

1 IN THE SENATE

BY FISCHER AND COGHILL

2

SENATE BILL NO. 28

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

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For an Act entitled: "An Act prohibiting salaries for certain employees

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from exceeding the governor's salary; and providing

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for an effective date."

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

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

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

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annual salary, each justice is entitled to receive a geographic cost-

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of-living adjustment, based on the location of the justice's primary

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office assignment, equal to 3.5 percent of the justice's annual salary

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times the number of pay step increases provided under AS 39.27.020 for

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a state employee working in the same election district in those dis-

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tricts for which AS 39.27.020 specified zero-to-five pay step in-

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creases. In an election district for which AS 39.27.020 specifies

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more than five pay steps, the number of pay step increases under this

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section is limited to five. Any retirement benefits to which a jus-

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tice may be entitled shall be computed only on the annual salary.

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

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(a) Except as provided in AS 39.20.095, the [THE] monthly salary

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of a judge of the court of appeals is equal to Step E, Range 29 of the

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salary schedule in AS 39.27.011(a) for Juneau, Alaska. The compensa-

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tion of a judge may not be diminished during the term of office,

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unless by general law applying to all salaried officers of the state.

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

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(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 [HIS]
4 annual salary times the number of pay step increases provided under
5 AS 39.27.020 for a state employee working in the same election dis-
6 trict in those districts for which AS 39.27.020 specifies zero-to-five
7 pay step increases. In an election district for which AS 39.27.020
8 specifies more than five pay steps, the number of pay step increases
9 under this section is limited to five. Any retirement benefits to
10 which a superior court judge may be entitled shall be computed only on
11 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 primary office assignment, equal to 3.5 percent of the
17 [JUDGE'S] annual salary times the number of pay step increases pro-
18 vided under AS 39.27.020 for a state employee working in the same
19 election district in those districts for which AS 39.27.020 specifies
20 zero-to-five pay step increases. In an election district for which
21 AS 39.27.020 specifies more than five pay steps, the number of pay
22 step increases under this section is limited to five. Any retirement
23 benefits to which a district court judge may be entitled shall be
24 computed only on the annual salary.

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

26 Sec. 37.05.335. LIMITATIONS ON CERTAIN GRANTS. (a) Notwith-
27 standing AS 37.05.318, a state agency may not grant state money to an
28 organization or entity to which this section applies unless the orga-
29 nization or entity agrees to comply with the salary limit established

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

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

11 (c) When an amount is appropriated or allocated as a grant under
12 AS 37.05.315, 37.05.316, or 37.05.317, the department responsible for
13 administering the grant shall notify the named grant recipient of the
14 requirements of this section. The department shall request the recip-
15 ient to file its agreement to comply with the limit established in
16 AS 39.20.095 if required under (b) of this section. If the department
17 is requesting proposals from other qualified persons, organizations,
18 or 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 the limit established
21 in AS 39.20.095 if required under (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 AS 23.40 (the Public Employment
27 Relations Act) and AS 14.20.550 - 14.20.610, the basic salary of an
28 officer or employee of the state may not exceed the salary of the
29 governor under AS 39.20.010.

1 (b) In 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 compen-
6 sation, shift differentials, hazardous duty pay, travel per diem, or
7 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 municipal-
11 ities; and state instrumentalities, boards, commissions, and author-
12 ities if the instrumentality, board, commission, or authority receives
13 at least 50 percent of its annual budget from the state treasury.

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

15 Sec. 39.27.027. SALARY LIMIT. Notwithstanding AS 39.27.020 and
16 39.27.022, the basic salary of an officer or employee of the state may
17 not exceed the salary limit established under AS 39.20.095.

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

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

26 * Sec. 9. AS 42.40 is amended by adding a new section to read:

27 Sec. 42.40.715. EMPLOYEE SALARY LIMIT. Notwithstanding other
28 provisions of this chapter, if the corporation receives at least 50
29 percent of its yearly budget by direct appropriation or grant from the

1 state treasury, the basic salary of an employee of the corporation may
2 not exceed the salary of the governor under AS 39.20.010. In this
3 section, "basic salary" has the meaning given in AS 39.20.095.

4 * Sec. 10. Nothing in this Act terminates or modifies a collective
5 bargaining agreement or other contract if the agreement or contract is in
6 effect on the effective date of this Act. However, an employer subject to
7 this Act may not renew or extend a contract after the effective date of
8 this Act unless the contract complies with this Act.

9 * Sec. 11. Nothing in this Act infringes on the independence of the
10 University of Alaska or the Alaska Railroad Corporation except the pro-
11 visions that impose a salary limit on employees.

12 * Sec. 12. This Act takes effect immediately under AS 01.10.070(c).