

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

I. REQUEST

Bill No. CSSB 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 bill.

A. EXPENDITURES: (Thousands of dollars)

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	6,092.2	6,850.7	7,193.2	7,552.9	7,930.5	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
 FY 76 Executive Branch \$1,547.0
 FY 76 Legislature and Judicial Branch \$ 888.6

V. DATE: 1/30/76

PREPARED BY: Ronald B Lind

Ronald B. Lind

Original: Legislative Finance
 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			\$ 477.7
Cost of Base			<u>410.9</u>
			\$ 888.6

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
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
Total cost of projected CPI adjustment		\$ 831.2
Total cost of 9% adjustment		<u>715.8</u>
Total FY 76 Cost		<u>\$1,547.0</u>

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 $\frac{9\%}{2}$ \$ 3,384.0
Cost for period January - June, 1976	\div \$ 1,692.0
Assume CPI increase for Anchorage of 14% which equates a 5% increase for FY 76	
Base personal services	\$37,600.0
1/2 year cost	\div \$18,800.0
Cost of 5% for July - December, 1975	x $\frac{5\%}{2}$ \$ 940.0
Base personal services adjustment for 9% increase adjusted base	\$18,800.0
Cost of 5% January - June	x $\frac{1.09}{2}$ \$ 1,024.6
Total cost of CPI increase of 5%	\$ 1,964.6
Total Cost of Proposal	<u>\$ 3,656.6</u>

• Sec. ~~13~~ 1: It is the intent of the legislature that

permanent employees of the legislative branch and the permanent and temporary employees of the judicial branch receive pay increases comparable to those received by the classified and partially exempt employees under secs. 10 - 20 of this chapter; it is also the intent that employees of the University of Alaska receive pay increases comparable to those received by the classified and partially exempt employees under sec. 10 of this chapter.

Introduced: 1/14/76
Referred: State Affairs and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 499

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the method of compensating state
7 officers and employees; and providing for an
8 effective date."

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

10 * Section 1. AS 16.43.060 is amended to read:

11 Sec. 16.43.060. COMPENSATION OF MEMBERS OF THE ALASKA COMMERCIAL
12 FISHERIES ENTRY COMMISSION. Members of the commission are in the
13 exempt service and shall receive an annual salary equal to that of a
14 district court judge [, PAYABLE IN EQUAL MONTHLY INSTALLMENTS].

15 * Sec. 2. AS 22.05.140(a) is amended to read:

16 (a) The annual salary for the chief justice and each associate
17 justice is 20 per cent above Step E, Range 28 of the salary schedule
18 established in AS 39.27.010 for Anchorage, Alaska. [THE COMPENSATION
19 IS PAYABLE MONTHLY IN 12 EQUAL INSTALLMENTS.] Compensation of the
20 chief justice or of an associate justice shall not be diminished
21 during his term of office, unless by general law applying to all
22 salaried officers of the state.

23 * Sec. 3. AS 22.10.190(a) is amended to read:

24 (a) The annual salary for each superior court judge is 10 per
25 cent above Step E, Range 28 of the salary schedule established in AS
26 39.27.010 for Anchorage, Alaska [, PAYABLE MONTHLY IN 12 EQUAL INSTALL-
27 MENTS]. The compensation of a judge shall not be diminished during
28 his term of office, unless by general law applying to all salaried
29 officers of the state.

1 * Sec. 4. AS 22.15.220(a) is amended to read:

2 (a) The annual salary for each district judge is 93 per cent of
3 Step E, Range 28 of the salary schedule established in AS 39.27.010
4 for Anchorage, Alaska [, PAYABLE MONTHLY IN 12 EQUAL INSTALLMENTS].

5 * Sec. 5. AS 22.15.220(b) is amended to read:

6 (b) Each magistrate shall receive annual compensation to be
7 determined by the supreme court. Salary increases shall be determined
8 on the basis of percentage of pay increase the legislature provides
9 for state employees in the classified service. [A MAGISTRATE'S ANNUAL
10 COMPENSATION MAY BE PAYABLE, AT THE OPTION OF THE MAGISTRATE, EITHER
11 MONTHLY IN 12 EQUAL INSTALLMENTS OR SEMI-MONTHLY IN 24 EQUAL INSTALL-
12 MENTS.]

13 * Sec. 6. AS 24.15.020 is amended to read:

14 Sec. 24.15.020. ANNUAL LEGISLATIVE SALARIES. The annual salary
15 for each member of the legislature is 33-1/3 per cent of Step E, Range
16 28 of the salary schedule established in AS 39.27.010 for Anchorage,
17 Alaska [, TO BE PAID IN APPROXIMATELY EQUAL MONTHLY PAYMENTS]. The
18 president of the senate and speaker of the house of representatives
19 are each entitled to an additional \$500 a year during tenure of office.

20 * Sec. 7. AS 39.20.010 is amended to read:

21 Sec. 39.20.010. ANNUAL SALARY OF GOVERNOR. The annual salary of
22 the governor is \$50,000. [THE SALARY SHALL BE PAID IN EQUAL MONTHLY
23 INSTALLMENTS.]

24 * Sec. 8. AS 39.20.030 is amended to read:

25 Sec. 39.20.030. ANNUAL SALARY OF LIEUTENANT GOVERNOR. The
26 annual salary of the lieutenant governor is \$44,000. [THE SALARY
27 SHALL BE PAID IN EQUAL MONTHLY INSTALLMENTS.]

28 * Sec. 9. AS 39.20.080(a) is amended to read:

29 (a) The annual salary of the head of each principal executive

1 department of the state upon appointment and confirmation is 10 per
2 cent above Step E, Range 28 of the salary schedule established in AS
3 39.27.010 for Anchorage, Alaska. [THIS SALARY SHALL BE PAID IN EQUAL
4 MONTHLY INSTALLMENTS.]

5 * Sec. 10. AS 39.20.200 is amended to read:

6 Sec. 39.20.200. COMPUTATION OF ANNUAL LEAVE. Officers and
7 employees of the state are entitled to annual leave with pay which is
8 credited at the conclusion of each pay period. Leave shall be credited
9 as an appropriate portion of the following annual accrual rates
10 [ACCRUES AS FOLLOWS]:

11 (1) 112.5 hours [ONE AND ONE-QUARTER DAYS FOR EACH FULL
12 MONTHLY PAY PERIOD] in the case of officers and employees with less
13 than two years of service;

14 (2) 135.0 hours [ONE AND THREE-QUARTERS DAYS FOR EACH FULL
15 MONTHLY PAY PERIOD] in the case of officers and employees with two but
16 less than five years of service;

17 (3) 180.0 hours [TWO DAYS FOR EACH FULL MONTHLY PAY PERIOD]
18 in the case of officers and employees with five but less than 10 years
19 of service;

20 (4) 225.0 hours [TWO AND ONE-HALF DAYS FOR EACH FULL
21 MONTHLY PAY PERIOD] in the case of officers and employees with 10
22 years or more of service.

23 * Sec. 11. AS 39.20.260(a) is amended to read:

24 (a) Officers and employees are entitled to medical leave with
25 pay which accrues at the equivalent [RATE] of 112.5 hours per year
26 [ONE AND ONE-QUARTER DAYS FOR EACH FULL MONTHLY PAY PERIOD]. Medical
27 leave which is not used during the 12-month period in which it accrues
28 accumulates and is available for use in succeeding 12-month periods.

29 * Sec. 12. AS 39.27.010 is repealed and re-enacted to read:

1 Sec. 39.27.010. BASIC SALARY SCHEDULE. The following annual
 2 basic salary schedule is approved as the pay plan for classified and
 3 partially exempt employees of the state unless otherwise provided for
 4 by a collective bargaining agreement negotiated under the authority of
 5 the Public Employment Relations Act:

6 RANGE

7 NO.	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
8 5	-	-	-	-	-	10,020
9 6	-	-	-	10,020	10,332	10,656
10 7	-	10,020	10,332	10,656	10,992	11,340
11 8	10,332	10,656	10,992	11,340	11,688	12,084
12 9	10,992	11,340	11,688	12,084	12,468	12,852
13 10	11,688	12,084	12,468	12,852	13,284	13,704
14 11	12,468	12,852	13,284	13,704	14,160	14,628
15 12	13,284	13,704	14,160	14,628	15,180	15,744
16 13	14,160	14,628	15,180	15,744	16,332	16,956
17 14	15,180	15,744	16,332	16,956	17,592	18,264
18 15	16,332	16,956	17,592	18,264	18,936	19,656
19 16	17,592	18,264	18,936	19,656	20,388	21,156
20 17	18,936	19,656	20,388	21,156	21,948	22,764
21 18	20,388	21,156	21,948	22,764	23,604	24,504
22 19	21,948	22,764	23,604	24,504	25,428	26,388
23 20	23,604	24,504	25,428	26,388	27,348	28,380
24 21	25,428	26,388	27,348	28,380	29,460	30,552
25 22	27,348	28,380	29,460	30,552	31,704	32,892
26 23	29,460	30,552	31,704	32,892	34,116	35,412
27 24	31,704	32,892	34,116	35,412	36,732	38,112
28 25	34,116	35,412	36,732	38,112	39,540	41,028
29 26	35,412	36,732	38,112	39,540	41,028	42,552

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RANGE

NO.	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
27	36,732	38,112	39,540	41,028	42,552	44,160
28	38,112	39,540	41,028	42,552	44,160	45,816
29	39,540	41,028	42,552	44,160	45,816	47,532
30	41,028	42,552	44,160	45,816	47,532	49,320

* Sec. 13. AS 42.05.091 is amended to read:

Sec. 42.05.091. COMPENSATION OF MEMBERS OF THE ALASKA PUBLIC UTILITIES COMMISSION. Members of the commission are in the exempt service and shall receive an annual salary equal to that of a district court judge [TO BE PAID IN EQUAL MONTHLY INSTALLMENTS].

* Sec. 14. AS 42.06.090 is amended to read:

Sec. 42.06.090. COMPENSATION OF MEMBERS OF THE ALASKA PIPELINE COMMISSION. Members of the commission are in the exempt service described in AS 39.25 and receive an annual salary equal to that of a district court judge [TO BE PAID IN EQUAL MONTHLY INSTALLMENTS].

* Sec. 15. AS 42.07.071 is amended to read:

Sec. 42.07.071. COMPENSATION OF MEMBERS OF THE ALASKA TRANSPORTATION COMMISSION. The commissioners are in the exempt service under AS 39.25 and shall receive an annual salary equal to that of a district court judge [PAYABLE IN EQUAL MONTHLY INSTALLMENTS].

* Sec. 16. This Act takes effect July 16, 1976.