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Referred: State Affairs and  
Finance

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1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 187

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to geographic pay differentials; and  
7 providing for an effective date."

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

9 \* Section 1. AS 39.27.020 is repealed and reenacted to read:

10 Sec. 39.27.020. PAY DIFFERENTIALS BY ELECTION DISTRICT AND IN  
11 OTHER STATES. (a) The following pay differentials are approved as an  
12 amendment to the basic salary schedule in AS 39.27.011:

13 Percentage Pay	Geographic Areas
14 Differential	(Election Districts)
15 0	1, 2, 3, 4, 7, 8, 9, and 10
16 4	16 South of the Arctic Circle except the 17 duty stations of Tok and Delta Junction
18 5	5
19 9	11
20 11	6
21 16	The duty stations of Tok and Delta Junction
22 20	The duty station of Nenana
23 27	12 and 13
24 30	15 except the duty station of Nenana, and 19
25 34	18
26 38	14
27 42	16 North of the Arctic Circle, and 17
28 -13	In other states
29 (b) For purposes of (a) of this section, "election district"	

1 means an election district designated in the governor's proclamation  
2 of reapportionment and redistricting of December 7, 1961.

3 (c) The director may establish salary differentials for posi-  
4 tions in foreign countries. Following a survey conducted under  
5 AS 39.27.030, the differentials must be adjusted as necessary to  
6 maintain equitable relationships between salaries for positions in  
7 foreign countries and salaries for positions in Alaska.

8 \* Sec. 2. AS 39.27.030 is repealed and reenacted to read:

9 Sec. 39.27.030. COST-OF-LIVING SURVEY. Subject to available  
10 funding, the director shall conduct a survey at five-year intervals to  
11 review the geographic pay differentials provided under AS 39.27.020.  
12 The survey may address factors, as determined by the director, that  
13 are also relevant in review of state salary schedules.

14 \* Sec. 3. (a) If the salary an employee is receiving on July 15, 1987  
15 would be reduced by application of the pay differential, as amended in sec.  
16 1 of this Act, the following applies if the employee remains in the same  
17 geographic area, as described in AS 39.27.020:

18 (1) the employee's salary may not be reduced as a result of  
19 application of the pay differential; and

20 (2) the employee's salary remains at its July 15, 1987 level  
21 until, under the pay differential as amended in sec. 1 of this Act, the  
22 employee's salary would exceed that level because of

23 (A) a change in the state salary schedule (AS 39.27.011),

24 (B) a change in the employee's pay range or step, or

25 (C) application of a longevity pay increment.

26 (b) If an employee moves to another geographic area after July 15,  
27 1987, the pay differential, as amended in sec. 1 of this Act, applies to  
28 that employee's salary on the effective date of the move.

29 (c) Nothing in this section prohibits a reduction in an employee's

1 salary as a result of a voluntary or involuntary demotion.

2 \* Sec. 4. AS 39.27.035 and 39.27.040 are repealed.

3 \* Sec. 5. This Act takes effect July 16, 1987.