

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 SENATE BILL NO. 343

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a limitation on the  
7 salaries of employees of certain political  
8 subdivisions."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 29 is amended by adding a new chapter to read:  
11 CHAPTER 85.

12 Sec. 29.85.010. LIMITATION ON SALARY PAID TO EMPLOYEES  
13 OF POLITICAL SUBDIVISIONS RECEIVING STATE AID. (a) A  
14 political subdivision of the state which receives direct  
15 state aid for any purpose may not pay a salary to an employee  
16 of the subdivision which is higher than that paid by the  
17 state to an employee doing equivalent work in the same area  
18 of the state.

19 (b) A political subdivision which fails to observe the  
20 restriction imposed by (a) of this section forfeits its  
21 right to receive an amount of state aid equal to the entire  
22 salary of each employee paid in violation of the section.

23 (c) In this section "political subdivision" includes  
24 boroughs and cities of all classes, whether home-rule or  
25 otherwise.