

SENATE CS FOR CS FOR HOUSE BILL NO. 129 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/19/91
Referred: Rules

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Public Officers Compensation Commission; relating to the
2 compensation of the governor, lieutenant governor, members of the legislature, heads of the
3 principal departments of the executive branch of government, supreme court justices, judges
4 of the court of appeals, judges of the superior court, and district court judges; and
5 providing for an effective date."

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

7 * **Section 1.** AS 22.05.140(a) is repealed and reenacted to read:

8 (a) The compensation of a supreme court justice shall be established by order of the
9 Public Officers Compensation Commission.

10 * **Sec. 2.** AS 22.07.090(a) is repealed and reenacted to read:

11 (a) The compensation of a judge of the court of appeals shall be established by order of
12 the Public Officers Compensation Commission. The compensation of a judge may not be
13 diminished during the term of office, unless by general law applying to all salaried officers of

1 the state.

2 * Sec. 3. AS 22.10.190(a) is repealed and reenacted to read:

3 (a) The compensation of a superior court judge shall be established by order of the Public
4 Officers Compensation Commission.

5 * Sec. 4. AS 22.15.220(a) is repealed and reenacted to read:

6 (a) The compensation of a district court judge shall be established by order of the Public
7 Officers Compensation Commission.

8 * Sec. 5. AS 22.15.230 is amended to read:

9 Sec. 22.15.230. ADDITIONAL COMPENSATION. Subject to rule of the supreme court,
10 a [DISTRICT JUDGE OR] magistrate shall receive a per diem allowance and a transportation
11 allowance commensurate with that authorized for other state employees.

12 * Sec. 6. AS 24.10.100 is amended to read:

13 Sec. 24.10.100. SALARY OF LEGISLATORS. The monthly salary for each member
14 of the legislature is equal to step A, Range 17 [RANGE 10] of the salary schedule in
15 AS 39.27.011(a) for Juneau. The president of the senate and the speaker of the house of
16 representatives are each entitled to an additional \$500 a year during tenure of office.

17 * Sec. 7. AS 24.10.100 is repealed and reenacted to read:

18 Sec. 24.10.100. SALARY OF LEGISLATORS. The salary for each member of the
19 legislature shall be established by order of the Public Officers Compensation Commission. The
20 commission may authorize per diem for legislators. The commission may also authorize
21 additional compensation for the president of the senate and the speaker of the house of
22 representatives.

23 * Sec. 8. AS 24.10.105(c) is amended to read:

24 (c) A legislator is entitled to receive per diem at the long-term rate
25 [(1)] during a legislative session if the legislator is living in the legislator's place
26 of permanent residence during the session [; AND
27 (2) WHILE ENGAGED IN COMMITTEE BUSINESS OR OTHER
28 LEGISLATIVE BUSINESS AT THE LEGISLATOR'S PLACE OF PERMANENT
29 RESIDENCE].

30 * Sec. 9. AS 24.10.110 is repealed and reenacted to read:

31 Sec. 24.10.110. ADDITIONAL ALLOWANCES. The Public Officers Compensation

1 Commission may authorize an annual allowance for postage, stationary, stenographic services,
2 and other expenses for each member of the legislature.

3 * Sec. 10. AS 24.10.120 is amended to read:

4 Sec. 24.10.120. METHOD OF PAYMENT. Salaries, and, if authorized by the Public
5 Officers Compensation Commission, per diem [,] and additional allowances for members of the
6 legislature shall be paid by warrants drawn on vouchers approved by the legislative fiscal officer.
7 The legislative fiscal officer shall, by January 31 of each year, file with the legislature's fiscal
8 office a report of all vouchers approved for payment under this section during the preceding
9 calendar year. The report must include [SHALL PROVIDE], by legislator, the date of each
10 voucher, the amount paid, and the basis for approval for payment. The report is a public record.

11 * Sec. 11. AS 39.20.010 is repealed and reenacted to read:

12 Sec. 39.20.010. COMPENSATION OF GOVERNOR. The compensation of the governor
13 shall be established by order of the Public Officers Compensation Commission.

14 * Sec. 12. AS 39.20.030 is repealed and reenacted to read:

15 Sec. 39.20.030. COMPENSATION OF LIEUTENANT GOVERNOR. The compensation
16 of the lieutenant governor shall be established by order of the Public Officers Compensation
17 Commission.

18 * Sec. 13. AS 39.20.050 is amended to read:

19 Sec. 39.20.050. EXCLUSIVE COMPENSATION. The compensation established by
20 order of the Public Officers Compensation Commission and other benefits established
21 [FIXED] by law for the governor and lieutenant governor are compensation [IS] in full for all
22 services rendered by each of them in any official capacity or employment whatsoever during their
23 respective terms of office, and shall be paid throughout their respective terms of office unless the
24 office becomes vacant.

25 * Sec. 14. AS 39.20.080(a) is repealed and reenacted to read:

26 (a) The compensation of the head of each principal executive department shall be
27 established by order of the Public Officers Compensation Commission.

28 * Sec. 15. AS 39.23 is amended by adding a new section to read:

29 Sec. 39.23.201. COMPENSATION COMMISSION ESTABLISHED. (a) The Public
30 Officers Compensation Commission is established in the Office of the Governor. The
31 commission is composed of seven members appointed by the governor. Members serve staggered

1 terms of four years. Commission membership shall include at least one business executive, one
2 person with experience in public administration, one person with experience in personnel
3 management, one economist, one lawyer, and a former elected public officer of the state. A
4 vacancy shall be filled for the balance of the unexpired term. A commission member may serve
5 no more than two complete consecutive terms.

6 (b) The commission shall elect a member to chair its meetings. A majority of the
7 commission members constitutes a quorum to transact business. The affirmative vote of four
8 members is required to approve the commission's report or an order on compensation.

9 (c) The commission shall meet every other year at the call of the chair. Notice of a
10 meeting shall be mailed to each member at least 15 days before the date scheduled for the
11 meeting.

12 (d) The commission shall hold a public hearing to discuss its findings before submitting
13 its report or an order to the legislature.

14 * Sec. 16. AS 39.23.230(a) is amended to read:

15 (a) If requested by the commission, the Department of Administration [LEGISLATIVE
16 AFFAIRS AGENCY] shall provide staff for the commission.

17 * Sec. 17. AS 39.23 is amended by adding a new section to read:

18 Sec. 39.23.241. DUTIES OF THE COMMISSION. (a) The commission shall review
19 the compensation of the governor, lieutenant governor, members of the legislature, heads of the
20 principal departments of the executive branch of state government, supreme court justices, judges
21 of the court of appeals, judges of the superior court, and district court judges. The commission
22 shall submit a report on its findings every even-numbered year no later than the 10th day of the
23 regular session of the legislature. A commission member who does not concur in the report may
24 file a minority report.

25 (b) The commission may submit an order with the report making changes to the
26 compensation of a public officer. Before submitting a report or order on compensation, the
27 commission shall give reasonable public notice of its preliminary findings, solicit public
28 comments, and give due regard to the public comments.

29 (c) An order changing the compensation of a public officer does not take effect if a bill
30 disapproving the order in its entirety is enacted into law within 60 days after the order is
31 submitted to the legislature. Unless disapproved, an order increasing the compensation of a

1 public officer is subject to funding through legislative appropriation and, for public officers other
2 than legislators, takes effect on the later of the first day of the next fiscal year and the effective
3 date of the first appropriation to fund the increase. For legislators, an order increasing
4 compensation takes effect on the later of the first day of the next regular legislative session and
5 the effective date of the first appropriation to fund the increase. Unless disapproved and except
6 as provided in (d) of this section, an order decreasing the compensation of a public officer other
7 than a legislator takes effect on the first day of the next fiscal year and an order decreasing the
8 compensation of a legislator takes effect on the first day of the next regular legislative session.

9 (d) An order decreasing the compensation of persons currently holding office as the
10 governor, lieutenant governor, justices of the supreme court, or judges of the court of appeals,
11 superior court, or district court may not take effect until the later of July 1 of the next fiscal year
12 and the effective date of a general law applying to all salaried officers of the state that diminishes
13 compensation with which the order is consistent.

14 * Sec. 18. AS 39.23 is amended by adding a new section to read:

15 Sec. 39.23.251. FILING WITH LIEUTENANT GOVERNOR AND CERTIFICATION.
16 The commission shall, upon transmitting an order on compensation to the legislature, file the
17 order in the office of the lieutenant governor. When the order becomes effective, the commission
18 shall certify the copy of the order on file in the office of the lieutenant governor.

19 * Sec. 19. AS 39.23.260 is amended to read:

20 Sec. 39.23.260. POLICY OF THE LEGISLATURE. It is the policy of the legislature
21 that the commission determine an equitable rate and form of compensation [, BENEFITS, AND
22 ALLOWANCES] for the governor, lieutenant governor, members of the legislature, heads
23 of the principal departments of the executive branch of state government, supreme court
24 justices, judges of the court of appeals, judges of the superior court, and district court
25 judges. In determining the compensation for each office, the commission shall consider the
26 following factors:

27 (1) the skill required;

28 (2) the time required;

29 (3) the opportunity for other earned income;

30 (4) the value of public services as performed in other states and in the federal
31 government;

- 1 (5) the value of similar services when performed in the private sector of this
2 state and in other states based on the responsibility and discretion required in the office;
3 (6) the reasonable expenses incurred in performing the public service;
4 (7) the percentage change in the Consumer Price Index for Anchorage,
5 Alaska, as determined by the United States Department of Labor, Bureau of Labor
6 Statistics since the last compensation adjustment;
7 (8) the compensation presently received by the public officers and all other
8 benefits received;
9 (9) the interests and welfare of the public and the financial ability of the state
10 to meet the costs;
11 (10) the geographic cost-of-living based on a public officer's primary place
12 of assignment;
13 (11) the cost-of-living differential between Anchorage, Alaska, and other
14 locations in the United States; and
15 (12) other factors that are normally or traditionally considered in the
16 determination of compensation [LEGISLATORS].

17 * Sec. 20. AS 39.23 is amended by adding a new section to read:

18 Sec. 39.23.401. DEFINITIONS. In this chapter,

19 (1) "commission" means the Public Officers Compensation Commission;

20 (2) "compensation" means the salary, per diem, and allowances paid a public
21 officer.

22 * Sec. 21. AS 22.05.140(c); AS 22.10.190(c); and AS 22.15.220(d) are repealed.

23 * Sec. 22. AS 39.23.200, 39.23.240, 39.23.250, and 39.23.400 are repealed.

24 * Sec. 23. AS 24.10.101 and 24.10.105 are repealed.

25 * Sec. 24. Notwithstanding AS 39.05.055(5) and the provisions of AS 39.23.201, enacted by sec. 15
26 of this Act, one of the initial members appointed to the Public Officers Compensation Commission shall
27 serve a one-year term, two members shall serve two-year terms, two members shall serve three-year
28 terms, and two members shall serve four-year terms.

29 * Sec. 25. Notwithstanding the requirement in AS 39.23.201(c), enacted by sec. 15 of this Act, that
30 the commission meet every other year, and the requirement in AS 39.23.241(a), enacted by sec. 17 of
31 this Act, that the Public Officers Compensation Commission submit reports in even-numbered years, the

1 commission shall submit its first report concerning the compensation of public officers no later than the
2 10th day of the regular session of the legislature immediately following the enactment of this Act.
3 Thereafter, the commission shall meet in odd-numbered years under AS 39.23.201(c) and submit reports
4 in even-numbered years under AS 39.23.241(a).

5 * Sec. 26. When the Public Officers Compensation Commission files its first order changing the
6 compensation of justices of the supreme court or judges of the court of appeals, superior court, or district
7 court, it shall address the compensation of all of those public offices in the order. The commission shall
8 include both the governor and the lieutenant governor in the first order it issues addressing the
9 compensation of either of those public offices.

10 * Sec. 27. Sections 6 and 8 of this Act take effect July 1, 1991.

11 * Sec. 28. Sections 1 - 5 and 21 of this Act take effect on the date that the first order changing the
12 compensation of justices and judges issued by the Public Officers Compensation Commission takes
13 effect.

14 * Sec. 29. Sections 7, 9, 10, and 23 of this Act take effect on the date that the first order changing
15 the compensation of members of the legislature issued by the Public Officers Compensation Commission
16 takes effect.

17 * Sec. 30. Sections 11 - 13 of this Act take effect on the date that the first order changing the
18 compensation of the governor and the lieutenant governor issued by the Public Officers Compensation
19 Commission takes effect.

20 * Sec. 31. Section 14 of this Act takes effect on the date that the first order changing the
21 compensation of the heads of the principal departments of the executive branch of state government
22 issued by the Public Officers Compensation Commission takes effect.

23 * Sec. 32. Sections 15 - 20, 22, and 24 - 26 of this Act take effect immediately under
24 AS 01.10.070(c).