

**CS FOR HOUSE BILL NO. 99 (JUDICIARY)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**SEVENTEENTH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE JUDICIARY COMMITTEE**

**Offered: 5/14/91**  
**Referred: Finance**

**Sponsor(s): REPRESENTATIVES DONLEY, Koponen, Gruenberg, Ellis, Boyer, Brown, Ulmer, Ivan, Carney, Bruckman, B.Davis, Moyer, MacLean**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act requiring the executive branch of state government, the University of Alaska, the  
2 Alaska Railroad, and certain school districts, regional educational attendance areas, and  
3 municipalities, to establish and implement a policy of equitable compensation for their  
4 employees who are subject to merit system employment, based on the comparability of the  
5 value of the work performed."

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

7 \* **Section 1.** AS 14.03 is amended by adding new sections to read:

8           Sec. 14.03.200. **EQUITABLE COMPENSATION RELATIONSHIPS.** (a) In order to  
9           eliminate sex-based wage disparities in public employment in this state, the governing body of  
10           a school district or regional educational attendance area shall establish equitable compensation  
11           relationships between female-dominated, male-dominated, and balanced classes of employees who  
12           are subject to merit system hiring. A primary consideration in negotiating, establishing,  
13           recommending, and approving compensation is achieving equitable compensation based on

1 comparable work value among positions within the school district or regional educational  
2 attendance area. This section may not be construed to limit the ability of the parties to  
3 collectively bargain in good faith.

4 (b) In mediation under AS 14.20.570 or interest arbitration under AS 23.40.070 -  
5 23.40.260, if appropriate, involving a class that is not a balanced class, the mediator or arbitrator  
6 shall consider the equitable compensation relationship standards established in this section and  
7 the standards established under AS 14.03.210, together with other standards appropriate to interest  
8 arbitration. The mediator or arbitrator shall consider both the results of a job evaluation study  
9 prepared under AS 14.03.220 and any employee objections to the study. In mediation or interest  
10 arbitration for a balanced class, the mediator or arbitrator may consider the standards established  
11 under this section and the results of, and any employee objections to, a job evaluation study, but  
12 shall also consider similar or like classifications in other political subdivisions.

13 (c) In conducting collective bargaining for a balanced class, the parties may consider the  
14 equitable compensation relationship standards established by this section and the results of a job  
15 evaluation study, but shall also consider similar or like classifications in other political  
16 subdivisions.

17 Sec. 14.03.210. COMPENSATION RELATIONSHIPS OF POSITIONS. (a) In  
18 preparing management positions for negotiations with a collective bargaining organization and  
19 in establishing, recommending, and approving compensation plans for other employees, the  
20 school district or regional educational attendance area shall assure that compensation for positions

21 (1) in the different divisions in the personnel system bears a reasonable  
22 relationship to one another;

23 (2) within the workforce bears a reasonable relationship to compensation for  
24 similar positions outside the district or attendance area;

25 (3) within the workforce bears a reasonable relationship among related classes and  
26 among various levels within the same occupational group.

27 (b) In this section, the compensations paid to different positions bear a reasonable  
28 relationship to one another if the compensation for positions that require

29 (1) comparable skill, effort, responsibility, and working conditions is comparable;

30 and

31 (2) differing skill, effort, responsibility and working conditions is proportional to

1 the skill, effort, responsibility, and working conditions required.

2 Sec. 14.03.220. JOB EVALUATION SYSTEM. (a) A school district or regional  
3 educational attendance area shall use a job evaluation system in order to determine the  
4 comparable work value of the work performed by each class of its employees who are subject  
5 to merit system employment. The system shall be maintained and upgraded to account for new  
6 employee classes and changes in factors affecting the comparable work value of existing classes.  
7 A school district or regional educational attendance area that substantially modifies its job  
8 evaluation system or adopts a new system shall notify the commissioner of administration. The  
9 school district or regional educational attendance area may use the system of another public  
10 employer in the state. The school district or regional educational attendance area shall meet and  
11 confer with the bargaining organizations representing their employees on the development or  
12 selection of a job evaluation system under this section.

13 (b) A school district or regional educational attendance area shall submit a report  
14 containing the results of the job evaluation system to the bargaining organizations representing  
15 its employees. The report shall be used by the parties in collective bargaining negotiations. The  
16 report must identify, at a minimum, the female-dominated classes in the school district or  
17 regional educational attendance area for which compensation inequity exists, based on comparable  
18 work value, and the data, other than data that reveals information about individual employees or  
19 former employees, used to support these findings.

20 (c) Notwithstanding AS 23.40.110, if applicable, it is not an unfair labor practice for a  
21 school district or regional educational attendance area to specify an amount of money to be used  
22 solely to correct inequitable compensation relationships. A school district or regional educational  
23 attendance area may specify an amount to be used for general salary increases. AS 14.03.200 -  
24 14.03.290 do not diminish the duty to bargain in good faith under AS 14.20.550 - 14.20.610 or  
25 AS 23.40.070 - 23.40.260, as appropriate.

26 Sec. 14.03.230. USE AS EVIDENCE. The results of a job evaluation system established  
27 under AS 14.03.200 - 14.03.290 may be used as evidence in a proceeding or action alleging  
28 discrimination.

29 Sec. 14.03.240. APPLICABILITY. AS 14.03.200 - 14.03.290 apply to a school district  
30 or regional educational attendance area that employs the equivalent of at least 10 full-time  
31 employees during a 12-month period.

1           Sec. 14.03.290. DEFINITIONS. In AS 14.03.200 - 14.03.290,

2           (1) "balanced class," "class," "comparable work value," "female-dominated class,"  
3 and "male-dominated class" have the meanings given in AS 39.25.400;

4           (2) "equitable compensation relationship" means that, within the school district  
5 or regional educational attendance area, the compensation for female-dominated classes is not  
6 consistently below the compensation for male-dominated classes of comparable work value as  
7 determined under AS 14.03.220;

8           (3) "position" means a group of current duties and responsibilities assigned or  
9 delegated by a supervisor to an individual.

10 \* Sec. 2. AS 14.40.170(a) is amended to read:

11           (a) The Board of Regents shall

12           (1) appoint the president of the university by a majority vote of the whole board;  
13 [, AND] the president may attend meetings of the board;

14           (2) fix the compensation of the president of the university, all heads of  
15 departments, professors, teachers, instructors, and other officers;

16           (3) confer those [SUCH] appropriate degrees that [AS] it may determine and  
17 prescribe;

18           (4) have the care, control, and management of

19           (A) all the real and personal property of the university; and

20           (B) land conveyed to the Board of Regents by the commissioner of natural  
21 resources in the settlement of the claim of the University of Alaska to land granted to the  
22 state in accordance with the Act of March 4, 1915 (38 Stat. 1214), as amended, and in  
23 accordance with the Act of January 21, 1929 (45 Stat. 1091), as amended;

24           (5) keep a correct and easily understood record of the minutes of every meeting  
25 and all acts done by it in pursuance of its duties;

26           (6) under procedures to be established by the commissioner of administration, and  
27 in accordance with existing procedures for other state agencies, have the care, control, and  
28 management of all money of the university and keep a complete record of all money received  
29 and disbursed;

30           (7) adopt reasonable rules for the prudent trust management and the long-term  
31 financial benefit to the university of the land of the university;

1 (8) provide public notice of sales, leases, exchanges, and transfers of the land of  
2 the university or of interests in land of the university;

3 (9) report each year within the first 10 days of the convening of a regular session  
4 of the legislature on the expenditures made during the preceding fiscal year from the funds of  
5 the University of Alaska that are derived from sales, leases, exchanges, or transfers of the land  
6 of the university or of interests in land of the university that were conveyed to the University of  
7 Alaska in settlement of the claim of the University of Alaska to land granted to the state in  
8 accordance with the Act of March 4, 1915 (38 Stat. 1214), as amended, and in accordance with  
9 the Act of January 21, 1929 (45 Stat. 1091), as amended;

10 (10) comply with the requirements for equitable compensation of employees  
11 set out in AS 14.40.181 - 14.40.189.

12 \* Sec. 3. AS 14.40 is amended by adding new sections to read:

13 Sec. 14.40.181. **EQUITABLE COMPENSATION RELATIONSHIPS.** (a) In order to  
14 eliminate sex-based wage disparities in public employment in this state, the university shall  
15 establish equitable compensation relationships between female-dominated, male-dominated, and  
16 balanced classes of its employees who are subject to merit system employment. A primary  
17 consideration in negotiating, establishing, recommending, and approving compensation is  
18 achieving equitable compensation based on comparable work value among positions within the  
19 university. This section may not be construed to limit the ability of the parties to collectively  
20 bargain in good faith.

21 (b) In interest arbitration under AS 23.40.070 - 23.40.260 involving a class that is not  
22 a balanced class, the arbitrator shall consider the equitable compensation relationship standards  
23 established in this section and the standards established under AS 14.40.183, together with other  
24 standards appropriate to interest arbitration. The arbitrator shall consider both the results of a  
25 job evaluation study and any employee objections to the study. In interest arbitration for a  
26 balanced class, the arbitrator may consider the standards established under this section and the  
27 results of, and any employee objections to, a job evaluation study prepared under AS 14.40.185,  
28 but shall also consider similar or like classifications in other employers.

29 (c) In collective bargaining for a balanced class, the parties may consider the equitable  
30 compensation relationship standards established by this section and the results of a job evaluation  
31 study, but shall also consider similar or like classifications in other political subdivisions.

1           Sec. 14.40.183. COMPENSATION RELATIONSHIPS OF POSITIONS. (a) In  
2 preparing management positions for negotiations with a collective bargaining organization  
3 representing university employees and in establishing, recommending, and approving  
4 compensation plans for other employees who are subject to merit system hiring, the university  
5 shall assure that compensation for positions

6                   (1) in the different divisions in the personnel system bears a reasonable  
7 relationship to one another;

8                   (2) bears a reasonable relationship to compensation for similar positions outside  
9 university service;

10                  (3) bears a reasonable relationship among related classes and among various levels  
11 within the same occupational group.

12           (b) In this section, the compensations paid to different positions bear a reasonable  
13 relationship to one another if the compensation for positions that require

14                   (1) comparable skill, effort, responsibility, and working conditions is comparable;  
15 and

16                   (2) differing skill, effort, responsibility and working conditions is proportional to  
17 the skill, effort, responsibility, and working conditions required.

18           Sec. 14.40.185. JOB EVALUATION SYSTEM. (a) The board of regents shall use a  
19 job evaluation system to determine the comparable work value of the work performed by each  
20 class of its employees. The system shall be maintained and upgraded to account for new  
21 employee classes and changes in factors affecting the comparable work value of existing classes.  
22 If the board of regents substantially modifies its job evaluation system or adopts a new system,  
23 it shall notify the commissioner of administration. The board of regents may use the system of  
24 another public employer in the state. The board of regents shall meet and confer with the  
25 bargaining organizations representing university employees on the development or selection of  
26 a job evaluation system under this section.

27           (b) The board shall submit a report containing the results of the job evaluation system  
28 to the bargaining organizations representing university employees. The report shall be used by  
29 the parties in collective bargaining negotiations. The report must identify, at a minimum, the  
30 female-dominated classes in the university for which compensation inequity exists, based on the  
31 comparable work value, and the data, other than data that reveals information about individual

1 employees or former employees, used to support these findings.

2 (c) Notwithstanding AS 23.40.110, it is not an unfair labor practice for the board of  
3 regents to specify an amount of money to be used solely to correct inequitable compensation  
4 relationships. The board may specify an amount to be used for general salary increases.  
5 AS 14.40.181 - 14.40.189 do not diminish the duty of the board to bargain in good faith under  
6 AS 23.40.070 - 23.40.260.

7 Sec. 14.40.187. USE AS EVIDENCE. The results of a job evaluation system established  
8 under AS 14.40.181 - 14.40.189 may be used as evidence in a proceeding or action alleging  
9 discrimination.

10 Sec. 14.40.189. DEFINITIONS. In AS 14.40.181 - 14.40.189,

11 (1) "balanced class," "class," "comparable work value," "female-dominated class,"  
12 and "male dominated class" have the meanings given in AS 39.25.400;

13 (2) "equitable compensation relationship" means that, within the university, the  
14 compensation for female-dominated classes is not consistently below the compensation for male-  
15 dominated classes of comparable work value as determined under AS 14.40.185;

16 (3) "position" means a group of current duties and responsibilities assigned or  
17 delegated by a supervisor to an individual.

18 \* Sec. 4. AS 23.40.070 is amended to read:

19 Sec. 23.40.070. DECLARATION OF POLICY. The legislature finds that joint  
20 decision-making is the modern way of administering government. If public employees have been  
21 granted the right to share in the decision-making process affecting wages and working conditions,  
22 they have become more responsive and better able to exchange ideas and information on  
23 operations with their administrators. Accordingly, government is made more effective. The  
24 legislature further finds that the enactment of positive legislation establishing guidelines for  
25 public employment relations is the best way to harness and direct the energies of public  
26 employees eager to have a voice in determining their conditions of work, to provide a rational  
27 method for dealing with disputes and work stoppages, to strengthen the merit principle where  
28 civil service is in effect, and to maintain a favorable political and social environment. The  
29 legislature declares that it is the public policy of the state to promote harmonious and cooperative  
30 relations between government and its employees and to protect the public by assuring effective  
31 and orderly operations of government. These policies are to be effectuated by

1 (1) recognizing the right of public employees to organize for the purpose of  
2 collective bargaining;

3 (2) requiring public employers to negotiate with and enter into written agreements  
4 with employee organizations on matters of wages, hours, and other terms and conditions of  
5 employment;

6 (3) maintaining merit-system principles among public employees and eliminating  
7 sex-based wage disparities in public employment in the state.

8 \* Sec. 5. AS 29.10.200 is amended by adding a new paragraph to read:

9 (51) AS 29.20.420 - 29.20.450 (equitable compensation for employees)

10 \* Sec. 6. AS 29.20.410(a) is amended to read:

11 (a) Except as provided by (b) of this section, appointments and promotions of municipal  
12 employees are made on the basis of merit. The governing body may provide for a personnel  
13 system and classified service. Compensation in the classified service shall comply with  
14 AS 29.20.420 - 29.20.450.

15 \* Sec. 7. AS 29.20 is amended by adding new sections to article 5 to read:

16 Sec. 29.20.420. EQUITABLE COMPENSATION RELATIONSHIPS. (a) In order to  
17 eliminate sex-based wage disparities in public employment in this state, a municipality shall  
18 establish equitable compensation relationships between female-dominated, male-dominated, and  
19 balanced classes of employees in its classified service. A primary consideration in negotiating,  
20 establishing, recommending, and approving compensation is achieving equitable compensation  
21 based on comparable work value among positions within the municipality. This section may not  
22 be construed to limit the ability of the parties to collectively bargain in good faith.

23 (b) In interest arbitration under AS 23.40.070 - 23.40.260, or under a comparable  
24 municipal system of collective bargaining, involving a class that is not a balanced class, the  
25 arbitrator shall consider the equitable compensation relationship standards established in this  
26 section and the standards established under AS 29.20.425, together with other standards  
27 appropriate to interest arbitration. The arbitrator shall consider both the results of a job  
28 evaluation study and any employee objections to the study. In interest arbitration for a balanced  
29 class, the arbitrator may consider the standards established under this section and the results of,  
30 and any employee objections to, a job evaluation study prepared under AS 29.20.430, but shall  
31 also consider similar or like classifications in other political subdivisions.

1 (c) In collective bargaining for a balanced class, the parties may consider the equitable  
2 compensation relationship standards established by this section and the results of a job evaluation  
3 study, but shall also consider similar or like classifications in other political subdivisions.

4 Sec. 29.20.425. COMPENSATION RELATIONSHIPS OF POSITIONS. (a) In  
5 preparing management positions for negotiations with a collective bargaining organization  
6 representing municipal employees and in establishing, recommending, and approving  
7 compensation plans for other employees of the classified service, the municipality shall assure  
8 that compensation for positions

9 (1) in the classified, partially exempt, and exempt services bears a reasonable  
10 relationship to one another;

11 (2) bears a reasonable relationship to compensation for similar positions outside  
12 municipal service;

13 (3) bears a reasonable relationship among related classes and among various levels  
14 within the same occupational group.

15 (b) In this section, the compensations paid to different positions bear a reasonable  
16 relationship to one another if the compensation for positions that require

17 (1) comparable skill, effort, responsibility, and working conditions is comparable;  
18 and

19 (2) differing skill, effort, responsibility and working conditions is proportional to  
20 the skill, effort, responsibility, and working conditions required.

21 Sec. 29.20.430. JOB EVALUATION SYSTEM. (a) A municipality shall use a job  
22 evaluation system to determine the comparable work value of the work performed by each class  
23 of its employees. The system shall be maintained and upgraded to account for new employee  
24 classes and changes in factors affecting the comparable work value of existing classes. A  
25 municipality that substantially modifies its job evaluation system or adopts a new system shall  
26 notify the commissioner of administration. The municipality may use the system of another  
27 public employer in the state. A municipality shall meet and confer with the bargaining  
28 organizations representing their employees on the development or selection of a job evaluation  
29 system under this section.

30 (b) A municipality shall submit a report containing the results of the job evaluation  
31 system to the bargaining organization representing municipal employees. The report shall be

1 used by both parties in collective bargaining negotiations. The report must identify, at a  
2 minimum, the female-dominated classes in the political subdivision for which compensation  
3 inequity exists, based on the comparable work value, and the data, other than data that reveals  
4 information about individual employees or former employees, used to support these findings.

5 (c) Notwithstanding AS 23.40.110, it is not an unfair labor practice for a municipality  
6 to specify an amount of money to be used solely to correct inequitable compensation  
7 relationships. A municipality may specify an amount to be used for general salary increases.  
8 AS 29.20.420 - 29.20.450 do not diminish the duty of a municipality to bargain in good faith  
9 under AS 23.40.070 - 23.40.260.

10 Sec. 29.20.435. USE AS EVIDENCE. The results of a job evaluation system established  
11 under AS 29.20.420 - 29.20.450 may be used as evidence in a proceeding or action alleging  
12 discrimination.

13 Sec. 29.20.440. APPLICABILITY. AS 29.20.420 - 29.20.450 apply to a home rule or  
14 general law municipality that employs the equivalent of at least 10 full-time employees during  
15 a 12-month period.

16 Sec. 29.20.450. DEFINITIONS. In AS 29.20.420 - 29.20.450,

17 (1) "balanced class," "class," "comparable work value," "female-dominated class,"  
18 and "male-dominated class" have the meanings given in AS 39.25.400.

19 (2) "equitable compensation relationship" means that, within the municipality, the  
20 compensation for female-dominated classes is not consistently below the compensation for male-  
21 dominated classes of comparable work value as determined under AS 29.20.430;

22 (3) "position" means a group of current duties and responsibilities assigned or  
23 delegated by a supervisor to an individual.

24 \* Sec. 8. AS 39.25 is amended by adding new sections to read:

25 **ARTICLE 9. EQUITABLE COMPENSATION FOR COMPARABLE WORK.**

26 Sec. 39.25.300. COMPENSATION POLICY. It is the policy of this state to attempt to  
27 establish equitable relationships between female-dominated, male-dominated, and balanced classes  
28 of employees in the classified service of the executive branch. Compensation relationships are  
29 equitable within the meaning of this section when the primary consideration in negotiating,  
30 establishing, recommending, and approving total compensation is achieving equitable  
31 compensation based on comparable work value among positions within the state.

1           Sec. 39.25.310. JOB EVALUATION SYSTEM. (a) The commissioner shall use a job  
2 evaluation system to determine the comparable work value of the work performed by each class  
3 of employees. The system shall be maintained and upgraded to account for new employee  
4 classes and changes in factors affecting the comparable work value of existing classes. The  
5 commissioner shall meet and confer with the bargaining organizations representing state  
6 employees on the development or selection of a job evaluation system under this section.

7           (b) After consulting with the office of equal employment opportunity in the Department  
8 of Administration, the commissioner shall compile a list showing those female-dominated classes  
9 and those male-dominated classes in the classified service for which a compensation inequity  
10 exists based on comparable work value.

11           (c) The commissioner shall submit a report containing the results of the job evaluation  
12 system to the bargaining organizations representing state employees. The report shall be used  
13 by the parties in collective bargaining negotiations. The report must identify, at a minimum, the  
14 female-dominated classes for which compensation inequity exists, based on the comparable work  
15 value, and the data, other than data that reveals information about individual employees or  
16 former employees, used to support these findings.

17           (d) After considering the list of classes in which compensation inequity exists, the  
18 commissioner shall prepare a plan to create pay equity for those positions. The commissioner  
19 shall submit the plan to the legislature by January 1 of each odd-numbered year together with  
20 the list of classes in which pay inequity exists and an estimate of the appropriation necessary to  
21 achieve equity in compensation for the classes on the list. The appropriation estimate shall be  
22 allocated by class.

23           (e) The legislature shall review the plan and recommended appropriation and may accept,  
24 amend, or reject the plan. If funding for the plan is included in an appropriation that does not  
25 otherwise allocate the amount appropriated, the commissioner shall allocate the funding according  
26 to the plan or, if the plan was amended by the legislature, according to the amended plan. If the  
27 funding is insufficient to fully fund the plan, or the amended plan, if applicable, the  
28 commissioner shall pro rate the amount available among the classes included in the plan.

29           (f) If the commissioner finds that pay inequity exists in a class that is part of a collective  
30 bargaining unit, the commissioner shall notify the collective bargaining organization representing  
31 the bargaining unit when the commissioner submits the compensation equity plan to the

1 legislature. Distribution of any amount appropriated to members of the bargaining unit shall be  
2 determined by the applicable collective bargaining agreement.

3 (g) Notwithstanding AS 23.40.110, it is not an unfair labor practice for the state to  
4 specify an amount of money to be used solely to correct inequitable compensation relationships.  
5 The state may specify an amount to be used for general salary increases. AS 39.25.300 -  
6 39.25.400 do not diminish the duty of the state to bargain in good faith under AS 23.40.070 -  
7 23.40.260.

8 Sec. 39.25.320. USE AS EVIDENCE. The pay inequity list and the pay equity plan  
9 prepared under AS 39.25.310 may be used as evidence in a proceeding or action alleging  
10 discrimination.

11 Sec. 39.25.330. STATE NEGOTIATING POSITIONS. (a) In preparing to negotiate  
12 with a collective bargaining organization representing state employees, and in preparing the  
13 position classification plan and the pay plan for other employees of the classified service, the  
14 commissioner shall assure that compensation for

15 (1) positions in the classified service and the partially exempt and exempt services  
16 of the executive branch compare reasonably to one another;

17 (2) positions in state service bears a reasonable relationship to compensation for  
18 similar positions outside state service;

19 (3) management positions bears a reasonable relationship to compensation of the  
20 employees managed by the positions;

21 (4) positions within the classified service bears a reasonable relationship among  
22 related classes and among various levels within the same occupations.

23 (b) In this section, the compensations paid to different positions bear a reasonable  
24 relationship to one another under this section if the compensation for positions that require

25 (1) comparable skill, effort, responsibility, and working conditions is comparable;  
26 and

27 (2) differing skill, effort, responsibility and working conditions is proportional to  
28 the skill, effort, responsibility, and working conditions required.

29 Sec. 39.25.400. DEFINITIONS. In AS 39.25.300 - 39.25.400,

30 (1) "balanced class" means a class in which no more than 75 percent of the  
31 incumbents are male and no more than 75 percent of the incumbents are female;

1 (2) "class" means one or more positions that have similar duties and  
2 responsibilities and require similar qualifications to perform the duties so that the same  
3 descriptive title may be used with clarity for each position in the class, the same selection  
4 procedures may be used to recruit employees, and the same compensation schedule can be  
5 applied with equity to all positions in the class working under the same or substantially the same  
6 employment conditions;

7 (3) "commissioner" means the commissioner of administration;

8 (4) "comparable work value" means the value of the work measured by the  
9 composite of the skill, effort, responsibility, and working conditions normally required in the  
10 performance of the work;

11 (5) "female-dominated class" means a class in which more than 75 percent of the  
12 incumbents are female;

13 (6) "male-dominated class" means a class in which more than 75 percent of the  
14 incumbents are male;

15 (7) "management positions" includes those positions accountable for

16 (A) determining, securing, and allocating human, financial, and other  
17 resources needed to accomplish objectives;

18 (B) determining overall objectives, priorities, and policies within a  
19 program area;

20 (C) handling significant and involved relationships with governmental  
21 leadership; or

22 (D) exercising discretionary powers on a regular basis.

23 \* Sec. 9. AS 42.40 is amended by adding new sections to article 8 to read:

24 Sec. 42.40.891. EQUITABLE COMPENSATION RELATIONSHIPS. (a) In order to  
25 eliminate sex-based wage disparities in public employment in this state, the corporation shall  
26 establish equitable compensation relationships between female-dominated, male-dominated, and  
27 balanced classes of its employees who are subject to merit system employment. A primary  
28 consideration in negotiating, establishing, recommending, and approving compensation is  
29 achieving equitable compensation based on comparable work value among positions within the  
30 corporation. This section may not be construed to limit the ability of the parties to collectively  
31 bargain in good faith.

1 (b) In interest arbitration under AS 42.40.710 - 42.40.890 involving a class that is not  
2 a balanced class, the arbitrator shall consider the equitable compensation relationship standards  
3 established in this section and the standards established under AS 42.40.891, together with other  
4 standards appropriate to interest arbitration. The arbitrator shall consider both the results of a  
5 job evaluation study and any employee objections to the study. In interest arbitration for a  
6 balanced class, the arbitrator may consider the standards established under this section and the  
7 results of, and any employee objections to, a job evaluation study prepared under AS 42.40.895,  
8 but shall also consider similar or like classifications in other employers.

9 (c) In collective bargaining for a balanced class, the parties may consider the equitable  
10 compensation relationship standards established by this section and the results of a job evaluation  
11 study, but shall also consider similar or like classifications in other employers.

12 Sec. 42.40.893. COMPENSATION RELATIONSHIPS OF POSITIONS. (a) In  
13 preparing management positions for negotiations with a collective bargaining organization  
14 representing corporation employees and in establishing, recommending, and approving  
15 compensation plans for other employees who are subject to merit system employment, the  
16 corporation shall assure that compensation for positions

17 (1) in the different divisions in the personnel system bears a reasonable  
18 relationship to one another;

19 (2) bears a reasonable relationship to compensation for similar positions outside  
20 corporation service;

21 (3) bears a reasonable relationship among related classes and among various levels  
22 within the same occupational group.

23 (b) In this section, the compensations paid to different positions bear a reasonable  
24 relationship to one another if the compensation for positions that require

25 (1) comparable skill, effort, responsibility, and working conditions is comparable;  
26 and

27 (2) differing skill, effort, responsibility and working conditions is proportional to  
28 the skill, effort, responsibility, and working conditions required.

29 Sec. 42.40.895. JOB EVALUATION SYSTEM. (a) The corporation shall use a job  
30 evaluation system to determine the comparable work value of the work performed by each class  
31 of its employees. The system shall be maintained and upgraded to account for new employee

1 classes and changes in factors affecting the comparable work value of existing classes. If the  
2 corporation substantially modifies its job evaluation system or adopts a new system, it shall  
3 notify the commissioner of administration. The corporation may use the system of another public  
4 employer in the state. The corporation shall meet and confer with the bargaining organizations  
5 representing its employees on the development or selection of a job evaluation system under this  
6 section.

7 (b) The corporation shall submit a report containing the results of the job evaluation  
8 system to the bargaining organizations representing corporation employees. The report shall be  
9 used by the parties in collective bargaining negotiations. The report must identify, at a minimum,  
10 the female-dominated classes in the corporation for which compensation inequity exists, based  
11 on the comparable work value, and the data, other than data that reveals information about  
12 individual employees or former employees, used to support these findings.

13 (c) Notwithstanding AS 42.40.760, it is not an unfair labor practice for the corporation  
14 to specify an amount of money to be used solely to correct inequitable compensation  
15 relationships. The corporation may specify an amount to be used for general salary increases.  
16 AS 42.40.891 - 42.40.899 do not diminish the duty of the corporation to bargain in good faith  
17 under AS 42.40.710 - 42.40.890.

18 Sec. 42.40.897. USE AS EVIDENCE. The results of a job evaluation system established  
19 under AS 42.40.891 - 42.40.899 may be used as evidence in a proceeding or action alleging  
20 discrimination.

21 Sec. 42.40.899. DEFINITIONS. In AS 42.40.891 - 42.40.899,

22 (1) "balanced class," "class," "comparable work value," "female-dominated class,"  
23 and "male-dominated class" have the meanings given in AS 39.25.400;

24 (2) "equitable compensation relationship" means that, within the corporation, the  
25 compensation for female-dominated classes is not consistently below the compensation for male-  
26 dominated classes of comparable work value as determined under AS 42.40.895;

27 (3) "position" means a group of current duties and responsibilities assigned or  
28 delegated by a supervisor to an individual.

29 \* Sec. 10. No cause of action arises before the effective date of this Act for failure to comply with  
30 the requirements of this Act.

31 \* Sec. 11. REPORT. (a) The University of Alaska, the Alaska Railroad Corporation, each school

1 district, and regional educational attendance area that is subject to AS 14.03.200 - 14.03.290, enacted  
2 by sec. 1 of this Act, and each municipality subject to AS 29.20.420 - 29.20.450, enacted by sec. 7 of  
3 this Act, shall report to the commissioner of administration by January 1, 1995, on its plan for  
4 implementing the requirements of this Act. The report must include

5 (1) the title of each job class in the university, corporation, or political subdivision;

6 (2) the following information for each class as of July 1, 1994:

7 (A) the number of incumbents;

8 (B) the percentage of incumbents who are female;

9 (C) the comparable work value of the class, as determined under the system  
10 chosen under AS 14.03.220, enacted by sec. 1 of this Act, AS 14.40.185, enacted by sec. 3 of  
11 this Act, AS 29.20.430, enacted by sec. 7 of this Act, or AS 42.40.895, enacted by sec. 9 of this  
12 Act;

13 (D) the minimum and maximum monthly salary for the class;

14 (3) a description of the job evaluation system used by the university, corporation, or  
15 political subdivision; and

16 (4) a plan for establishing equitable compensation relationships between female-  
17 dominated and male-dominated classes, including

18 (A) identification of classes for which a compensation inequity exists based on  
19 the comparable work value;

20 (B) a timetable for implementation of pay equity; and

21 (C) the estimated cost of implementation.

22 (b) The commissioner of administration shall, upon request of the university, the railroad  
23 corporation, a school district, regional educational attendance area, or a municipality, provide technical  
24 assistance in completing the reports required by this section.

25 (c) A report required by this section is a public record under AS 09.25.110.