

Offered: 3/14/86
Referred: Finance

Original sponsors: P.Fischer, Coghill,
Bennett, et al

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 100 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act prohibiting salaries for certain employees
7 from exceeding the governor's salary; and providing
8 for an effective date."

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

10 * Section 1. AS 22.05.140(c) is amended to read:

11 (c) Except as provided in AS 39.20.095, in [IN] addition to
12 annual salary, each justice is entitled to receive a geographic cost-
13 of-living adjustment, based on the location of the primary office
14 assignment, equal to 3.5 percent of the [HIS] annual salary times the
15 number of pay step increases provided under AS 39.27.020 for a state
16 employee working in the same election district in those districts for
17 which AS 39.27.020 specified zero-to-five pay step increases. In an
18 election district for which AS 39.27.020 specifies more than five pay
19 steps, the number of pay step increases under this section is limited
20 to five. Any retirement benefits to which a justice may be entitled
21 shall be computed only on the annual salary.

22 * Sec. 2. AS 22.07.090(a) is amended to read:

23 (a) Except as provided in AS 39.20.095, the [THE] monthly salary
24 of a judge of the court of appeals is equal to Step E, Range 29 of the
25 salary schedule in AS 39.27.011(a) for Juneau, Alaska. The compensa-
26 tion of a judge may not be diminished during the term of office,
27 unless by general law applying to all salaried officers of the state.

28 * Sec. 3. AS 22.10.190(c) is amended to read:

29 (c) Except as provided in AS 39.20.095, in [IN] addition to

1 annual salary, a superior court judge is entitled to receive a geo-
2 graphic cost-of-living adjustment, based on the location of the
3 judge's primary office assignment, equal to 3.5 percent of the judge's
4 [HIS] annual salary times the number of pay step increases provided
5 under AS 39.27.020 for a state employee working in the same election
6 district in those districts for which AS 39.27.020 specifies zero-to-
7 five pay step increases. In an election district for which AS 39.27.-
8 020 specifies more than five pay steps, the number of pay step in-
9 creases under this section is limited to five. Any retirement bene-
10 fits to which a superior court judge may be entitled shall be computed
11 only on the annual salary.

12 * Sec. 4. AS 22.15.220(d) is amended to read:

13 (d) Except as provided in AS 39.20.095, in [IN] addition to
14 annual salary, a district court judge is entitled to receive a geo-
15 graphic cost-of-living adjustment, based on the location of the
16 judge's [HIS] primary office assignment, equal to 3.5 percent of the
17 judge's annual salary times the number of pay step increases provided
18 under AS 39.27.020 for a state employee working in the same election
19 district in those districts for which AS 39.27.020 specifies zero-to-
20 five pay step increases. In an election district for which AS 39.27.-
21 020 specifies more than five pay steps, the number of pay step in-
22 creases under this section is limited to five. Any retirement bene-
23 fits to which a district court judge may be entitled shall be computed
24 only on the annual salary.

25 * Sec. 5. AS 37.05 is amended by adding a new section to read:

26 Sec. 37.05.330. LIMITATIONS ON CERTAIN GRANTS. (a) A state
27 agency may not grant state money to an organization or entity to which
28 this section applies unless the organization or entity agrees to
29 comply with the salary limit established in AS 39.20.095 during the

1 life of the grant. If an organization or entity violates an agreement
2 to comply with AS 39.20.095, it shall return any state money it has
3 received for that year and shall be ineligible to receive further
4 funding under the grant.

5 (b) This section applies to grants to a person, organization, or
6 entity that received at least 50 percent of its annual budget from the
7 state treasury during the previous fiscal year or that projects that
8 it will receive at least 50 percent of its budget from the state
9 treasury during the current fiscal year.

10 (c) When an amount is appropriated or allocated as a grant under
11 AS 37.05.316, 37.05.317, or 37.05.318, the department responsible for
12 administering the grant shall notify the person or entity named as
13 recipient of the requirements of this section. The department shall
14 request the person, organization, or entity to file its agreement to
15 comply with AS 39.20.095 if the person, organization, or entity meets
16 the requirements of (b) of this section. If the department is re-
17 questing proposals from other qualified persons, organizations, or
18 entities under AS 37.05.316 or 37.05.317, the department shall also
19 notify them of the requirements of this section. The department shall
20 request them to file an agreement to comply with AS 39.20.095 if they
21 meet the requirements of (b) of this section.

22 (d) In this section "state" has the meaning given in AS 39.20.-
23 095.

24 * Sec. 6. AS 39.20 is amended by adding a new section to read:

25 Sec. 39.20.095. SALARY LIMIT FOR CERTAIN PUBLIC EMPLOYEES. (a)
26 Notwithstanding the provisions of the Public Employment Relations Act
27 (AS 23.40) and AS 14.20.550 - 14.20.610, the state may not pay an
28 officer or employee a basic salary that is greater than the salary of
29 the governor set out in AS 39.20.010.

1 (b) For purposes of this section,

2 (1) "basic salary" is a person's salary including cost-of-
3 living adjustments, geographical differentials, length-of-service
4 increases, and adjustments in the nature of incentive, performance,
5 and year-end bonuses; "basic salary" does not include overtime
6 compensation, shift differentials, hazardous duty pay, travel per
7 diem, or travel allowances;

8 (2) "state" includes the executive, legislative, and judi-
9 cial branches of state government; the University of Alaska; school
10 districts; political subdivisions of the state, including
11 municipalities; and state instrumentalities, boards, commissions, and
12 authorities if the instrumentality, board, commission, or authority
13 receives at least 50 percent of its annual budget from the state
14 treasury.

15 * Sec. 7. AS 39.27 is amended by adding a new section to read:

16 Sec. 39.27.027. SALARY LIMIT. Notwithstanding AS 39.27.020 and
17 39.27.022, the state may not pay an officer or employee a salary that
18 exceeds the salary limit under AS 39.20.095.

19 * Sec. 8. AS 42.40.110 is amended by adding a new subsection to read:

20 (c) If the corporation receives at least 50 percent of its
21 yearly budget by direct appropriation or grant from the state trea-
22 sury, the board may not fix a basic salary for the chief executive
23 officer or approve basic salaries for other executive officers that
24 exceed the basic salary of the governor set out in AS 39.20.010. For
25 purposes of this subsection, "basic salary" has the meaning given in
26 AS 39.20.095.

27 * Sec. 9. Nothing in this Act terminates or modifies a collective
28 bargaining agreement or other contract if the agreement or contract is in
29 effect on the effective date of this Act. However, the state may not renew

1 or extend a contract after the effective date of this Act unless the con-
2 tract complies with this Act.

3 * Sec. 10. Nothing in this Act infringes on the independence of the
4 University of Alaska except the provisions of secs. 5 - 7 that impose a
5 salary limit on employees of certain state grant recipients and on certain
6 public employees.

7 * Sec. 11. This Act takes effect immediately in accordance with AS 01.-
8 10.070(c).