

HOUSE BILL NO. 261

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 4/5/91

Referred: State Affairs, Labor & Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to geographic pay differentials, certain annual salary surveys, and
2 preparation of an annual pay schedule; relating to items not subject to collective
3 bargaining under the Public Employment Relations Act; and providing for an effective
4 date."

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

6 * **Section 1.** AS 23.40.075 is amended to read:

7 Sec. 23.40.075. ITEMS NOT SUBJECT TO BARGAINING. The parties may not
8 negotiate terms contrary to

9 (1) the reemployment rights for injured state employees under AS 39.25.158; [OR]

10 (2) the reemployment rights of the organized militia under AS 26.05.075; or

11 (3) the geographic pay differentials established in AS 39.27.020.

12 * **Sec. 2.** AS 39.27.020 is repealed and reenacted to read:

13 Sec. 39.27.020. PAY DIFFERENTIALS BY ELECTION DISTRICT AND IN OTHER
14 STATES. (a) The following pay differentials shall be applied to the basic salary schedule in

1 AS 39.27.011, and to the salary schedules in each collective bargaining agreement to which the
2 state is a party:

3 Geographic Areas	Percentage Above
4 (Election Districts)	Basic Salary Schedule
5 1, 2, 3, 4, 7, 8, 9, and 10	0
6 16 (South of the Arctic Circle	4
7 except the Tok and Delta Junction	
8 duty stations)	
9 5	5
10 11	9
11 6	11
12 16 (Tok and Delta Junction duty stations only)	16
13 15 (Nenana duty station only)	20
14 12 and 13	27
15 15 (except Nenana duty station)	30
16 19	30
17 18	34
18 14	38
19 16 (North of the Arctic Circle only)	42
20 17	42
21 In other states	minus 13

22 (b) For purposes of (a) of this section, "election district" means an election district
23 designated in the governor's proclamation of reapportionment and redistricting of December 7,
24 1961.

25 (c) The director may establish salary differentials for positions in foreign countries, which
26 must be adjusted as necessary to maintain equitable relationships between salaries for positions
27 in foreign countries and salaries for positions in Alaska.

28 * Sec. 3. AS 39.27.030 is repealed and reenacted to read:

29 Sec. 39.27.030. COST-OF-LIVING SURVEY. Subject to available funding, the director
30 shall conduct a survey at five-year intervals to review the geographic pay differentials established
31 in AS 39.27.020. The survey may address factors, as determined by the director, that are also

1 relevant in review of state salary schedules, entitlements for beneficiaries of state programs, and
2 payments for state service providers. The survey must reflect the costs of living in various
3 election districts of the state by using the cost of living in Anchorage as a base.

4 * Sec. 4. LIMITATION ON THE REDUCTION OF EMPLOYEE SALARIES.

5 (a) If the salary an employee is receiving on the effective date of this Act would be reduced by
6 application of the pay differential in AS 39.27.020, as repealed and reenacted in sec. 2 of this Act, the
7 following applies as long as the employee remains in the same geographic area, as described in
8 AS 39.27.020:

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

11 (2) the employee's salary will remain unchanged until it is increased as a result of

12 (A) an amendment to the state pay plan in AS 39.27.011,

13 (B) a change in the employee's pay range or step under the pay plan or the
14 employee's collective bargaining agreement, or

15 (C) the application of a longevity pay increment under AS 39.27.022.

16 (b) If an employee moves to another geographic area after the effective date of this Act, the pay
17 differential in AS 39.27.020, as repealed and reenacted in sec. 2 of this Act, applies to that employee's
18 salary on the effective date of the move.

19 (c) Nothing in this Act prohibits a reduction in an employee's salary as a result of a voluntary
20 or involuntary demotion.

21 * Sec. 5. AS 39.27.035 and 39.27.040 are repealed.

22 * Sec. 6. Nothing in this Act modifies or terminates the terms of a collective bargaining agreement
23 in existence on the effective date of this Act.

24 * Sec. 7. This Act takes effect July 1, 1991.