG objected for discussion purposes. He explained that one of the initial reasons for selecting the \$115,000 salary for the governor was that of the 13 western states, excluding Alaska, the average compensation for the governor is approximately \$113,000.

[9:20:09 AM](#)

REPRESENTATIVE HARRIS compared the salary of the President of the University of Alaska to that of the governor. The salary of the President of the University of Alaska is approximately \$250,000 annually. However, the governor of the state has more responsibility than the President of the University of Alaska, and therefore \$130,000 isn't out of range for the governor's responsibilities. Representative Harris opined that the governor's salary has been unfairly held down for years. He reiterated that the governor shouldn't be paid lower than the people who work for him, save those in specialty positions.

CHAIR ROKEBERG pointed out that if Amendment 1 to Amendment 2 was adopted, the Alaska governor in 2006 would be fifth from the top in terms of compensation - equivalent to Wyoming. He commented that Amendment 1 to Amendment 2 isn't out of line.

[9:22:26 AM](#)

REPRESENTATIVE MCGUIRE opined that she liked raising the governor's salary to \$130,000 because the differential is more in keeping with the position. She indicated agreement with Representative Harris in that this wouldn't benefit the current governor. Furthermore, it's time to raise the governor's salary, she opined. She also opined that she didn't think the governor's salary would be raised again for a long time.

[9:23:27 AM](#)

CHAIR ROKEBERG asked what other benefits accrue to the Office of the Governor in terms of expenses, housing, et cetera.

MR. TIBBLES said that he isn't able to speak to that. However, he highlighted that the salary provided in statute is considered complete compensation.

CHAIR ROKEBERG asked if the governor receives any expense accounts or housing allowances.

[9:24:24 AM](#)

REPRESENTATIVE HARRIS related that in doing the budget, the governor has funds available just as the legislature does to pay for its members' travel. He assumed that the governor didn't have to pay rent to live in the mansion and has access to a state vehicle. Representative Harris then informed the committee that the President of the University of Alaska receives a free car, a free house, and an expense account.

[9:25:14 AM](#)

CHAIR ROKEBERG requested this information be provided before this legislation goes to the House floor. He related his understanding that the governor is required to live in the mansion and receives some allowances and does pay some salaries.

CHAIR ROKEBERG maintained his objection to Amendment 1 to Amendment 2.

[9:26:38 AM](#)

A roll call vote was taken. Representatives Kerttula, Harris, McGuire voted in favor of Amendment 1 to Amendment 2. Representatives Coghill, Kohring, and Rokeberg voted against it. Therefore, Amendment 1 to Amendment 2 failed by a vote of 3-3.

The committee took an at-ease from 9:27 a.m. to 9:30 a.m.

[9:30:05 AM](#)

REPRESENTATIVE HARRIS moved that the committee adopt Amendment 2 to Amendment 2, which would increase the governor's salary from "\$115,000" to "\$125,00" [on line 8 of Amendment 2].

REPRESENTATIVE COGHILL objected.

[9:30:21 AM](#)

A roll call vote was taken. Representatives Kerttula, Harris, McGuire, and Rokeberg voted in favor of Amendment 2 to Amendment 2. Representatives Coghill and Kohring voted against it. Therefore, Amendment 2 to Amendment 2 was adopted by a vote of 4-2.

CHAIR ROKEBERG announced that Amendment 2, as amended, is before the committee.

There being no objection, Amendment 2, as amended, was adopted.

[9:32:46 AM](#)

REPRESENTATIVE COGHILL moved to report CSHB 98(STA), as amended, out of committee with individual recommendations and the accompanying and forthcoming fiscal notes. There being no objection, CSHB 98(RLS) was reported out the House Rules Standing Committee.

ADJOURNMENT

There being no further business before the committee, the House Rules Standing Committee meeting was adjourned at [9:33:20 AM](#).