

HOUSE CS FOR SENATE JOINT RESOLUTION NO. 15 (STATE AFFAIRS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 3/13/91

Referred: Finance

Sponsor(s): SENATORS DUNCAN, Pearce, Sturgulewski, Zharoff

REPRESENTATIVES Hudson, Taylor, M.W.Miller, Davidson

A RESOLUTION

**1 Opposing the proposed reduction in the cost-of-living allowance for federal employees in
2 Alaska.**

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

**4 WHEREAS the federal Office of Personnel Management commissioned a study that found that
5 the cost of living in some parts of Alaska is now equal to the cost of living in Washington, D.C., which
6 is the base for deciding eligibility for cost-of-living allowances in the federal government; and**

**7 WHEREAS approximately 13,000 federal employees are employed in Alaska, approximately
8 9,000 of whom receive a cost-of-living allowance; and**

**9 WHEREAS the Office of Personnel Management is considering, based on the study, eliminating
10 the cost-of-living allowance for federal workers in Anchorage and Fairbanks and reducing the allowance
11 severely for federal workers living in Juneau; and**

**12 WHEREAS the reduction or elimination of the cost-of-living allowance will result in a
13 considerable economic hardship on federal employees in Alaska; and**

**14 WHEREAS medical and dental facilities and services are more readily available and more easily
15 accessible to residents of Washington, D.C., typically at a lower cost than comparable services are
16 available in Alaska, and many residents of Alaska must leave their towns and villages, and in many**

1 cases, even the state, to obtain medical care; and

2 **WHEREAS** the elimination or reduction of the cost-of-living allowance may have a significant
3 effect on the ability and willingness of current federal workers in the state to remain in federal service
4 in the state; and

5 **WHEREAS** the elimination or reduction will affect the ability of the federal government to
6 attract new federal employees to positions in the state; and

7 **WHEREAS** many federal employees in Alaska have relied on the cost-of-living allowance in
8 making financial commitments, including purchasing their homes, and a reduction in the allowance
9 would have a devastating effect on their ability to continue to make housing payments; and

10 **WHEREAS** prior cost-of-living surveys have always utilized personal interviews of federal
11 employees as a means of gathering data, but this study did not include direct employee interviews; and

12 **WHEREAS** the cost of living in Alaska is higher than the average cost of living in the nation,
13 Alaska's climate is much colder for longer periods than the climate in Washington, D.C., resulting in
14 Alaskans having to pay higher home heating costs, Alaskans pay a higher cost for gasoline and other
15 motor fuels than do residents of Washington, D.C., and Alaskans pay a higher cost for airline travel
16 within the state and from the state to other world destinations; and

17 **WHEREAS** these costs are not adequately addressed in the cost-of-living study prepared for the
18 Office of Personnel Management;

19 **BE IT RESOLVED** that the Alaska State Legislature respectfully requests the Office of
20 Personnel Management to conduct another cost-of-living study for federal employees in the state, which

21 (1) factors in the higher costs for energy, medical care and services, and transportation;
22 and

23 (2) uses direct personal interviews of federal workers in the state as part of its
24 methodology; and be it

25 **FURTHER RESOLVED** that the Alaska State Legislature respectfully requests the Congress
26 of the United States to adequately provide for the cost-of-living allowance for Alaska's federal
27 employees in the federal budget and to consider enacting legislation to establish entitlement to cost-of-
28 living allowances by comparison with the average cost of living in the nation rather than in Washington,
29 D.C.

30 **COPIES** of this resolution shall be sent to the Honorable Constance B. Newman, Director, Office
31 of Personnel Management; the Honorable Dan Quayle, Vice-President of the United States and President
32 of the U.S. Senate; the Honorable George Mitchell, Majority Leader of the U.S. Senate; the Honorable

1 Thomas S. Foley, Speaker of the U.S. House of Representatives; and to the Honorable Ted Stevens and
2 the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative,
3 members of the Alaska delegation in Congress.