COMMITTEE REPORT

5/5/76

SENATE

Mr. President: Date 5/28/76

The Committee on Finance has had CSHB 842 under consideration. A Majority of the members of the Committee

pay differentials between state te-ry employees residing inside & outside the state

( ) recommends it DO PASS

( ) recommends it DO NOT PASS

( ) recomm nds it DO PASS WITH ATTACHED AMENDMENT(S)

( ) recommends it BE REPLACED WITH CS FOR CSHB842 AND THAT CS FOR CSHB842 DO PASS

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

( ) reports it back WITHOUT RECOMMENDATION

( ) "other"

Members signing the Majority report:

Lane Hay	Nu Rea	

Members NOT concurring in the Majority report:

_____ recommends: _____

_____ recommends: _____

_____ recommends:

_____ recommends:

_____ recommends:

Lane Hay Chairman

Original Sponsor: Judiciary Committee

IN THE HOUSE BY THE FINANCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 842

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to pay differentials between state employees residing inside and outside the state."

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

* Section 1. AS 23.40.210 is amended to read:

Sec. 23.40.210. AGREEMENT. Upon the completion of negotiations between an organization and a public employer, if a settlement is reached, the employer shall reduce it to writing in the form of an agreement. The agreement may include a term for which it will remain in effect, not to exceed three years. <u>The agreement shall provide for an area differential in pay between employees residing inside and outside the state to reflect the difference in the cost of living for those employees.</u> The agreement shall include a grievance procedure which shall have binding arbitration as its final step. Either party to the agreement has a right of action to enforce the agreement by petition to the labor relations agency.

* Sec. 2. Section 1 of this Act may not be implemented by collective bargaining which results in an agreement which reduces the wages and fringe benefits received on the effective date of this Act by employees residing inside and outside the state.

Original Sponsor: Judiciary Committee

IN THE HOUSE BY THE FINANCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 842

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FILE

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF PUBLIC WORKS

Commissioner's Office
Pouch Z, Juneau, Alaska 99811

May 6, 1976

Honorable Bill Ray
Alaska State Senator
Capitol Building
Juneau, Alaska 99811

Dear Senator Ray:

Attached is the Fiscal Note you requested on House Bill 842 which concerns the pay differential for state ferry employees.

Sincerely,

Donald Harris
Commissioner

Attachment

File

THE(EGISLATURE OF THE STATE OF(LASKA
FISCAL NOTE
Second Session - Ninth Legislature

I. REQUEST
Bill No. House Bill 842
Title: Pay Differential for State Ferry Employees
Requested by: Legislative Finance Date: March 16, 1976
Return Date Requested: March 17, 1976
Agency: Public Works Program: Marine Transportation

II. FISCAL DETAIL
Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of dollars)

	OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100	PERSONAL SERVICES						
200	TRAVEL						
300	CONTRACTUAL						
400	COMMODITIES						
500	EQUIPMENT						
600	LAND & STRUCTURES						
700	GRANTS, CLAIMS, ETC.						
	TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

Any application of a pay differential would necessarily have to be applied in the form of a special cost of living allowance as opposed to a wage differential.

The cost of such an application would depend upon the rate established and cannot be defined in monetary terms herein.

The State is currently committed to a two year contract with IBU and a three year contract with MM & P. Negotiations are still in progress with MEBA.

Realistically, the first application of this differential cost of living allowance pay would come with the upcoming IBU renegotiations, followed the next year with both MM & P and MEBA.

IV. ATTACHMENTS

V. DATE: 3-17-76 PREPARED BY:

Original: Legislative Finance
cc: Budget and Management
Bill Sponsor (First Legislator Named)

Introduced: 2/26/76
Referred: State Affairs and Finance

IN THE HOUSE

BY THE JUDICIARY COMMITTEE

HOUSE BILL NO. 842

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to pay differentials between state ferry employees residing inside and outside the state."

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

* Section 1. AS 23.40.040 is amended to read:

Sec. 23.40.040. COLLECTIVE BARGAINING AGREEMENT. The commissioner of public works or his authorized representative, in accordance with secs. 10 - 30 of this chapter, may negotiate and enter into collective bargaining agreements concerning wages, hours, working conditions, and other employment benefits with the employees of the division of marine transportation engaged in operating the state ferry system as masters or members of the crews of vessels or their bargaining agent. No collective bargaining agreement is final without the concurrence of the commissioner of public works. The commissioner of public works may make provision in the collective bargaining agreement for the settlement of labor disputes by arbitration, and for area differentials in pay as between employees residing inside and outside the state, not to exceed six pay steps.

STATE OF ALASKA

Inter-Department Route Slip

TO:
MAIL STATION NUMBER _____

DEPARTMENT Senator Bill Ray

ATTENTION _____

☐ Approval	☐ Note & Return
☐ Signature	☐ Initial & Return
☐ Comment	☐ Return As Requested
☐ Contact Me	☐ Return For Approval
☐ Prepare Reply	☐ Necessary Action
☐ For Your File	☐ Your Information

Remarks: Bill - I would be glad to discuss this. The proposed amendment could be a separate section ~~to~~ of AS 23 40 240, or an amendment could be handled without legislation

FROM:
MAIL STATION NUMBER _____

DEPARTMENT Law

BY Jack Regan DATE May 10, 1976

02-002 (REV.10/73)

-FILE-

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER / POUCH C, JUNEAU 99811

May 11, 1976

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

Dear Senator Ray:

Attached is a proposed Committee Substitute for House Bill 842 entitled "An Act relating to pay differentials between State employees residing inside and outside the State." The original bill added the language to AS 23.40.040. Section 23.40.040 is an old statute that was effectively repealed when the Public Employees Relations Act took effect. Attached are two Attorney General's opinions, one from Attorney General Norman Gorsuch and the other from Attorney General Avrum Gross to that effect.

The proposed Committee Substitute would set up area differentials for all State employees not only employees of the Marine Transportation system. The differential is to be implemented without reducing the pay of any current employees but rather by allowing no further pay increases to accrue to employees living outside the state until pay increases as negotiated accrue to employees living inside the state effecting the necessary differential

It is our preference that this be accomplished through the collective bargaining process and not by law. The legislation will undoubtedly be looked upon unfavorably by those marine transportation employees living in Seattle and may ultimately result in substantial labor problems which we will have to contend with. However, if the legislature feels compelled to act on the subject the attached Committee Substitute would be the most appropriate way to implement it.

Very truly yours,

Andrew S. Warwick
Commissioner

ASW/mjc
Attachments

ORIGINAL SPONSOR: JUDICIARY COMMITTEE

OFFERED: 3/19/76
REFERRED: Rules

IN THE HOUSE

CS FOR HOUSE BILL NO. 842

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to pay differentials between state employees residing inside and outside the state."

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

*Section 1. AS 23.40 is amended by adding a new section to read:

Section 23.40.245 AREA DIFFERENTIAL. A collective bargaining agreement negotiated under authority of this act shall provide for an area differential in pay between employees residing inside and outside the state to reflect the difference in the cost of living for those employees. Said differential is to be implemented without reducing the pay of any current employees but rather by allowing no further pay increases to accrue to employees living outside the state until pay increases as negotiated accrue to employees living inside the state effecting the necessary differential.

MEMORANDUM State of Alaska

TO: The Honorable Andrew S. Warwick
Commissioner
Department of Administration

DATE: July 3, 1975

FILE NO:

TELEPHONE NO:

FROM: Avrum M. Gross
Attorney General

By: Mark Ertischek
Mark Ertischek
Assistant Attorney General

SUBJECT: Impact of AS 23.40.070 et al., upon bargaining with Marine Transportation Employee Unions

At your request we have reviewed our memorandum of May 2, 1973 upon this subject. The opinions expressed in that memorandum are still the opinions of this Department.

AS 23.40.040, which gives the Commissioner of Public Works the authority to engage in negotiations with Marine Transportation Unions, provides as follows:

> "The Commissioner of Public Works, or his authorized representative, in accordance with sections 10-30 of this chapter may negotiate and enter into collective bargaining agreements concerning wages, hours, and working conditions."

AS 23.40.10 was repealed in 1972 at the same time the Public Employment Relations Act was passed. The fact that AS 23.40.040 was not specifically repealed appears to have been a legislative oversight. This oversight is not significant.

The Public Employment Relations Act is a legislative attempt to promulgate a comprehensive act dealing with all the questions related to union activities and negotiations in the public sector. As such it places the authority for negotiating with employee unions in the hands of one or more state officers appointed specifically for that purpose by the Governor. AS 23.40.040 appears to contradict this intent and it is repealed by implication with the passage of the Public Employment Relations Act.

"The legislature is presumed to intend to achieve a consistent body of law. In accordance with this principle subsequent legislation is not presumed to effectuate a repeal of the existing law in the absence of that expressed intent; and conversely where a consistent body of laws cannot be maintained without the abrogation of a previous law, a repeal by implication of previous legislation or of a common law is readily found in the terms of a later enactment." Sands, Statutes and Statutory Construction, Chicago, 1973, Vol. 1A, Sec. 23.09.

Even though the conflict between the Public Employment Relations Act and AS 23.40.040 is viewed as not absolutely apparent the conflict can be clearly seen here where the legislature has prepared a comprehensive revision of the law on a particular subject. As one court noted,

"A revision of the law on any subject is a restatement of the law on that subject in a correlated or improved form, which is intended as a substitute for the law as previously stated, and displaces and repeals the former laws relating to the same subject and within the purview of the revising statute. It implies a re-examination of the law, and, where a later statute covers the whole subject matter of a previous statute or previous statutes, and embraces new provisions which plainly show that it was intended as a substitute for the first the later statute will operate as a repeal of the former statute or statutes even though not in all respects repugnant to them." People v. Gould, 345 Ill. 238, 178 N.E. 133, 144, (1931).

In this case, it is clear that the legislature intended a comprehensive revision of existing law. It is our opinion that the Public Employment Relations Act effected the repeal by implication of AS 23.40.040 and that the Commissioner of Public Works no longer possesses the authority to engage in independent negotiations with the Marine Transportation Unions without the express instructions of the Governor to negotiate for this purpose, pursuant to the provisions of the Public Employment Relations Act. It is also our opinion that negotiations with the Marine Transportation Unions are subject to all of the requirements and limitations imposed in the remainder of the Public Employment Relations Act as we have outlined in our previous opinions to you on that subject.

ME/led

7,500,000
by
300,000.00

May 2, 1973

M E M O R A N D U M

TO: Wes Coyner
Executive Assistant
Office of the Governor

FROM: John E. Havelock
Attorney General

By
Norman C. Gorsuch
Deputy Attorney General

SUBJECT: Authority of the Commissioner of Public Works to negotiate a pay increase for Ferry Personnel effective July 1, 1973 - legal analysis.

Our understanding of the background of the above referenced situation is as follows:

A proposed pay increase for ferry system employees, the particulars of which are were to be negotiated after the legislature adjourned, was included in the general pay increase proposed for all state employees which the legislature rejected. Currently, ferry system personnel appear to be demanding a pay increase regardless of the legislatures failure to appropriate funds for such an increase. In January 1971, the Department of Public Works obtained a supplemental appropriation to finance pay increases for ferry system employees which had been negotiated in 1970 and became effective July 1, 1970. However, the Legislative Finance Committees had been alerted to the probability of such a supplemental at the time of the original appropriation to the Department of Public Works. Presently, Public Works is interested in negotiating a wage increase for ferry personnel effective July 1, 1973, and seeking a supplemental appropriation in January 1974 to pay for the increased cost of operation the pay increase would cause. This Department has been asked to comment on the legality of such action.

I.

AUTHORITY OF THE DEPARTMENT OF PUBLIC WORKS TO NEGOTIATE WITH FERRY PERSONNEL

It is our conclusion that the Department of Public Works no longer has the authority to independently negotiate with ferry system personnel.

AS 23.40.010 states as follows:

> UNION CONTRACTS WITH STATE AND POLITICAL SUBDIVISIONS. (a) The state or a political subdivision of the state including but not limited to . . ., may enter into a contract with a labor organization whose members furnish services to the state or the political subbdivision.
>
> (b) Nothing contained in this chapter requires the state or political subdivision of the state to enter into a union contract.

AS 23.40.010 was repealed by the legislature in 1972 when it enacted the Public Employment Relations Act.

AS 23.40.040 which was not repealed by the legislature states as follows:

> COLLECTIVE BARGAINING AGREEMENT. The commissioner of public works or his authorized representative, in accordance with sections 10 - 30 of this chapter, may negotiate and enter into collective bargaining agreements concerning wages, hours, working conditions, and other employment benefits with the employees of the Division of Marine Transportation engaged in operating the state ferry system as masters or members of the crews of vessels or their bargaining agent. No collective bargaining agreement is final without the concurrence of the commissioner of public works. The commissioner of public works may make a provision in the collective bargaining agreement for the settlement of labor disputes by arbitration. (Emphasis added)

It is the conclusion of this Department that the repeal of AS 23.40.010 also had the effect of repealing AS 23.40.040. The rationale for this conclusion is the particular language of AS 23.40.040 and the obvious intent of the legislature in enacting the Public Employment Relations Act (AS 23.40.070-260; Ch. 113, SLA 1972).

In perusing the references in AS 23.40.040, it becomes clear that AS 23.40.040 is simply a refinement of AS 23.40.010 and by its language is operative only in conjunction with AS 23.40.010. The repeal of AS 23.40.010 by sec. 5 of the Public Employment Relations Act thus impliedly

repeals or negates AS 23.40.040, as AS 23.40.040 only described how the Department of Public Works is to implement the basic grant of authority to enter into collective bargaining agreements which was repealed by the legislature.

The second reason for concluding that AS23.40.040 was impliedly repealed with the repeal of AS 23.40.010 is the broad scope of the Public Employment Relations Act. Basically, the Public Employment Relations Act encompasses the whole sphere of collective bargaining at the state level. It grants state employees the right to organize and bargain with the state and imposes on the state the obligation to bargain in good faith with state employees. Further, the Act designates certain practices as unfair labor practices and creates a labor relations agency to handle unfair labor complaints. The Act also contains a grandfather clause - AS 23.40.240- designed to protect organized employees in the state ferry system. This grandfather clause specifically protected existing collective bargaining agreements in effect at the time of the enactment of the Public Employment Relations Act. There is nothing in the language of that section which preserves any right of the Department of Public Works to continue to be the exclusive employer bargaining agent.

Indeed as the Commissioner of Public Works does not possess the legal authority to negotiate under the old statute, he could be construed to be bargaining in bad faith as he would have no authority to bind the executive branch.

The comprehensiveness of the Public Employment Relations Act is a forceful manifestation that the legislature intended the Public Employment Relations Act to supercede AS 23.40.040.d

We should point out however that the Governor can designate the Commissioner of Public Works as the State's negotiating representative under the Public Employment Relations Act. AS 23.40.250(b).

II.

AUTHORITY TO COMMIT THE LEGISLATURE TO NEGOTIATED MONETARY TERMS IN COLLECTIVE BARGAINING AGREEMENTS.

As the negotiations with the ferry system employees must be conducted under the Public Employment Relations Act, the question arises as to the authority under that Act to bind the legislature to the monetary terms negotiated.

Article IX, Sec. 13 of the Alaska Constitution states as follows:

"No money shall be withdrawn from the treasury

except in accordance with appropriations made by law . . ."

The legislature has chosen to reserve unto itself the ultimate approval of the monetary terms of any agreement negotiated under the Public Employment Relations Act through the appropriation process.

AS 23.40.215 states as follows:

FUNDING. The monetary terms of any agreement entered into under the Public Employment Relations Act are subject to funding through legislative appropriation.

Therefore, by the plain meaning of those statutory terms, the executive branch cannot negotiate a binding agreement in the area of monetary terms with any collective bargaining representative of the employees without it being specifically subject to subsequent funding through the legislative appropriation process.

Recent case law in the area of School Board - Teacher Relations indicates that where the legislature has by legislation provided that the terms of a collective bargaining agreement between a municipal corporation and a teachers union are specifically made subject to final approval and funding through an appropriations agency, the school board cannot be compelled to pay the negotiated wage rates if the appropriating agency does not appropriate sufficient funds to pay for them.

In Town of Scituate, et al., v. Scituate Teachers Association, et al.; State of Rhode Island and Providence Plantation Superior Court, Civil Action 71-2718, Feb. 8, 1972, the Court ruled that the Town must pay the negotiated wage increases to the teachers because under the Rhode Island statutes the legislature did not preserve the supremacy of the appropriating body and did not make any collective bargaining agreements entered into by school boards subject to the will of an appropriating agency.

Similarly in Francis M. McDonald Jr., State's Attorney for the County of New Haven at Waterbury v. Raymond J. Quinn, Jr., Connecticut Superior Court, New Haven County Case No. 32, 856, May 8, 1969, the Court denied a Connecticut school boards request for a court order to force appropriation of funds by the City's Board of Finance to pay increased salaries negotiated with teachers. The question at issue was whether provisions of the charter of the City of Waterbury granting ultimate review and control of teachers salaries to the Waterbury Board of Finance and Board of Alderman take precedence over a contract executed pursuant to the state's teacher negotiation act. The court found that the legislature intended

that the charter provisions take precedence explaining its decision as follows:

> The court recognizes that many of our teachers are sadly under paid and would like to see corrections in the existing inequities of their position with relation to other groups whose work is less demanding of vitally skilled education and equally vital educational skill. However, until the legislature decrees otherwise, the final say as to the teachers salaries rests with the ultimate budgetary control of the Board of Finance and Board of Alderman.

The Court advised the teachers to seek a political remedy rather than a legal remedy. In doing so, the Court stated as follows:

> If the teachers ultimately decide that their goal would be best served by receiving the same treatment with respect to salary increases as that afforded to other municipal employees . . . : they should ask the legislature to change or better define the respective powers of the Boards involved . . .

Crucial to the Court's reading of legislative intent was a comparison of the Act permitting negotiations for teachers with Connecticut's Municipal Employees Relations Act passed during the same session of the legislature. Noting that unlike the latter act, the act authorizing teacher negotiations is silent as to repeal of local charter provisions, the Court concluded that the difference "seems to indicate a definite legislative direction that agreements with municipal employees other than teachers, once ratified must be funded and paid in accordance with the terms thereof and that in the case of agreements with teachers, there is no such requirement of funding and no requirement that either party agree to any proposal or make a concession." See also Waterbury Teachers Association v. Arnold Furlong, et al.; Waterbury Teachers Association v. Board of Education; Waterbury Board of Education v. Waterbury Teachers Association; Connecticut Supreme Court October term (Feb. 29, 1972).

Therefore, it is our conclusion that in view of the specific legislative reservation of its approval of any monetary terms through the appropriation process found in the Public Employment Relations Act, the Executive Branch cannot negotiate a binding pay increase, effective prior to specific legislation appropriation to pay for it. It does have a duty however, after concluding negotiations and signing an agreement to present the agreement to the legislature for appropriate funding.

Attached hereto is an earlier opinion issued by this office to Representative Haugan which speaks to this issue.

III.

EFFECTS OF THE EXECUTIVE BUDGET ACT ON THE ABILITY TO OBTAIN A SUPPLEMENTAL FOR A PAY INCREASE WITH AN EFFECTIVE DATE PRIOR TO LEGISLATIVE APPROPRIATION.

If the Department of Public Works could revise its marine transportation program to glean from its other line items sufficient surplus funds which then could be transferred to the personal services portion of its budget in order to pay for a negotiated wage increase without seeking a supplemental, the Executive Budget Act may provide the methodology to achieve this.

The Executive Budget Act is applicable to the Department of Public Works. The granting of a pay raise effective July 1, 1973, and the embarkation upon a course of deficit spending can be permitted by the Division of Budget and Management only if Public Works submits a revised program and there is a commitment by the administration to seek a supplemental appropriation. The specific statutory restrictions against a simple course of deficit spending read as follows:

> AS 37.07.080. PROGRAM EXECUTION. (a) Except as limited by policy decisions of the Governor, appropriations by the legislature, and other provisions of law, the several state agencies have full authority for administering their program service assignments and are responsible for their proper management.
>
> (b) Each state agency shall prepare an annual plan for the operation of each of its assigned programs except for programs that are exempted from this requirement by the division. The operations plan shall be prepared in the form and content and be transmitted on the date prescribed by the division.
>
> (c) The division shall:
>
> (1) review each operation plan to determine that it is consistent with the policy decisions of the governor and appropriations by the legislature, that it reflects the proper planning and efficient management methods, that appropriations have been made for the planned purpose and will not be exhausted before the end of the fiscal year;

(2) approve the operations plan if satisfied that it meets the requirements under (1) of this subsection; otherwise, the division shall require revision of the operations plan in whole or in part;

(3) modify or withhold the planned expenditures at any time during the appropriation period if the division finds that the expenditures are greater than those necessary to execute the program at the level authorized by the governor and the legislature, or that the receipts and surpluses will be insufficient to meet the authorized expenditure levels.

(d) No state agency may increase the salaries of its employees, employ additional employees, or expend money or incur obligations except in accordance with law and properly approved operations plan.

(e) Appropriation transfers or changes as between objects of expenditures or activity areas within a program may be made by the head of a state agency upon approval of the division. Appropriation transfers or changes between programs within an agency may be made upon review by the division and approval of the governor, and shall be reported to the legislature quarterly. No transfers may be made between agencies.
(Emphasis added)

The heart of the problem is thus propriety of the Governor seeking a supplemental appropriation under the current circumstances. AS 37.07.100 implies that a supplemental appropriation is inappropriate for an item which was included within the executive budget and rejected by the legislature. The text of AS 37.07.100 reads as follows:

The governor from time to time may transmit to the legislature proposed supplemental or deficiency appropriations which in his judgment are necessary on account of laws enacted after the transmission of the budget, or are otherwise in the public interest. He shall accompany each proposal with a statement of the reasons for it, including the reasons for its omission from the budget.
(Emphasis added)

The only possible way of avoiding the implication of AS 37.07.100 that a supplemental is inappropriate if the legislature has rejected an appropriation request for the same item, is to maintain that the legislature has never really separately considered the issue of a pay increase for ferry system personnel. It could be argued by the Administration that in the past session, the executive budget and the legislature only dealt with the issue of a pay increase for all state employees and because of the unique problems of the ferry system (no merit raises), it is in the public interest to grant ferry system employees a raise.

This same reasoning would not necessarily apply to a pay increase effective July 1, 1973, for all other state employees because it would be much more difficult to sustain the rationale that the legislature did not specifically address the issue.

Therefore in summary, the Department of Public Works cannot independently negotiate a salary increase but must act through the provisions of the Public Employment Relations Act.. The Governor could designate the Commissioner as the negotiating representative for the Department of Public Works under the provisions of the Public Employment Relations Act anyway.

Secondly, absent specific prior appropriations by the legislature, all negotiated monetary terms are subject to approval by the legislature. Thirdly it is possible to manipulate the provisions of the executive budget act through a revised program that would collect sufficient funding from other areas in the marine transportation budget and provide a working fund against which the Department could negotiate and from which the Department could draw to pay for a negotiated wage increase effective July 1, 1973, without requesting any supplemental. It is also possible for the Administration to consider the manipulation of the executive budget act for the purpose of seeking a supplemental appropriation under the rationale discussed above. We believe however, that this course of action is subject to strong challenge if litigation is initiated to test its validity under the Constitution.

The alternatives to be considered under the circumstances given to us in order of those alternatives most legally defensible are as follows:

1. The Department can negotiate a contract under the terms of the Public Employment Relations Act with a provision for a retroactive pay increase and subject to legislative appropriation.

2. The Department can refuse to negotiate any pay increase at all and seek to hold the ferry system employees at the same wage rates (obviously impractical but legally sound).

3. The Governor could call for a special session of

the legislature prior to the expiration of this fiscal year to consider a special appropriation to the Marine Transportation Division of the Department of Public Works or the Department of Administration for a pay increase commencing July 1, 1973.

4. The Department of Public Works and Administration could obtain additional funds through the manipulation of the Executive Budget Act provisions through a revised program and not seek a supplemental appropriation.

5. Negotiate an immediate pay increase under the provisions of the Public Employment Relations Act effective July 1, 1973 and finance it with a supplemental appropriation which could be arguably justified under the provisions of AS 37.07.100.

6. Follow Commissioner Easley's suggestion outlined in his memo by giving him authority to negotiate under the old statute an immediate pay increase and start on a course of deficit spending. This is the least desirable alternative and the one most susceptable to being overturned if legally challenged as being in violation of the Constitution, Executive Budget Act and Public Employment Relations Act.

It is our legal judgment that the best course of action to follow is that outlined in number 1 above.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF LAW

Office of the Attorney General
Pouch K - State Capitol
Juneau, Alaska 99801

May 10, 1976

The Honorable Bill Ray, Chairman
Senate Finance Committee
Pouch V
Juneau, Alaska 99811

Re: CSHB 842 (Pay differentials on state ferries)

Dear Senator Ray:

I note from the Senate Journal of May 5, 1976 that CSHB 842 was referred to the Finance Committee.

There is a serious problem with this bill. The problem is that it amends a section of Alaska Statutes, AS 23.40.040, which was impliedly repealed by passage of the Public Employment Relations Act, ch 213, SLA 1972. Passage of an amendment to the section would have the effect of resurrecting the section which was superceded by the PERA. This would leave in great confusion the state's laws and decisions on collective bargaining of state employees.

In 1972 the PERA was enacted as a comprehensive law covering collective bargaining and labor relations of all public employees. However, when the PERA was enacted, there were existing marine union agreements that had been negotiated for the ferry system under AS 23.40.040. That section was not specifically repealed and the PERA recognized the validity of the marine agreements that were in effect on the effective date of the Act (AS 23.40.240). However, each agreement then expired by its terms, and the PERA applied to negotiation of ferry agreements thereafter. The state labor relations agency so ruled in its decision No. 20. The state has based successful court actions on the position that the PERA applies to marine unions. An amendment to AS 23.40.040 can only serve to reopen major controversies which could invite more work stoppage on the ferries.

We strongly urge that the bill not be enacted as an amendment of AS 23.40.040.

Very truly yours,

Avrum M. Gross
Attorney General

AMG:cdm

State of Alaska
LABOR RELATIONS AGENCY
P. O. BOX 2322 • ANCHORAGE, ALASKA 99510
PHONE (907) 337-1743

C. R. "STEVE" HAFLING
CHAIRMAN
RONALD M. HENRY
MORGAN REED

JAMES R. LUCAS
CONSULTANT

ORDER AND DECISION NO. 20

PERTAINING TO STATUS OF ALASKA MARINE FERRY SYSTEM EMPLOYEES UNDER THE ALASKA PUBLIC EMPLOYMENT RELATIONS ACT

Background

The Administration of the State of Alaska has requested the Alaska State Labor Relations Agency to make certain determinations with respect to employees of the Alaska State Marine Ferry System, namely: (1) Are such employees under the coverage of the Alaska Public Employment Relations Act? (2) If the answer is affirmative to the preceding question, what is the status of such employees with respect to the right to strike under the APERA.

The State further asked the ASLRA to make determinations with respect to State employees in general with respect to their rights to strike under the APERA.

Three unions represent the seagoing personnel of the Marine Ferry System, namely: the Masters, Mates and Pilots; the Marine Engineers Beneficial Association; and, the Inland Boatmen's Union. Notification was given to these three unions that a hearing would be held by the ASLRA on December 15, 1975, in Anchorage, concerning the foregoing matters. The MM&P and the IBU declined to attend on the grounds that the ASLRA lacked jurisdiction over them; the MEBA representative was present, but

without conceding that the ASLRA had jurisdiction.

All parties were given an opportunity to present evidence and to examine witnesses.

The Alaska Department of Administration submitted a hearing memorandum, a copy of which is attached hereto.

Findings of Fact:

1. There is no explicit or implicit exemption of marine ferry system personnel from coverage of APERA. There are two Attorney General Opinions (see attachment) to support the conclusion that the PERA does in fact cover such personnel.

2. AS 23.40.240 simply preserved the existence and recognition of the MM&P, IBU and MEBA and "grandfathered" in their collective bargaining agreements that antedated the enactment of the PERA. Subsequent agreements are subject to the PERA.

3. Prior Orders and Decisions of the ASLRA (No.'s 1 and 4) implicated marine ferry system personnel as being under the coverage of the PERA without challenge.

Conclusion:

State employees of the Marine Ferry System, whether seagoing or otherwise, come under the jurisdiction of the PERA.

ORDER AND DECISION

The Alaska State Labor Relations Agency hereby deter-

mines that it has jurisdiction over State employees represented for collective bargaining purposes by the MM&P, the IBU and the MEBA.

Findings of Fact:

1. There are three classes of State employees set forth at AS 23.40.200(a):

> (1) ["Class 1"] those services which may not be given up for even the shortest period of time;
>
> (2) ["Class 2"] those services which may be interrupted for a limited period but not for an indefinite period of time; and
>
> (2) ["Class 3"] those services in which work stoppages may be sustained for extended periods without serious effects on the public.

"Class 1" employees consist of "police and fire protection employees, jail, prison and other correctional institution employees, and hospital employees." Sec. 200(b). "Class 2" employees are "public utility, snow removal, sanitation and public school and other educational institution employees." Sec. 200(c). "Class 3" employees are all employees not included in Classes 1 or 2. Sec. 200(d).

2. The State ferry system provides services which may not be interrupted for extended periods without serious effects on the public.

Conclusions:

1. The PERA must be read as a whole; thus it would appear that the enumeration of specific classes of employees

in Sec. 200(b), (c) and (d) should be construed as illustrative rather than exhaustive, and that Sec. 200(a) (1), (2) and (3) is controlling. To conclude otherwise would be to conclude that a classification title is more important than the duties performed, and such a conclusion could thwart the purposes of Sec. 200(a).

2. The State ferry system provides essential services that are not provided by competing systems. These services are such that a common sense reading of the PERA can readily lead to the conclusion that the system is in fact a public utility.

3. It would be impractical for the SLRA to make prior determinations as to each State employee with respect to whether or not that employee falls in Class 1, 2 or 3. Such determinations should be made as the need arises.

DECISION AND ORDER

1. State ferry system employees are deemed to be employees in "Class 2".

2. Decisions as to other State employees with respect to their status under AS 23.40.200(a) will be made as requested and as the need arises to make such determinations.

DATED: February 24, 1976.

C. R. "Steve" Hafling, Chairman

Ronald M. Henry, Member

absent
Morgan Reed, Member

JRL

ALASKA LABOR RELATIONS AGENCY

In the Matter of "Class" 2 Classification of Shipboard Personnel of the Alaska Department of Public Works.

HEARING MEMORANDUM
OF THE ALASKA DEPARTMENT OF ADMINISTRATION

At the request of the Alaska State Department of Administration, Division of Personnel, the Labor Relations Agency has convened a hearing "[t]o show cause why shipboard personnel of the Department of Public Works, Marine Transportation should not be Class 2 employees for purposes of collective bargaining." Decisional and statutory law clearly require a finding that the shipboard personnel of the State Ferry System are "Class 2" employees for purposes of collective bargaining with the State of Alaska.

This memorandum will address the issues of classification of shipboard personnel employed by the State of Alaska aboard the ships of the Alaska State Ferry System. Three issues will be presented: first, that the Public Employment Relations Act (AS 23.40.070-.260, hereinafter PERA) obviously covers the shipboard personnel of the Ferry System; second that the PERA requires classification of shipboard personnel as "Class 2" employees; and, finally, that the agency has the jurisdiction to make this determination.

I. THE P.E.R.A. GOVERNS COLLECTIVE BARGAINING BY SHIPBOARD EMPLOYEES OF THE STATE FERRY SYSTEM.

The Alaska Department of Public Works is statutorily mandated to provide for and administer a State Ferry System. AS 19.60. To man the ferries servicing Alaska, the State of Alaska employs shipboard personnel. These employees are

ATTORNEY GENERAL, STATE OF ALASKA
STATE CAPITOL
POUCH K, JUNEAU, ALASKA 99811
PHONE 465-3600

members of three marine unions: Internation Order of Masters, Mates & Pilots (MM&P), the Inland Boatmen's Union (IBU), and the Marine Engineers' Beneficial Association (MEBA). Membership of the shipboard personnel in these unions in no way alters their status as state employees.

The State of Alaska, employer of the Ferry System's shipboard personnel, is sovereign in the eyes of the law. As sovereign, the State is immune from any obligation to enter into collective bargaining relationships. However, the State may choose to waive its sovereign immunity. Cox and Bok, Labor Law at 962 (7th ed, 1969). It is clear that the State's waiver of sovereign immunity is to be strictly interpreted. For example, the State is immune from its employees' most basic economic tool of collective bargaining, the strike, unless the employees' right to strike is specifically set out. See, for example, International Brotherhood of Electrical Workers v. Grand River Dam Authority, 292 P.2d 1018 (Okla. 1956); Alcoa v. Intern. Bro. of Electrical Workers, 308 S.W.2d 475 (Tenn. 1957); South Atlantic Gulf Coast Dist. of Intern. Longshoremen's Assoc. v. Harris Co. Houston Ship Channel Navig. Dist., 358 S.W.2d 658 (Tex. 1962); Port of Seattle v. International, etc. Union, 324 P.2d 1099 (Wash. 1958); Roza Irrigation Dist. v. State, 497 P.2d 166 (Wash. 1972). In fact, until passage of the PERA, marine employees had no right to strike under existing law.

The State of Alaska, as sovereign and employer, has statutorily waived its otherwise total sovereign immunity against collective bargaining relationships. The limits of this waiver are set forth in the PERA. The Declaration of Policy of the PERA sets out inter alia the comprehensive scheme of the PERA:

> The legislature further finds that the enactment of positive legislation establishing guidelines for public em-

> ployment relations is the best way to harness and direct the energies of public employees eager to have a voice in determining their conditions of work, to provide a rational method for dealing with disputes and work stoppages, to strengthen the merit principle where civil service is in effect and to maintain a favorable political and social environment. The legislature declares that it is the public policy of the state to promote harmonious and cooperative relations between government and its employees and to protect the public by assuring effective and orderly operations of government.

As "public employees", shipboard personnel of the State Ferry System are obviously included within the intended coverage of the PERA. Further, the PERA alone provides those "guidelines for public employment relations" which the legislature deemed necessary.

There is no explicit or implicit exemption of shipboard personnel from PERA coverage. A statute (AS 23.40.010) concerning shipboard employees' collective bargaining with the state was repealed concurrently with PERA. AS 23.40.020 and .030 as enacted in 1959 do not detract from PERA coverage. In any case, where an arguably conflicting statute remains on the books, the doctrine of implied repealer prevails. Under cannons of statutory interpretation, PERA, as a comprehensive revision of the law on a particular subject (collective bargaining between public employees and the state) clearly is intended to repeal conflicting, independent provisions. 1A Sutherland, Statutory Construction, § 23.09 (1973); People v. Gould, 178 NE 133, 144 (Ill, 1931). Thus, AS 23.40.040, concerning authority of the Department of Public Works to enter into collective bargaining agreements on behalf of the State, is repealed as conflicting with the PERA. See, Attorney Gen. Opinions, May 2, 1973 (Gorsuch to Coyner) and January 21, 1975 (Gross to Hammond).

Further evidence of legislative intent to give the PERA the broadest possible interpretation may be found in the Act's grandfather-rights section. PERA was intended to embrace the marine unions, whose collective bargaining with the state preceded PERA. AS 23.40.240 provides:

> Nothing in this chapter terminates or modifies a collective bargaining unit, recognition of exclusive bargaining representative, or collective bargaining agreement if the unit, recognition, or agreement is in effect on September 5, 1972.

AS 23.40.240 preserves the existence and recognition of the MM&P, IBU, and MEBA and avoids an unconstitutional modification of contract rights existing on September 5, 1972. Subsequent agreements between the recognized collective bargaining representatives and the State are, of course, subject to the PERA.

The Labor Relations Agency, an administrative body created by the PERA, has utilized its own expertise to conclude that PERA governs all state employees. In its first Order and Decision, the agency noted that "The general community of interest among all State of Alaska employees is too obvious to be belabored." Order & Decision No. 1 (February 2, 1973), at p. 2. (emphasis added). At issue in Order & Decision No. 1 was the legitimacy of an employee election to join either the IBU or the Alaska Public Employees Association. The IBU, one of the collective bargaining units composed of shipboard personnel, was the petitioner before the agency. Order & Decision No. 4 (July 19, 1973) also concerned IBU. Not only has the Labor Relation's Agency appreciated the scope of the PERA but at least one of the marine unions has acquiesced to PERA coverage.

II. SHIPBOARD PERSONNEL ARE "CLASS 2 EMPLOYEES" UNDER THE PERA.

Shipboard personnel represented by MM&P, IBU, and MEBA are bound by the provisions of PERA. AS 23.40.200 of the Act prescribes the duration of and prerequisites to concerted

economic activity against the state. The duration and prerequisite differ according to the employee's inclusion in one of three classes. The three classes are noted at AS 23.40.200(a):

> (1) ["Class 1"] those services which may not be given up for even the shortest period of time;
>
> (2) ["Class 2"] those services which may be interrupted for a limited period but not for an indefinite period of time; and
>
> (3) ["Class 3"] those services in which work stoppages may be sustained for extended periods without serious effects on the public.

"Class 1" employees consist of "police and fire protection employees, jail, prison and other correctional institution employees, and hospital employees." § 200(b). "Class 2" employees are "public utility, snow removal, sanitation and public school and other educational institution employees." § 200(c). "Class 3" employees are all employees not included in Classes 1 or 2. § 200(d).

Clearly shipboard personnel employed aboard Alaska State ferries are Class 2 "public utility" employees. Case law and, indeed, common sense categorize a ferry system as a public utility under AS 23.40.200(c). Public utilities are those services which "regularly supply the public with some commodity or service of public consequences such as electricity, water or transportation." Gulf States Utilities Co. v. State, 46 S.W.2d 1018, 1021 (Tex. 1972); Glenbrook Dev. Corp. v. Brea, 61 Cal. Rptr. 189, 192 (1967); Eagle Bus Lines v. Illinois Commerce Comm'n., 119 N.E.2d 915, 918 (Ill, 1954); Olson v. City of New York, 29 N.Y.S.2d 426, 427 (N.Y. 1941). The Washington Supreme Court treated the state ferry system of that state as subject to public utility regulation. State v. Department of Transportation of Washington, 206 P.2d 456, 475 (Wash. 1949).

In Alaska, ferry services generally are subject to

regulations similar to other public utilities. For example, the Alaska Ferry Transportation Act provides that "No person may engage in the transportation of passengers or vehicles by ferry between points within this state without a certificate of public convenience and necessity issued by the [A]laska Transportation] Commission." AS 42.25.010. The commission issues the certificates only upon a showing of conditions "in the public interest." AS 42.25.020. Alaskan law thus reiterates the concern for public transportation expressed in Gulf States Utilities, supra and other cases.

Since "public utility" is not statutorily defined for purposes of PERA coverage, a plain-reading interpretation must be given. Alaska State Ferry System employees are certainly not "Class 3" employees who provide services in which a work stoppage may be sustained for extended periods without serious effects on the public. AS 23.40.020(a)(3) and .020(c). The detrimental effect of a work stoppage on the Ferry System in Southeast Alaska is only too evident. Closing down a vital mode of transportation in Alaska would seriously affect the public. The public would suffer irreparable damage through economic disruption of the ferry system, a system which carries perishable commodities, visitors and tourists, and intercity cargo. An interruption in the flow of passengers, cargo, and vehicles relying on the ferry system would result in chaotic conditions through Southeast Alaska at least. Evidence presented to the superior court of the First Judicial District demonstrated sufficient disruption to permit issuance of a Temporary Restraining Order against MM&P. State v. MM&P, C.A. 75-287 (Juneau, August 22, 1975).

Neither are the shipboard personnel "Class 1" employees which specifically include only policemen, firemen, jail or hospital employees under AS 23.40.200(a)(1).

It is therefore clear that two lines of logic require designation of shipboard ferry system employees as "Class 2" employees. First, the ferry system itself is a public utility. Second, class 1 and class 3 are wholly inappropriate designations. As a result, shipboard employees of the Ferry System are "Class 2" employees subject to the restrictions on work stoppages set forth in AS 23.40.200(c):

> (c) The class in (a)(2) of this section is composed of public utility, snow removal, sanitation and public school or other educational institution employees. Employees in this class may engage in a strike after mediation, subject to the voting requirement of (d) of this section, for a limited time. The limit is determined by the interests of the health, safety or welfare of the public. The public employer or the labor relations agency may apply to the superior court in the judicial district in which the strike is occurring for an order enjoining the strike. A strike may not be enjoined unless it can be shown that it has begun to threaten the health, safety or welfare of the public. A court, in deciding whether or not to enjoin the strike, shall consider the total equities in the particular class. "Total equities" includes not only the impact of a strike on the organizations and public employers have met their statutory obligations. If an impasse or deadlock still exists after the issuance of an injunction, the parties shall submit to arbitration to be carried out under AS 09.43.030.

III. THE LABOR RELATIONS AGENCY HAS JURISDICTION TO CLASSIFY SHIPBOARD PERSONNEL.

The Labor Relations Agency, as established under PERA, has appropriate jurisdiction to classify shipboard personnel of the Alaska Department of Public Works. The PERA itself statutorily provides the agency's jurisdiction and case law dictates that the agency is the only logical body to make the determination.

The Labor Relations Agency is empowered by PERA to render orders and decisions (AS 23.40.140) or regulations

(AS 23.40.170) to implement the provisions of PERA. The Department of Administration has asked the agency to convene a hearing and make a determination based upon evidence presented at that hearing. That determination is to be implemented in whatever manner deemed appropriate. The power of the agency to conduct a hearing for purposes of determinations necessary to implement the PERA is set forth in AS 23.40.160 which provides in pertinent part:

> (a) For the purpose of the investigation, proceedings, or hearings which the labor relations agency considers necessary to carry out the provisions of §§ 70-260 of this chapter, the labor relations agency may issue subpoenas requiring the attendance and testimony of witnesses and the production of relevant evidence.
>
> (b) The labor relations agency may administer oath, examine witnesses, and receive evidence. (emphasis added).

Contained within the provisions of §§ 70-260 (the PERA) is section 200 concerning classification of public employees. In order to implement the expressed legislative intent of differentiating between classes of employees, the agency logically has the power to convene an evidentiary hearing.

Here, the agency in response to an employer request for guidance, has properly notified the respective parties of the December 15 hearing. Representatives of the marine unions were orally advised on November 10, 1975 of the December 15 hearing and were properly served with written notice shortly thereafter.

If the agency is to be denied an opportunity to receive evidence concerning proper classification of public employees, then such classification is left to ad hoc determinations at the time of a specific unfair labor practice or other grievance. The intent of PERA is to "provide a rational method for dealing with disputes and work stoppages." AS 23.40.-

070. It is irrational to presume that the agency may classify public employees only at such time that a strike, for example, is underway. How are the respective parties to ascertain statutory guidelines and their own expectations? Classification among groups under AS 23.40.200 results in substantially different conditions for work stoppages. Since the State, as sovereign, is immune from strike action except as specifically provided (see, discussion in Part I), it is specious to assert that the State must face strike action without ready application of the guidelines of AS 23.40.200 to a striking group of public employees. The Labor Relations Agency sits as a legislatively created alternative to the courts or to unrestricted collective bargaining activities against the State.

The U.S. Supreme Court has ruled that the NLRB had jurisdiction to consider a collective bargaining agreement prior to an authoritative construction by the courts, because any preclusion of the Board's jurisdiction would produce inordinate delays in the jurisdiction of the aggrieved parties statutory rights. NLRB v. C & C Plywood Corp., 385 U.S. 421 (1967). Here, the employer has statutory rights defining its waiver of sovereign immunity against strike action. To restrict the labor relations agency's jurisdiction -- in the face of PERA provisions -- would force the State to wait for interpretations until an actual grievance such as a strike arose. Such an interpretation of the agency's powers to apply its own expertise runs contrary to the expressed logic of PERA.

IV. CONCLUSION.

For the foregoing reasons, the State of Alaska, Department of Administration submits that shipboard personnel employed by the Alaska Department of Public Works, Marine Transportation, be classified as Class 2 employees for purposes of collective bargaining. The Labor Relations Agency should

render and effectuate its determination of the classification of such shipboard personnel.

DATED this 10 day of December, 1975, at Juneau, Alaska.

Respectfully submitted,

AVRUM M. GROSS
ATTORNEY GENERAL

By: Robert M. Johnson
Robert M. Johnson
Assistant Attorney General

April 19, 1976

Mr. Raymond B. Tee
c/o Alaska Marine Highway System
Pier 48
Seattle, Washington

Dear Ray:

How are you, old friend?

In connection with your letter of April 10th, we'll take a long, hard look at the bill about which you commented.1 Certainly, it appears as if there are inequities in it.

Should the bill get to the floor of the Senate, I don't suppose you would have any objections to my quoting from your letter.

Regards,

Robert H. Ziegler, Sr.

RHZ/pkz

Lake Stevens, Wash.
April 10, 1976

Hon. Robert Zeigler
Alaska State Senate
Juneau, Alaska

Dear Bob:

I have just finished reading a newspaper account of the Alaska Residence Bill that has just passed the House.

As a State Ferry employee who has lived in Alaska for 20 years, I would like to convey my feelings to you on this Bill.

Many of us employed by the State of Alaska are living in Wash., Oregon, Calif., Colorado, Texas, Idaho and else-where. Some of us have recently moved to the Puget Sound area from Alaska and others have never lived in Alaska. All of us Engineers have one thing in common. We were hired through our local union hall in Seattle. When we first started the Ferry System very little thought was given as to who would man the boats. Every one took it for granted that Alaskans would have the jobs, until it was learned that very few Alaskans had the proper licenses, so alot of experienced people had to be hired from outside. Such is still the case.

My own reasons for moving to Seattle are simple. I found myself away from my family for too long a time on annual overhauls. Also in Feb., 1974 I went to school in Calif. for 2 months to up-grade my license. When I returned I was placed on the Malaspina in Seattle for 2 months overhaul. I was then transferred to the Columbia while she was still at Lockheed shipyards in Seattle and was there over 2 months before she sailed. We then spent 6 weeks in the yard for miscellaneous repairs during Oct. and Nov....That was the straw that broke the camels back!!!! I spent a lot of my own money on expenses and 7 months away from home!!!! My case is not rare. Look at the men who spent 4 months in Bellingham on the Malaspina and Seattle this year and the skeleton crew on the Taku who have spent all winter in Seattle. If the State of Alaska is going to continue to lay up boats all winter, the crews will continue to move their families to Seattle. Its as simple as that.

I do not feel that I am worth less money than my fellow workers who live in Alaska. I feel that the Bill will do more harm than good.

Thank you for your interest in this matter.

Sincerely,

Raymond B. Tee

Raymond B. Tee

Pier 48

Lake Stevens, Wash.
April 25, 1976

Dear Bob:

In connection with your letter of April 19, 1976: I would have no objections to your quoting from my letter of April 10th.

If this bill becomes law it raises the question as to whether those of us residing outside of the State of Alaska would still have to pay Alaska taxes and Alaska State income tax on money earned while we were physically outside the State of Alaska but still working on the ships.

Will be up in June to do some trout fishing - hope to see you then.

Ray Lee

Original sponsor: Judiciary Committee

Offered: 3/19/76
Referred: Rules

IN THE HOUSE

CS FOR HOUSE BILL NO. 842

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to pay differentials between state ferry employees residing inside and outside the state."

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

* Section 1. AS 23.40.040 is amended to read:

Sec. 23.40.040. COLLECTIVE BARGAINING AGREEMENT. The commissioner of public works or his authorized representative, in accordance with secs. 10 - 30 of this chapter, may negotiate and enter into collective bargaining agreements concerning wages, hours, working conditions, and other employment benefits with the employees of the division of marine transportation engaged in operating the state ferry system as masters or members of the crews of vessels or their bargaining agent. No collective bargaining agreement is final without the concurrence of the commissioner of public works. The commissioner of public works may make provision in the collective bargaining agreement for the settlement of labor disputes by arbitration. A collective bargaining agreement negotiated under authority of this section shall provide for an area differential in pay as between employees residing inside and outside the state to reflect the difference in the cost of living for those employees.

Original sponsor: Judiciary Committee

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Introduced: 2/26/76
Referred: State Affairs and Finance

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Introduced: 2/26/76
Referred: State Affairs and Finance

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