

**CS FOR HOUSE BILL NO. 417(FIN) am**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Amended: 3/31/08

Offered: 3/18/08

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the compensation for certain public officials, officers, and employees**  
2 **not covered by collective bargaining agreements; relating to pay increments for**  
3 **longevity in state service; and providing for an effective date."**

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

5 \* **Section 1.** AS 16.43.060 is amended to read:

6 **Sec. 16.43.060. Compensation.** Members of the commission are in the exempt  
7 service and are entitled to a monthly salary equal to a step in [STEP C,] Range 27  
8 [26] of the salary schedule in AS 39.27.011 [AS 39.27.011(a) FOR JUNEAU,  
9 ALASKA].

10 \* **Sec. 2.** AS 26.05.260(i) is amended to read:

11 (i) When active state service is authorized by the governor or by the adjutant  
12 general as the governor's designee, members of the Alaska State Defense Force are  
13 entitled to receive, for each day of active service under AS 26.05.070, pay and  
14 allowances as provided in this subsection. Pay is equal to that provided under

**AS 39.27.011(a) - (f) and 39.27.020** [AS 39.27.011 - 39.27.020] for equivalent assignments of state officials or employees, including adjustments under AS 39.27.025, if applicable. Allowances shall be paid to the same extent, in the same manner, and under the same conditions as provided for state officials and employees under AS 39.20.110 - 39.20.170. However, pay or allowances are not authorized for training or community service activities of members of the Alaska State Defense Force.

\* **Sec. 3.** AS 36.30.010(d) is amended to read:

(d) The annual salary of the chief procurement officer is range **27** [24] of the salary schedule established in AS 39.27.011.

\* **Sec. 4.** AS 39.20.080(b) is amended to read:

(b) The monthly salary of a deputy head of a principal executive department of the state is **equal to a step in** [NOT LESS THAN STEP A NOR MORE THAN STEP F,] Range 28 of the salary schedule in **AS 39.27.011** [AS 39.27.011(a) FOR JUNEAU, ALASKA].

\* **Sec. 5.** AS 39.27.011(a) is repealed and reenacted to read:

(a) The following monthly basic salary schedule is approved as the pay plan for classified and partially exempt employees in the executive branch of the state government who are not members of a collective bargaining unit established under the authority of AS 23.40.070 - 23.40.260 (Public Employment Relations Act), and for employees of the legislature under AS 24:

Range	Step	Step	Step	Step	Step	Step
No.	A	B	C	D	E	F
05	1892	1945	1999	2056	2117	2174
06	1999	2056	2117	2174	2238	2303
07	2117	2174	2238	2303	2374	2449
08	2238	2303	2374	2449	2518	2596
09	2374	2449	2518	2596	2679	2755
10	2518	2596	2679	2755	2840	2922
11	2679	2755	2840	2922	3022	3118
12	2840	2922	3022	3118	3223	3332

1	13	3022	3118	3223	3332	3449	3572
2	14	3223	3332	3449	3572	3697	3837
3	15	3449	3572	3697	3837	3960	4109
4	16	3697	3837	3960	4109	4257	4407
5	17	3960	4109	4257	4407	4558	4715
6	18	4257	4407	4558	4715	4861	5046
7	19	4558	4715	4861	5046	5203	5393
8	20	4861	5046	5203	5393	5555	5761
9	21	5203	5393	5555	5761	5938	6153
10	22	5555	5761	5938	6153	6353	6582
11	23	5938	6153	6353	6582	6801	7054
12	24	6353	6582	6801	7054	7289	7536
13	25	6801	7054	7289	7536	7809	8100
14	26	7054	7289	7536	7809	8100	8391
15	27	7289	7536	7809	8100	8391	8707
16	28	7536	7809	8100	8391	8707	9010
17	29	7809	8100	8391	8707	9010	9327
18	30	8100	8391	8707	9010	9327	9655.

19 \* **Sec. 6.** AS 39.27.011(e) is amended to read:

20 (e) Effective July 1, **2008** [2005], the amounts set out in the salary schedule  
21 contained in (a) of this section are increased by **three** [TWO] percent.

22 \* **Sec. 7.** AS 39.27.011(f) is amended to read:

23 (f) Effective July 1, **2009** [2006], the amounts set out in the salary schedule  
24 contained in (a) of this section, as increased under (e) of this section, are increased by  
25 **three** [TWO] percent.

26 \* **Sec. 8.** AS 39.27.011 is amended by adding new subsections to read:

27 (h) Pay increments, computed at the rate of 3.75 percent of the employee's  
28 base salary, shall be provided after an employee has remained in the final step within a  
29 given range for two years, and every two years thereafter, if, at the time the employee  
30 becomes eligible for the increment, the employee's current annual rating by the  
31 employee's supervisors is designated as "good" or higher.

1 (i) Pay increments provided for in (h) of this section are approved under  
2 AS 39.25.150(2) as an amendment to the pay plan for employees of the state.

3 (j) Subsections (h) and (i) of this section apply to employees of the legislature  
4 only if the committee responsible for adopting employment policies concerning the  
5 employee adopts a written policy that (h) and (i) of this section apply. Subsections (h)  
6 and (i) of this section apply to the employees of the office of the ombudsman only if  
7 the ombudsman adopts a policy that (h) and (i) of this section apply. Subsections (h)  
8 and (i) of this section apply to the employees of the office of victims' rights only if the  
9 victims' advocate adopts a policy that (h) and (i) of this section apply.

10 \* **Sec. 9.** AS 42.04.020(f) is amended to read:

11 (f) Members of the commission are in the exempt service and are entitled to a  
12 monthly salary equal to a step in [STEP C,] Range **27** [26], of the salary schedule in  
13 AS 39.27.011(a) for Juneau, Alaska. The chair of the commission is entitled to a  
14 monthly salary equal to a step in [STEP C,] Range 27 [,] of the salary schedule in  
15 AS 39.27.011(a) for Juneau, Alaska.

16 \* **Sec. 10.** AS 39.27.022 is repealed.

17 \* **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to  
18 read:

19 SALARY ADJUSTMENTS FOR CERTAIN EXEMPT OFFICERS AND  
20 EMPLOYEES OF THE EXECUTIVE BRANCH. (a) Public officers and permanent and  
21 temporary employees in the executive branch of the state government, other than the governor  
22 and lieutenant governor, who are in the exempt service under AS 39.25.110, are not members  
23 of a collective bargaining unit established under AS 23.40.070 - 23.40.260 (Public  
24 Employment Relations Act), and are not otherwise covered by AS 39.27.011(a), are entitled  
25 to receive salaries comparable to those received by classified and partially exempt employees  
26 of the executive branch under AS 39.27.011(a), as repealed and reenacted by sec. 5 of this  
27 Act, and under AS 39.27.011(e) and (f), as amended by secs. 6 and 7 of this Act.

28 (b) The agencies employing noncovered exempt officers and employees covered by  
29 this section may adopt compensation policies that provide for pay increments under  
30 AS 39.27.011(h) and (i), enacted by sec. 8 of this Act.

31 \* **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 SALARY ADJUSTMENTS FOR CERTAIN EMPLOYEES OF THE JUDICIAL  
3 BRANCH. (a) Permanent and temporary employees and magistrates in the judicial branch of  
4 the state government, other than justices and judges, who are not members of a collective  
5 bargaining unit established under AS 23.40.070 - 23.40.260 (Public Employment Relations  
6 Act), and are not otherwise covered by AS 39.27.011(a), are entitled to receive salary  
7 adjustments comparable to those received by classified and partially exempt employees of the  
8 executive branch under AS 39.27.011(a), as repealed and reenacted by sec. 5 of this Act, and  
9 under AS 39.27.011(e) and (f), as amended by secs. 6 and 7 of this Act.

10 (b) The judicial branch may adopt compensation policies for its temporary and  
11 permanent employees and magistrates, other than justices and judges, that provide for pay  
12 increments under AS 39.27.011(h) and (i), enacted by sec. 8 of this Act.

13 (c) Justices of the supreme court and judges of the court of appeals and the superior  
14 and district courts are entitled to receive salary adjustments provided for in secs. 5 - 7 of this  
15 Act, in accordance with AS 22.05.140(d), AS 22.07.090(c), AS 22.10.190(d), and  
16 AS 22.15.220(e).

17 \* **Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to  
18 read:

19 SALARY INCREASES FOR CERTAIN EMPLOYEES OF THE UNIVERSITY OF  
20 ALASKA. The employees of the University of Alaska who are not members of a collective  
21 bargaining unit are entitled to receive salary increases in accordance with the compensation  
22 policy of the Board of Regents of the University of Alaska.

23 \* **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to  
24 read:

25 PROSPECTIVE APPLICATION. (a) Notwithstanding any other provisions of law,  
26 sec. 8 of this Act applies prospectively only. An employee may only earn pay increments  
27 under AS 39.27.011(h) and (i), as enacted by. 8 of this Act, based on qualifying service  
28 occurring on or after the effective date of sec. 8 of this Act.

29 (b) It is the intent of the legislature that (a) of this section is to expressly avoid the  
30 result in the decision of the Alaska Supreme Court in APEA v. State, 525 P.2d 12 (Alaska  
31 1974).

1     \* **Sec. 15.** The uncodified law of the State of Alaska is amended by adding a new section to  
2 read:

3           APPLICABILITY. (a) Section 8 of this Act applies to classified and partially exempt  
4 employees in the executive branch of state government who are not members of a collective  
5 bargaining unit established under the authority of AS 23.40.070 - 23.40.260 (Public  
6 Employment Relations Act).

7           (b) Before the effective date of this Act, the terms of sec. 8 of this Act, shall be  
8 formally offered to each established state employee bargaining unit through the state  
9 employee bargaining unit's collective bargaining agents, as an amendment to the contract  
10 governing the bargaining unit's terms and conditions of employment.

11     \* **Sec. 16.** The uncodified law of the State of Alaska is amended by adding a new section to  
12 read:

13           TRANSITION. Notwithstanding sec. 10 of this Act, if, but for the repeal of  
14 AS 39.27.022 by sec. 10 of this Act, an employee would have received a pay increment under  
15 former AS 39.27.022 within two years after the effective date of this Act, the employee may  
16 elect to receive that increment instead of the first increment to which the employee would  
17 otherwise be entitled under AS 39.27.011(h) and (i), as enacted by sec. 8 of this Act.

18     \* **Sec. 17.** The uncodified law of the State of Alaska is amended by adding a new section to  
19 read:

20           RETROACTIVITY. Sections 5, 11(a), 12(a), and 13 of this Act are retroactive to  
21 July 1, 2007.

22     \* **Sec. 18.** Section 17 of this Act takes effect immediately under AS 01.10.070(c).

23     \* **Sec. 19.** Except as provided in sec. 18 of this Act, this Act takes effect July 1, 2008.