

THE LEGISLATURE OF THE STATE OF ALASKA  
FISCAL NOTE  
 Second Session - Ninth Legislature

I. REQUEST

Bill No. HB 842

Title: Pay Differentials between State Ferry Employees Residing Inside & Outside

Requested by: \_\_\_\_\_ Date: \_\_\_\_\_ Alaska

Return Date Requested: \_\_\_\_\_

Agency: Administration Program: Budget & Management

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Marine Transportation

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES			1,162.3	2,325.3	3,488.0	4,650.6
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>			1,162.3	2,325.3	3,488.0	4,650.6

B. FUNDING: (Thousands of dollars)

GENERAL FUND			1,162.3	2,325.3	3,488.0	4,650.6
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

See attachment.

IV. ATTACHMENTS

V. DATE: 4/15 PREPARED BY: Ronald B. Lind

Ronald B. Lind, Director  
 Division of Budget and Management  
 Department of Administration

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 Division of Marine Transportation

FISCAL EFFECTS  
HB 842

(COLA for Marine Transportation Employees in Alaska)

UNIT	Average Monthly FY 77 Wages (Incl. Eligible Benefits)	COLA %	Resulting Monthly Increase for FY 78	Number of Alaskan Employees	Total Cost (Monthly)	Total Cost (Yearly)
IBU	\$2,755	31%	\$ 854	388	\$331,371	\$3,976,452
MEBA	3,760	30%	1,128	8	9,024	108,288
MM & P	3,834	30	1,150	41	47,158	565,896
				Total	\$387,553	\$4,650,636

Assumptions & Methology:

- (1) Average monthly wages are for the period from 7/1/76 to 6/30/77 and include actual average wages per signed contracts with the appropriate union with the exception of MEBA. Average monthly wages includes benefits which are eligible for increases when the basic wage increases (benefits computed at 50%).
- (2) COLA based upon U.S. Department of Labor - Autumn 1974 Urban Family Budgets & Comparative Indexes for Selected Urban Areas. The COLA for Alaska was based upon the Anchorage vs. Seattle indices for intermediate and high income families with some interpolation between the two.
- (3) The increases in monthly costs for FY 78 does not take into account any wage increases given to all employees; thus, the base wage is admittedly low.
- (4) Costs are in constant dollars at the FY 77 value.
- (5) Full COLA for Alaska resident ferry employees assumed to be implemented over a four year period in equal (1/4) increments. Thus, year 1 = (1/4) x (4,650,636); year 2 = (2/4) x (4,650,636); year 3 = (3/4) x (4,650,636); year 4 = (4/4) x (4,650,636).