

MEMO TO FILE

DATE: March 19, 1976

If language similar to that in last year's pay increase legislation limiting retroactive payments to persons still employed by the State is inserted in this bill, please suggest that the language be expanded to cover persons who retired during the period covered by the Act.

J. H. Hogan

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 HOUSE BILL NO. 887

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing a new salary schedule and cost-of-
7 living increase for certain employees of the state not
8 covered by a collective bargaining agreement; and
9 providing for an effective date."

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

11 § Section 1. AS 39.20.090(b) is amended to read:

12 (b) The monthly salary of the deputy head of each principal
13 executive department of the state, upon his appointment is not less than
14 Step A, Range 28, nor shall it exceed Step E, Range 28, of the salary
15 schedule set out in AS 39.27.011 [AS 39.27.010], during the term of his
16 appointment. AS 39.27.022 may not be applied to the salary of a deputy
17 department head in such a way that his salary would equal or exceed that
18 of a department head.

19 § Sec. 2. AS 39.27 is amended by adding a new section to read:

20 Sec. 39.27.011. SALARY SCHEDULE. (a) Notwithstanding sec. 10 of
21 this chapter, the following annual basic salary schedule is approved as
22 the pay plan for classified and partially exempt employees in the
23 executive branch of the state not covered by a collective bargaining
24 agreement negotiated under the authority of the Public Employment
25 Relations Act:

Range	Step	Step	Step	Step	Step	Step
No.	A	B	C	D	E	F
5	--	--	--	--	--	11,136
6	--	--	--	11,136	11,484	11,834

1	7	—	11,136	11,484	11,844	12,216	12,612
2	8	11,484	11,844	12,216	12,612	12,996	13,440
3	9	12,216	12,612	12,996	13,440	13,872	14,280
4	10	12,996	13,440	13,872	14,280	14,772	15,240
5	11	13,872	14,280	14,772	15,240	15,744	16,272
6	12	14,772	15,240	15,744	16,272	16,884	17,508
7	13	15,744	16,272	16,884	17,508	18,156	18,852
8	14	16,884	17,508	18,156	18,852	19,560	20,304
9	15	18,156	18,852	19,560	20,304	21,048	21,852
10	16	19,560	20,304	21,048	21,852	22,668	23,520
11	17	21,048	21,852	22,668	23,520	24,408	25,308
12	18	22,668	23,520	24,408	25,308	26,244	27,252
13	19	24,408	25,308	26,244	27,252	28,272	29,340
14	20	26,244	27,252	28,272	29,340	30,408	31,560
15	21	28,272	29,340	30,408	31,560	32,760	33,972
16	22	30,408	31,560	32,760	33,972	35,256	36,576
17	23	32,760	33,972	35,256	36,576	37,932	39,372
18	24	35,256	36,576	37,932	39,372	40,836	42,372
19	25	37,932	39,372	40,836	42,372	43,968	45,624
20	26	39,372	40,836	42,372	43,968	45,624	47,304
21	27	40,836	42,372	43,968	45,624	47,304	49,092
22	28	42,372	43,968	45,624	47,304	49,092	50,940
23	29	43,968	45,624	47,304	49,092	50,940	52,836
24	30	45,624	47,304	49,092	50,940	52,836	54,828

(b) The salary schedule set out in (a) of this section has no effect upon other provisions of law specifying the salary of the governor, lieutenant governor, legislators, judicial officers as defined in AS 22.20.010, department heads, and members of the Alaska Public Utilities Commission, the Alaska Transportation Commission, the Alaska

1 Pipeline Commission, or the Alaska Commercial Fisheries Entry Commis-
2 sion.

3 * Sec. 3. AS 39.27.020(a) is amended to read:

4 (a) The following pay step differentials are approved as an
5 amendment to the basic salary schedules [SCHEDULE] provided in secs.
6 [SEC.] 10 and 11 of this chapter:

Election District	Pay Steps Above Basic Salary Schedule
1	0
2	1
3	1
4	0
5	2
6a (excluding Valdez Duty Station)	4
6b (Valdez Duty Station)	5
7	1
8	0
9	2
10	2
11	2
12	7
13	7
14	8
15a (excluding Nenana Duty Station)	9
15b (Nenana Duty Station)	8
16a (south of Arctic Circle)	4
16b (north of Arctic Circle)	9

1	17	9
2	18	7
3	19	8
4	Outside the State	minus 6

5 * Sec. 4. Since the United States Department of Labor's Consumer Price
6 Index for Anchorage rose 11.13 percentage points during calendar year 1975,
7 the salary schedule in AS 39.27.010, applicable during calendar year 1975 to
8 classified and partially exempt state employees who are not covered by a
9 collective bargaining agreement, shall be adjusted based on the increase of
10 two full percentage points for calendar year 1975, retroactive to July 1,
11 1975 which is the beginning of the calendar quarter in which the rise ex-
12 ceeded nine per cent.

13 * Sec. 5. It is the intent of the legislature that the permanent and
14 temporary nonjudicial employees of the judicial branch and the University of
15 Alaska and the permanent employees of the legislative branch receive pay
16 increases and cost-of-living adjustments comparable to those received by the
17 classified and partially exempt employees under this Act.

18 * Sec. 6. Sections 2 and 5 of this Act are retroactive to January 1,
19 1976.

20 * Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).

"An Act making a supplemental appropriation to the Department of Administration for cost-of-living adjustments and salary increases for certain state employees not covered by a collective bargaining agreement, and providing for an effective date."

COMMITTEE REPORT

HOUSE

1/27/76

Mr. Speaker:

Date March 18 1976

The Committee on FINANCE has had HR 661

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

(x) recommends it BE REPLACED WITH CS FOR HR 661 AND THAT

CS FOR HR 661 DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

<u>[Signature]</u>	<u>11</u>	_____
<u>[Signature]</u>	<u>21</u>	_____
<u>[Signature]</u>		_____
<u>[Signature]</u>		_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

Introduced: 1/27/76
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 661

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Administration for cost-of-living
8 adjustments and salary increases for certain state
9 employees not covered by a collective bargaining
10 agreement; and providing for an effective date."

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

12 * Section 1. The sum of \$5,203,600 is appropriated from the general
13 fund to the Department of Administration for the fiscal year ending
14 June 30, 1976, to pay for cost-of-living adjustments and salary increases
15 for employees of the executive branch of the state and of the University of
16 Alaska, who are not covered by a collective bargaining agreement. This
17 appropriation shall be allocated as follows: no more than \$3,656,600 to
18 the University of Alaska and the remainder to the Department of Admini-
19 stration.

20 * Sec. 2. This Act takes effect immediately in accordance with AS
21 01.10.070(c).

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STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

JAY S. HAMMOND, GOVERNOR

OFFICE OF THE COMMISSIONER

POUCH C - JUNEAU 99811

April 9, 1976

Honorable Hugh Malone
Chairman, House Finance Committee
Alaska State Legislature
State Capitol - Pouch V
Juneau, Alaska 99811

Dear Representative Malone:

Please amend CS for HB 661 by adding another section to appropriate \$960,000 to the University of Alaska to cover salary increases from recent arbitration on the current Community College Faculty Contract, concerning cost-of-living adjustments and to cover the increase in salaries resulting from the transfer of positions from the Fairbanks senior college to the Tanana Valley Community College.

The total request is broken down as follows:

\$860,000 for COLA increases, and \$100,000 for the positions transfer to Tanana Valley Community College.

Backup information is attached.

Sincerely,



Andrew S. Warwick
Chairman
Budget Review Committee

ASW/DD/co
Attachments

Original sponsor: Rules Committee by
request of the Governor

Offered: 3/19/76
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 661

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Administration for cost-of-living
8 adjustments and salary increases for certain state
9 employees ~~not covered by a~~ collective bargaining
10 agreement; and providing for an effective date."

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

12 * Section 1. The sum of \$4,291,400 is appropriated from the general fund
13 to the Department of Administration for the fiscal year ending June 30, 1976
14 to pay for cost-of-living adjustments and salary increases for employees of
15 the executive and judicial branches of the state and of the University of
16 Alaska who are not covered by a collective bargaining agreement, and for the
17 permanent employees of the legislative branch. This appropriation shall be
18 allocated as follows:

19	University of Alaska	\$2,477,800
20	Other executive branch agencies	1,048,300
21	Judicial branch agencies	475,000
22	Legislative branch agencies	<u>290,300</u>
23		\$4,291,400

24
25 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
26 070(c).

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#

Introduced: 1/27/76
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 661

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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7 Department of Administration for cost-of-living
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9 employees not covered by a collective bargaining
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16 Alaska, who are not covered by a collective bargaining agreement. This
17 appropriation shall be allocated as follows: no more than \$3,656,600 to
18 the University of Alaska and the remainder to the Department of Admini-
19 stration.

20 * Sec. 2. This Act takes effect immediately in accordance with AS
21 01.10.070(c).
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STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

March 16, 1976

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

M E M O R A N D U M

TO: Hugh Malone, Chairman
House Finance Committee

FROM: J. H. Hogan, Director
Legislative Finance Division

SUBJECT: HB 661

The Governor introduced HB 661 to fund SB 499, which provided cost-of-living pay increases for non-covered employees of the Executive branch of State government. The committee substitute for that bill provides the same cost-of-living increases for Judicial and Legislative employees. The following amounts from the General Fund are required to cover various cost-of-living increases for the Judicial and Legislative branches:

Judicial non-covered employees	\$475,000
Legislative Employees	252,100
Legislative Finance Transferred Positions	38,200

The amounts for the Legislative cost-of-living increases would be allocated as follows:

Legislative Affairs	\$125,400
Legislative Audit	82,100
Legislative Finance	33,400
Ombudsman	11,200

Legislative Finance also requires an additional \$38,200 to cover the cost of temporary session positions transferred from Legislative Affairs early in the session. (see attached memo).

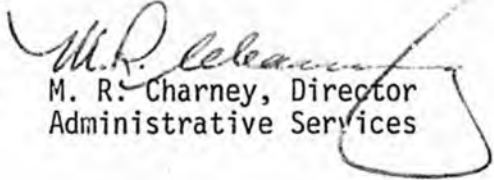
MEMORANDUM

LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

POUCH Y -- STATE CAPITOL
JUNEAU, ALASKA 99811

TO: Jay Hogan, Director
Legislative Finance

DATE: January 29, 1976

FROM: 
M. R. Charney, Director
Administrative Services

SUBJECT: Estimated Cost of
implementing general
government pay raise
for LAA employees

Per your request, the estimated cost to implement the general government pay raise to employees of the Legislative Affairs Agency is \$125,400 for the current fiscal year.

This estimate has been calculated in the same manner the Division of Budget and Management used when estimating the amount included in HB 661 (9% for 6 months and an additional 5% for 12 months). You should be aware that this interpretation may be in dispute with the employee's interpretation of their labor contract.

The cost estimate for extending this increase through next fiscal year is \$215,200 taking into consideration increases for new positions.

The above does not consider any contractual employees which may be hired, employees of other Legislative divisions, or the Ombudsman's staff.

cc: Jack Doyle, Executive Director

MRC:min

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W — ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF — STATE CAPITOL

JUNEAU 99801

February 7, 1976

MEMORANDUM

TO: Chairman, Budget & Audit Committee
Chairman, Senate Finance Committee
Chairman, House Finance Committee

FROM: J. A. *[Signature]* ¹⁹⁷⁶ Director
Legislative Finance Division

SUBJECT: Temporary Session Help

OK
H. [Signature]
[Signature]

The existing administrative arrangement, as it relates to session employees of the Finance Committees and the Division, has become quite chaotic. (1) Budget and Audit Committee policy requires payment at the rate of time-and-one half for all time worked beyond 40 hours per week by committee secretaries, the receptionist and the page. The overtime compensation is to be paid in cash and should be paid in full at the end of each pay period. Under the current administrative setup most of these positions are paid from the Legislative Affairs payroll (they do not authorize overtime); and we, by law, cannot write an additional check for a state employee, and thus must write lump sum checks for overtime earned after each employee has left state service at the close of the legislative session. (2) The Joint Rules Committee recently raised the salaries of Engrossing and Enrolling Clerks from a base rate of \$45 per day to \$48 per day. House and Senate Finance Committee secretaries have traditionally been paid at the same rate as Enrolling and Engrossing Clerks. Under the current arrangement, we cannot raise their salaries.

To resolve these problems, I would propose the following solution:

Transfer all positions currently assigned to the Division and the two standing Finance Committees from the Legislative Affairs Agency to the Legislative Finance Division budget. The transfer could be accomplished immediately. For administrative simplicity an effective date of February 1 would be reasonable. (Unofficially, Jack Doyle concurs in the assignment of these positions to our division.

Chairman, Budget & Audit Committee
 Chairman, Senate Finance Committee
 Chairman, House Finance Committee

February 7, 1976
 Page 2

The increased funding required to support the transfer could be provided as a part of the salary increase appropriation for legislative personnel which presumably would be included in HB 661.

Additional funding required to support this transfer is as follows:

NAME AND TITLE OF EMPLOYEE	PROPOSED DAILY RATE	TOTAL SESSION PAY (Est. 75 days remaining)
Joan Bailey ✓ House Finance Chrm. Sec'y	40.00 ^{48.00} / <i>[Signature]</i>	\$ 3,000
Marlys Burnett ✓ House Finance Comm. Sec'y	48.00	3,500
Dana Coffman Receptionist	40.00	3,000
Rebecca Engen ✓ House Finance Comm. Sec'y	48.00	3,600
Heidi Lee Page	37.00	2,775
* Meredith Riley ✓ (2 yrs. leg. Key punch Operator employ)	48.00	3,600
Mary Van Nimwegen B & A Chm. Adm. Asst.	50.00	3,750
* Kirsten Waid ✓ (5 yrs. leg. employ) Senate Finance Comm. Sec'y	53.00	<u>3,975</u>
TOTAL EMPLOYEE SALARIES		\$27,300
ADD 30% for Estimated Overtime (Est. 1 day per wk. per employee)		+ <u>8,190</u> 35,490
ADD 7-1/2% Benefits		+ <u>2,662</u>
TOTAL REQUIRED TRANSFER.....		<u><u>\$38,152</u></u>

* Includes \$1/day for ea. year of previous legislative employment, up to 5 years.

JHH:pw

cc: Jack Doyle

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

FILE COPY

I. REQUEST *HB 661*
Bill No. *6558-499*
Title: Compensating State Officers and Employees
Requested by: Senate State Affairs Date: 1/29/76
Return Date Requested: 1/30/76
Agency: Administration Program: Statewide

II. FISCAL DETAIL

Budget Request Unit(s) Affected: All containing positions affected by this bi

A. EXPENDITURES: (Thousands of dollars)
Changed to reflect actual CPI increase of 11.13% in CAL 1975

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	6,092.2	6,850.7	7,193.2	7,552.9	7,930.5	8,327.1
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	<i>4739.1</i> 6,092.2	<i>4656.5</i> 6,850.7	<i>4587.3</i> 7,193.2	<i>5137.8</i> 7,552.9	<i>5390.5</i> 7,930.5	<i>5660.6</i> 8,327.1

B. FUNDING: (Thousands of dollars)

GENERAL FUND	6,092.2	6,850.7	7,193.2	7,552.9	7,930.5	8,327.1
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assume actual payments for period July - December 1975 is representative of 1/2 of FY 76
 Assume CPI for calendar 1975 of 14% (10.1% in first 3/4 of year)
 Assume growth into FY 77 of 1.5% merit increase, 3.8% new positions and 1% reduction
 in vacancy rates; 4.5% cost of extending 9% on January 1, 1976 to a full fiscal year +
 2% benefit change
 Assume growth after FY 77 at 5%

IV. ATTACHMENTS

Cost Calculations: FY 76 U of A \$3,656.6 *1490*
 FY 76 Executive Branch \$1,547.0 *1100*
 FY 76 Legislature and Judicial Branch \$ 888.6 *2477.8*
1048.3
6920

DATE: 1/30/76

PREPARED BY: *Ronald B. Lind*

Original: Legislative Finance Ronald B. Lind
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

JUDICIAL AND LEGISLATIVE BRANCH

6 months actual salary costs July - December 1975			
Legislature	\$ 806.3		
Judicial	<u>2,967.9</u>		\$3,774.2
		+	<u>6</u>
Assume average monthly salary			\$ 629.0
Increase in schedule		x	<u>9%</u>
Monthly increased cost			\$ 56.6
		x	<u>6</u>
Cost of 9% salary 1/1 - 6/30/76			\$ 339.6
Benefits @ 21%			<u>71.3</u>
Cost Section 17, CSSB 499			\$ 410.9
Cost of assumed CPI increase in Anchorage of 14% which equates to a 5% adjustment, section 19, CSSB 499			
Monthly salary July 1 - December 31			\$ 629.0
		x	<u>5%</u>
Monthly cost of adjustment			\$ 31.5
		x	<u>6</u>
Salary Cost			\$ 189.0
Benefits @ 21%			<u>39.7</u>
Cost of adjustment July - December 1975			\$ 228.7
Monthly cost January 1 - June 30 (629.0 x 1.09)			\$ 685.6
		x	<u>5%</u>
Monthly cost of adjustment			\$ 34.3
		x	<u>6</u>
Salary Cost			\$ 205.8
Benefits @ 21%			<u>43.2</u>
Cost of adjustment January - June			\$ 249.0
Total cost of COLA	191.1	0.4 x	\$ 477.7
Cost of Base			<u>410.9</u>

\$ 888.6

Courts
Leg

602.0
475.0
127.0

01 0018

STATE
of ALASKA

MEMORANDUM

RECEIVED
MAR 19 1976
BUDGET & MANAGEMENT

TO: Ronald B. Lind
Director
Division of Budget & Management
Department of Administration

DATE : March 15, 1976

FROM: Donald Harris
Commissioner
Department of Public Works

SUBJECT: Supplemental Request FY 75

Negotiations between the Division of Marine Transportation and the Marine Engineers Beneficial Association have not been completed and contracts officially signed. Time dictates that if these contracts are to be honored by the State at a future date, the Division of Marine Transportation must submit their supplemental request for anticipated wage and benefits increases.

The following is a breakdown of contract costs as offered by the State and as yet unaccepted by I.E.B.A. *

Southeast Vessel Operation

Personal Services

Wages and Overtime	\$ 88.2
Benefits	<u>28.1</u>
Subtotal	\$116.3

Southwest Vessel Operations

Personal Services

Wages and Overtime	\$ 32.0
Benefits	<u>9.9</u>
Subtotal	\$ 41.9

Total Supplemental Request \$158.2

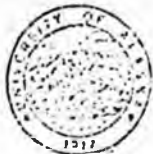
Attached for your information is a further breakdown on the wages and benefit computations.

Attachment

MARINE UNION CONTRACT COST
MARINE ENGINEERS
FY 76

S. E. System	Hourly Increase		Penalty 1%	Overtime 12%	Sick Leave	Holidays	Vacation	Pension	Total
	75¢/6	75¢/6							
32 Emp. x 12mo. x 182hr. = $\frac{69,888}{2}$	\$78,624		786	9,529	1,222	4,752	10,673	10,640	\$111,226
S. W. System									
M/V TUSTURANA									
4 Emp. 8hr/day 2,880 hrs.	12,960		130	2,094	106	396	2,126	2,309	20,121
M/V BARTLETT									
3 Emp. 12hr/day 4,320 hrs.	14,580		146	2,356	120	446	2,391	1,732	21,771
Total	\$106,164		1,062	13,979	1,448	5,594	15,190	14,681	\$158,118

ROBERT W. HIATT
PRESIDENT



Revised 3/31/76

Steve

UNIVERSITY OF ALASKA
OFFICE OF THE PRESIDENT
FAIRBANKS, ALASKA 99701

March 8, 1976

The Honorable Steve Cowper
House of Representatives
Alaska State Legislature
Pouch V, State Capitol
Juneau, Alaska 99811

Dear Steve:

You will recall that we talked with you at some length following my presentation to the House Finance Committee in early February concerning the urgency of securing some salary adjustment, other than the normal cost of living adjustment, for non-bargaining unit professional staff.

Our original request to the Governor's Office, which was not acted upon, was set forth in a letter to all legislators dated January 7, a copy of which is again enclosed for your information. This called for \$4,280.0.

Mr. Hullinger and Mr. Scott worked out some figures for you, a revised copy of which is attached, noting in item 1 those factors which would be covered retroactive to July 1, 1975 by the \$4,280.0 request.

⁰⁵ In item 2 reference is made to the coverage for University employees in H.B. 661. However, restricted fund employees were not covered in H.B. 661 and you appeared to recognize the need for doing so, namely that while it might be possible to pick up forward funding for restricted fund staff in negotiating new or extended contracts, it is not possible to cover retroactive amounts. To cover restricted fund employees (salary totals \$12,935.0) would require ~~\$1,235.0~~ ^{850.1} additional.

Therefore, the ~~\$3,656.0~~ ^{2477.8} in H.B. 661 for cost of living would need to be amended upward to ~~\$4,891.6~~ ^{3327.7} (item 2 on attachment).

In item 3 on the attachment we have revised the figures as originally prepared by Mr. Hullinger. These show the amount to cover the factors shown in item 1 on the basis of retroactivity to January 1, 1976.

It would, of course, be necessary to compute forward funding for Fiscal Year 1977 for any and all salary increases provided.

* Revised to 850.1 on the basis of 2% plus 9% C.O.L. now reflected in AS HB 661
XX Revised to 2,477.8 in AS HB 661. 2% - 1% reflected in AS HB 661
3,327.7 on basis of 2% - 1%

UNIVERSITY OF ALASKA

The Honorable Steve Cowper

-2-

March 8, 1976

3327.9

2477.8

Therefore, Steve, I am specifically asking you to seek amendment to C.S. H.B. 601 to provide ~~\$4,831.6~~ in place of the ~~\$3,656.6~~ now in the bill so that restricted fund employees may be included. Then we would like to have a section added to provide for the factors included in item 1 of the attachment--retroactive to July 1, 1975 at an amount of \$4,280.0. Or, if you think this is not feasible, to provide for funding retroactive to January 1, 1976 in an amount of \$2,454.8.

Your consideration and support will be appreciated.

Sincerely,



Robert W. Hiatt
President

RWH/jbg

cc: Regents
President's Council
Dr. Solie

UNIVERSITY OF ALASKA

SALARY INCREASE UNIVERSITY EMPLOYEES

(Non-Bargaining Unit)

Handwritten notes:
 7%
 3 1/2%
 9%

	<u>TOTALS</u>	<u>NON-RESTRICTED</u>	<u>RESTRICTED</u>
Professional	\$28,606.7	\$21,661.1	\$ 6,945.6
Classified	20,848.6	14,864.0	5,984.6
Employees-Other	1,077.9	1,073.1	4.8
TOTALS	<u>\$50,533.2</u>	<u>\$37,598.2</u>	<u>\$12,935.0</u>

Salary Increase Proposals:

1. Regents Request - 14.9% effective July 1, 1975 for Professional Personnel To be used for:
 - a. Placement on salary schedule
 - b. Area cost of living increase (Equivalent for other state employees)
 - c. General increase to bring professional staff to average of peer groups at institutions in lower 48

Projected cost for FY 76 of \$4,280,000

2. Regents request that all University employees receive a cost of living adjustment in FY 75, equal to other state employees, to maintain their earning power.

CS HB 661 proposal:

\$37,600,000 non-restricted funds projected at ~~9%~~ ^{2% and 9%} as of 1/1/76 and ~~5%~~ ^{2%} as of 7/1/75 for a total cost of ~~\$3,655,000~~ ^{2,477,500}

Handwritten notes:
 (2% - 12.0%)
 9% - 6.0%)

The application of the cost price index changes adjusted to cover the above increases for restricted funded personnel would necessitate an additional \$1235.0. The revised total would be \$4891.67
_{852.1} _{3927.9}

3. If the Regents' Request for the 14.9% increase were modified to implement the increase as of January 1, 1976 instead of retroactive to 7/1/75 the revised costs would be:

a. Placement	\$ 257,300
b. Area cost of living	1,385,600
c. General Increase	842,400
	<u>\$2,485,300</u>

Handwritten notes:
 add 11.8% based on 11/1/76 proposal

2,762,153

January 7, 1976

The Honorable Mike Bradner
Speaker, House of Representatives
State of Alaska
Juneau, Alaska

Dear Mike:

During the December 12-13 meeting of the Board of Regents, decisions were made with respect to salaries and related modifiers for University faculty and staff. The Regents have asked that I convey these to you with their strongest endorsement.

For several years the Regents have adhered to a very fair and reasonable policy regarding compensation levels which would peg University of Alaska salaries at the average paid by other state universities adjusted for the increased cost-of-living in Alaska. This policy would achieve high quality collegiate education in Alaska without imposing unreasonable expenditures on Alaskan taxpayers. The Regents' goal has never been achieved, although we came closer to it in FY'76 than ever before.

To keep current regarding salary levels in the "lower 48", Dr. Richard Solle has been asked to update his previous annual comprehensive salary reviews based on statistics collected nationally and published by the American Association of University Professors. A summary of this year's study is appended as Attachment 1, and the complete study is appended as Attachment 2. The most significant point in the Summary regarding the objective of this communication is Number 5.

The following actions were taken by the Regents, and I urge your most serious consideration of them:

1. Reaffirmed their long-established goal for the compensation of the University's professional personnel of maintaining such compensation at the average level for comparable public universities in the "lower 48", adjusted for cost-of-living differentials in Alaska.

January 7, 1976

2. Directed the Executive Officer to prepare a request, including back-up data, for submission to the Governor and the Legislature for compensation increases totalling \$4,230,000 retroactive to 1 July 1975 to reach the average compensation level for comparable public universities in the "lower 43". This represents an average increase of 14.9%. In addition to reaching comparability in salary levels, the 14.9% average increase will enable us to make several other desirable changes which are mentioned below.
3. Directed the Executive Officer to request that all authorized cost-of-living increases for state employees from 1 January 1976 be made available to the professional staff of the University, thus maintaining the professional employees' real income position at the Regents' goal.
4. Directed the Executive Officer to request an additional sum of \$600,000 to provide on 1 July 1976 a longevity step increase for all professional staff and merit increments for those worthy. (Since 1973 there have been no funds for either of these.)
5. Directed the Executive Officer to request of the Governor and the Legislature that cost-of-living adjustments paid to bargaining unit employees of the State from 1 January 1976 be paid as well to all classified employees of the University. For the period 1 January to 30 June 1976 this amount would total \$940,000 at the minimum anticipated COL increase of 9%. (This is expected to be adjusted upward as year-end analyses are completed.)

I should like to point out that these requested salary increases in no way represent efforts at preventing unionization, but rather represent compensation goals set long before collective bargaining occurred at the University. They are fair and equitable, and obviously do not attempt to achieve a real income position comparable with the arbitrated salary settlement enjoyed by the community college faculty.

With an average increase of 14.9% in professional salaries we will be able to do the following essential things:

1. Place all staff appropriately on the Regents salary schedule approved in 1974 (you should be aware that across-the-board salary increases authorized in 1974 and 1975 have precluded placing personnel appropriately on the schedule and have thus exacerbated present inequities);

Bradner, Representative Mike

-3-

January 7, 1976

2. Provide area cost-of-living differentials for all professional staff following the state pattern; and
3. Enable the University's professional salaries to reach the goal set by the Regents.

Your careful consideration of these requests of the Board will be most appreciated by them and the entire University staff.

Sincerely,

Robert W. Hiatt
President

RWH: dm; kj
Enclosures

STATE OF ALASKA

JAY S. HAMMOND, Governor

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

POUCH C-JUNEAU 99801

February 24, 1976

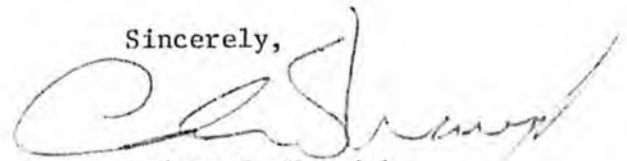
Honorable Hugh Malone
Chairman, House Finance Committee
Alaska State Legislature
State Capitol - Pouch V
Juneau, Alaska 99811

Dear Representative Malone:

House Bill 661 requested an FY 76 general fund appropriation of \$5,203,600 for salary and cost of living increases for executive branch employees including \$3,656,600 for the University of Alaska. This request was based on the assumption that the calendar 1975 CPI increase for Anchorage would exceed 14%. The actual increase for the year was 11.13% which reduces the amount required in the bill to \$3,526,100 of which \$2,477,800 is for the University of Alaska. I am requesting that House Bill 661 be amended to reflect this reduced appropriation.

CSSB 499 is the enabling legislation for the salary increases for the executive branch and also contains the provisions for similar increases for the legislative and judicial branch employees. The current fiscal note for CSSB 499 indicates costs of \$6,092,200 for FY 76 and \$6,850,700 for FY 77. These should now be adjusted since the CPI for Anchorage is known. The new amounts are \$4,128,100 for FY 76 and \$4,656,500 for FY 77. A fiscal note indicating the adjustments is attached.

Sincerely,



Andrew S. Warwick
Commissioner

ASW/RL/lw
attachments

PROPOSED CHANGE IN AS 39.27.010
and Cost of Living Adjustments

The proposed legislation provides an adjustment in salaries for non-covered executive branch employees which is equal to the adjustments provided for the General Government Bargaining Unit. Chapter 138, SLA 1975 provided a 9% increase for these employees as the first phase of bringing them into agreement with the General Government Unit. The increase being requested with the new legislation is to complete the process of bringing the non-covered employees up to the FY 76 level of contract.

The increase being requested is a 9% increase in base pay and a cost of living adjustment for increases in the CPI in Anchorage in excess of 9% for calendar 1975.

Funding requested in this bill is based upon a 14% increase in the Consumer Price Index which is a very liberal estimate. The purpose of making a high estimate is to provide funding estimates for the maximum level anticipated. If the CPI does not increase to that level, reductions in funding should be made.

<u>COSTS</u>		
Non-Covered Executive Branch Employees		
9% base adjustment	\$ 715,800	<i>715,800</i>
CPI adjustment of + 5%	831,200	<i>332,500</i>
University of Alaska Employees		
9% base adjustment	\$1,692,000	<i>1,692,000</i>
CPI adjustment of + 5%	<u>1,964,600</u>	<i>785,800</i>
Total Cost - State General Fund	\$5,203,600	<i>3,526,100</i>

NON COVERED EMPLOYEES

Calculated Costs for 9% Increase and
Estimated Cost of Living Increase
(\$'s in 000's)

6 months actual salary costs July - December 1975		\$6,569.8	
	+	<u>6</u>	
Assume Average Monthly salaries applicable to FY 76		\$1,095.0	
Increase contained in salary schedule effective 1/1/76	x	<u>9%</u>	
Monthly increased costs		\$ 98.6	
	x	<u>6</u>	
January 1 - June 30, 1976		\$ 591.6	
Benefits at 21%		<u>124.2</u>	
Cost of 9% increase for executive branch employees		\$ 715.8	
Cost of assumed CPI increase in Anchorage of 14% which equates to a 5% adjustment for FY 76 (no adjustment make for terminations)			
Monthly salary July 1 - December 31		\$1,095.0	
	x	<u>5%</u>	
Monthly cost of adjustment		\$ 54.8	
	x	<u>6</u>	
Cost for period - salary		\$ 328.8	
Benefits at 21%		<u>69.0</u>	
Total cost July - December 31 (This is main item that would be adjusted because of terminations)		\$ 397.8	X.4
Monthly salary cost January - June (1,095.0 x 1.09)		\$1,193.6	
	x	<u>5%</u>	
Cost per month		\$ 59.7	
	x	<u>6</u>	
Cost for period salary		\$ 358.2	
Benefits at 21%		<u>75.2</u>	
Total cost January - June		\$ 433.4	X.4
Total cost of projected CPI adjustment		\$ 831.2	X.4: 332.1
Total cost of 9% adjustment		<u>715.8</u>	<u>715.8</u>
Total FY 76 Cost		<u>\$1,547.0</u>	1048.3

UNIVERSITY OF ALASKA

Cost of Non-Covered Employee Increase
General Fund Only
(\$'s in 000's)

FY 76 Authorization including benefits of salaries paid by the general fund (from U. of A.)		\$37,600.0	
Increased base effective 1/1/76 to approximate 1/2 year for the employee	x	<u>9%</u>	
		\$ 3,384.0	
	÷	<u>2</u>	
Cost for period January - June, 1976		\$ 1,692.0	
Assume CPI increase for Anchorage of 14% which equates a 5% increase for FY 76			
Base personal services		\$37,600.0	
	÷	<u>2</u>	
1/2 year cost		\$18,800.0	
Cost of 5% for July - December, 1975	x	<u>5%</u>	
		\$ 940.0	x.4
Base personal services adjustment for 9% increase adjusted base		\$18,800.0	
	x	<u>1.09</u>	
Cost of 5% January - June		\$ 1,024.6	x.4
Total cost of CPI increase of 5%		\$ 1,964.6	x.4 = 785.8
Total Cost of Proposal		<u>\$ 3,656.6</u>	2477.8

Bill -
STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

JAY S. HAMMOND, GOVERNOR

OFFICE OF THE COMMISSIONER

POUCH C - JUNEAU 99811

April 9, 1976

Honorable Bill Ray
Chairman, Senate Finance Committee
Alaska State Legislature
State Capitol - Pouch V
Juneau, Alaska 99811

Dear Senator Ray:


Please amend CS for HB 661 by adding another section to appropriate \$960,000 to the University of Alaska to cover salary increases from recent arbitration on the current Community College Faculty Contract, concerning cost-of-living adjustments and to cover the increase in salaries resulting from the transfer of positions from the Fairbanks senior college to the Tanana Valley Community College.

The total request is broken down as follows:

\$860,000 for COLA increases, and \$100,000 for the positions transfer to Tanana Valley Community College.

Backup information is attached.

Sincerely,



Andrew S. Warwick
Chairman
Budget Review Committee

ASW/DD/co
Attachments

Original sponsor: Rules Committee by
request of the Governor

Offered: 3/19/76
Referred: Rules

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IN THE HOUSE

BY THE FINANCE COMMITTEE

CS FOR HOUSE BILL NO. 661

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act making a supplemental appropriation to the Department of Administration for cost-of-living adjustments and salary increases for certain state employees ~~not covered by a~~ collective bargaining agreement; and providing for an effective date."

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

* Section 1. The sum of \$4,291,400 is appropriated from the general fund to the Department of Administration for the fiscal year ending June 30, 1976 to pay for cost-of-living adjustments and salary increases for employees of the executive and judicial branches of the state and of the University of Alaska ~~who are not covered by a~~ collective bargaining agreement, and for the permanent employees of the legislative branch. This appropriation shall be allocated as follows:

University of Alaska	\$2,477,800
Other executive branch agencies	1,048,300
Judicial branch agencies	475,000
Legislative branch agencies	<u>290,300</u>
	\$4,291,400

* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-070(c).

#

Introduced: 1/27/76
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 661

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Administration for cost-of-living
8 adjustments and salary increases for certain state
9 employees not covered by a collective bargaining
10 agreement; and providing for an effective date."

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

12 * Section 1. The sum of \$5,203,600 is appropriated from the general
13 fund to the Department of Administration for the fiscal year ending
14 June 30, 1976, to pay for cost-of-living adjustments and salary increases
15 for employees of the executive branch of the state and of the University of
16 Alaska, who are not covered by a collective bargaining agreement. This
17 appropriation shall be allocated as follows: no more than \$3,656,600 to
18 the University of Alaska and the remainder to the Department of Admini-
19 stration.

20 * Sec. 2. This Act takes effect immediately in accordance with AS
21 01.10.070(c).

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