

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: CSSB 182(FIN)
Fiscal Note Number: 2
(S) Publish Date: 3/26/14

Identifier: SB182CS(SFIN)-DOT-MVO-3-21-14
Title: PUBLIC EMPLOYEE SALARY DIFFERENTIALS
Sponsor: DYSON
Requester: Senate Finance

Department: Department of Transportation and Public Facilities
Appropriation: Marine Highway System
Allocation: Marine Vessel Operations
OMB Component Number: 2604

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	0.0	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? no
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Updated for the committee substitute.

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Division: <u>Office of the Commissioner</u>	Date: <u>03/21/2014 04:30 PM</u>
Approved By: <u>Mary P. Siroky, Director, Administrative Services</u>	Date: <u>03/21/14</u>
Agency: <u>Department of Transportation and Public Facilities</u>	

FISCAL NOTE ANALYSIS #2

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. CSSB 182(FIN)

Analysis

The proposed legislation prohibits collective bargaining agreements from including a cost of living differential for employees residing in Alaska after June 30, 2014. Currently members of the Marine Engineers Beneficial Association (MEBA), the International Organization of Masters and Mates and Pilots (MMP) and the Inlandboatmen's Union (IBU) receive a Cost of Living Differential (COLD) because they maintain a primary residency within the State of Alaska.

Savings will result when new staff are hired who are not paid COLD. The number of new staff hired in any given year is based on the number of vessels operating, number of weeks each vessel operates, the retirement of long term crew members and the promotion from one union to another. Given all these variables it is impossible to determine a precise savings.

Using averages and very rough estimates it may be possible for the Marine Highway System to save as much as \$850.0/year. Since the greatest number of new employees are hired in April and May it is difficult to determine if a savings of this magnitude will occur in FY2015.

The fiscal impact of this legislation cannot be accurately determined at this time.