

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version:	CSHB 379(FIN)
Fiscal Note Number:	4
(H) Publish Date:	4/27/2016

Identifier: CSHB379-OOG-OMB-04-23-16  
Title: STATE EMPLOYEE & OFFICER  
COMPENSATION  
Sponsor: RLS BY REQUEST  
Requester: House Finance Committee

Department: Various (for Fiscal Notes only)  
Appropriation: Various  
Allocation: Executive Branch  
OMB Component Number: 0

## Expenditures/Revenues

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

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates				
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>OPERATING EXPENDITURES</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Personal Services	(5,355.3)		(3,483.1)	(4,338.0)	(10,959.7)	(6,592.9)	
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>(5,355.3)</b>	<b>0.0</b>	<b>(3,483.1)</b>	<b>(4,338.0)</b>	<b>(10,959.7)</b>	<b>(6,592.9)</b>	<b>0.0</b>

## Fund Source (Operating Only)

1002 Fed Rcpts	(842.7)		(536.4)	(98.8)	(1,670.4)	(1,191.2)	
1003 G/F Match	(125.0)		(78.6)	(19.5)	(491.4)	(331.4)	
1004 Gen Fund	(2,119.5)		(1,510.8)	(3,176.2)	(5,033.2)	(2,317.3)	
1005 GF/Prgm	(143.6)		(71.2)	(49.4)	(406.0)	(303.7)	
1007 I/A Rcpts	(579.4)		(263.1)	(70.1)	(760.4)	(498.4)	
1178 temp code	(1,545.1)		(1,023.0)	(924.0)	(2,598.3)	(1,950.9)	
<b>Total</b>	<b>(5,355.3)</b>	<b>0.0</b>	<b>(3,483.1)</b>	<b>(4,338.0)</b>	<b>(10,959.7)</b>	<b>(6,592.9)</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

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**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2017) 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?  
If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version:

The revised fiscal note reflects changes in CSHB 379(FIN).

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## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

## Analysis

CSHB 379(FIN) would fully or partially suspend merit step increases and pay increments for certain state employees and prohibit the state from entering into a bargaining unit agreement unless it provides that an employee may not receive the award of a merit step or the award of a pay increment until the average price of oil is \$60 or above for an entire fiscal year. The estimates in this fiscal note are for the executive branch only, excluding the University and the Alaska Marine Highway system.

The total projected savings are \$30.7 million from the base budget. The projected savings for each bargaining unit occur over two fiscal years depending on salary change date.

These estimates assume no turnover, no reduction in position funding from the FY2016 Management Plan level, and that supervisors would approve all scheduled step increases for all employees at their evaluation date. This fiscal note assumes no agreement will be reached with the Alaska Public Employees Association/Supervisory Unit for FY2017 and that the average annual price per barrel for Alaska North Crude oil will remain below \$60.

It is assumed agreements with the fully or partially suspended merit step and pay increments terms will be effective for the following bargaining units starting in the fiscal years below:

## FY2017

Non-Covered - Executive Branch

Alaska State Employees Association/General Government Unit

## FY2018

Alaska Vocational Technical Center Teacher's Unit

Public Safety Employees Association

## FY2019

Labor, Trades and Crafts Unit

Alaska Correctional Officers Association

## FY2020

Confidential Employees Association

Alaska State Employees Association/General Government Unit