

Introduced: 3/1/85
Referred: State Affairs
and Finance

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

SENATE BILL NO. 207

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to public employees; and providing
7 for an effective date."

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

9 * Section 1. AS 23.40.210 is amended to read:

10 Sec. 23.40.210. AGREEMENT. Upon the completion of negotiations
11 between an organization and a public employer, if a settlement is
12 reached, the employer shall reduce it to writing in the form of an
13 agreement. The agreement may include a term for which it will remain
14 in effect, not to exceed three years. The agreement shall include a
15 pay plan designed to provide for a cost-of-living differential between
16 the salaries paid employees residing in the state and employees resid-
17 ing outside the state. The cost-of-living differential or other
18 geographic cost-of-living adjustment may not be considered part of the
19 basic salary for purposes of calculating overtime compensation or
20 other salary adjustments. The plan shall provide that the salaries
21 paid, as of August 26, 1977, to employees residing outside the state
22 shall remain unchanged until the difference between those salaries and
23 the salaries paid employees residing in the state reflects the differ-
24 ence between the cost of living in Alaska and living in Seattle,
25 Washington. The agreement shall include a grievance procedure which
26 shall have binding arbitration as its final step. Either party to the
27 agreement has a right of action to enforce the agreement by petition
28 to the labor relations agency.

29 * Sec. 2. AS 39.27.020 is amended by adding a new subsection to read:

1 (d) If an employee's basic annual salary is no more than
2 \$30,000, the pay step differential shall be calculated using the
3 employee's basic salary. If the employee's basic annual salary is
4 greater than \$30,000, then the employee's pay step differential shall
5 be calculated on the differential for a basic salary of \$30,000.

6 * Sec. 3. AS 39.27 is amended by adding a new section to read:

7 Sec. 39.27.027. OVERTIME COMPENSATION. Overtime compensation
8 shall be calculated on the basic salary of an employee before the
9 addition of any adjustments including pay step differentials and shift
10 differentials.

11 * Sec. 4. AS 39.35 is amended by adding a new section to read:

12 Sec. 39.35.675. INCLUSION OF COST-OF-LIVING DIFFERENTIALS IN
13 COMPENSATION AND BENEFITS. (a) An employee shall make contributions
14 to the system based on compensation including a cost-of-living differ-
15 ential.

16 (b) The amount of a cost-of-living differential may not be in-
17 cluded in the employee's compensation for purposes of calculating
18 benefits under this chapter unless the employee has received a cost-
19 of-living differential in a comparable amount or of at least that many
20 steps for at least 50 percent of the employee's credited service.

21 (c) When an employee receives a benefit, and if the employee's
22 compensation for purposes of calculating the benefit does not include
23 a cost-of-living differential, then the administrator shall refund to
24 the employee the amount of contributions the employee made based on
25 the differential.

26 (d) In this section "cost-of-living differential" means an
27 adjustment to salary based on the cost of living in the geographic
28 region where the employee works and includes a pay step differential
29 under AS 39.27.020.

1 * Sec. 5. AS 39.35.680(8) is amended to read:

2 (8) "compensation" means the total remuneration earned by
3 an employee for personal services rendered, including cost-of-living
4 differentials only as provided in AS 39.35.675, payments for leave
5 that is actually used by the employee, the amount by which the em-
6 ployee's wages are reduced under AS 39.30.150(c), and any amount
7 deferred under an employer-sponsored deferred compensation plan, but
8 does not include retirement benefits, welfare benefits, per diem,
9 expense allowances, workers' compensation payments or payments for
10 leave not used by the employee whether those leave payments are sched-
11 uled payments, lump-sum payments, donations, or cash-ins;

12 * Sec. 6. (a) Unless the budget specifically provides or the legisla-
13 ture approves, the state may not

14 (1) reclassify a position;

15 (2) change the salary range of a job class unless the change is
16 required to comply with AS 18.80.220(a)(5);

17 (3) promote a person to the next step of a flexibly staffed
18 position if the person was first hired in the flexibly-staffed position
19 after the effective date of this section; or

20 (4) award a person a merit increase.

21 (b) In this section, "state" means the executive, legislative and
22 judicial branches of state government and includes the University of
23 Alaska.

24 * Sec. 7. The amendments made by secs. 4 and 5 of this Act apply only
25 to members first hired under the Public Employees' Retirement System on or
26 after the effective date of secs. 4 and 5 of this Act.

27 * Sec. 8. Nothing in this Act terminates or modifies a collective
28 bargaining agreement in existence on the effective date of secs. 1, 2 and
29 4 - 7 of this Act.

- 1 * Sec. 9. Section 3 of this Act takes effect January 1, 1987.
- 2 * Sec. 10. Sections 1, 2 and 4 - 7 of this Act take effect immediately
- 3 in accordance with AS 01.10.070(c).