

HB

54

# COMMITTEE REPORT

## HOUSE

2/4/81

FURTHER: FINANCE

(11)

Date: FEBRUARY 17, 1981

Mr. Speaker:

The Committee on RESOURCES has had HB 54

"An Act relating to the salaries of commissioners of the Oil and Gas Conservation Commission; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 54  same title  
 new title
- and recommends DO PASS
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

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[Signature]

[Signature]

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Do Pass

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

CHAIRMAN

Introduced: 2/4/81  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 54

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the salaries of commissioners of  
7 the Oil and Gas Conservation Commission; and pro-  
8 viding for an effective date."

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

10 \* Section 1. AS 31.05.015 is repealed and reenacted to read:

11 Sec. 31.05.015. COMPENSATION OF MEMBERS OF THE COMMISSION. Mem-  
12 *the chairman is entitled to a monthly salary equal to Step E, Range 28 and the remaining two members*  
bers of the commission are in the exempt service and are entitled to [A]  
13 monthly salary <sup>ies</sup> equal to Step [C] <sup>D</sup> Range [26] <sup>28</sup> of the salary schedule in AS  
14 39.27.011(a) for Juneau, Alaska.

15 [\* Sec. 2. The salaries of persons serving as members of the Oil and Gas  
16 Conservation Commission as of the effective date of this Act will not be re-  
17 duced, but will remain at the present rate until the rate set by this Act  
18 exceeds their current salaries.]

19 Sec. 3 This Act takes effect immediately in accordance with AS 01.10.  
20 070(c).

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 19, 1981

SUBJECT: Oil and Gas Conservation Commission salaries  
(CSHB 54)

TO: Representative Terry Gardiner  
Chairman, House Resources Committee

FROM: John B. Chenoweth  
Legislative Counsel

If the commission conducts business in Anchorage, are they to be paid at the rate for Juneau? I took my cue from the governor's bill on this and, while there is now no distinction between Juneau and Anchorage rates, that may not always be so.

JBC:ljb

Enclosure



# Alaska State Legislature

## House of Representatives

### Committee on Resources

Terry Gardiner, Co-Chairman  
Fred F. Zharoff, Co-Chairman  
465-3715

Pouch V  
State Capitol  
Juneau, Alaska 99811

February 17, 1981

#### HB 54 SUMMARY

- Sec 1. Changes Commissioners compensation from an annual salary (set by DNR) to the salary schedule of other Regulatory Commissions - currently \$57,828.
- Sec 2. A "grandfather clause" which freezes present salaries of Commission members until pay scale catches up to them.

NOTE: Current Commissioners and salaries are:

Harry W. Kugler	\$58,656
Lonnie C. Smith	58,656
Hoyle H. Hamilton	60,792

New commissioners will be paid at Step C, Range 26 (\$57,828)

ALASKA OIL AND GAS CONSERVATION COMMISSION

Commissioners

October 31, 1980

J.F. Green

Resignation.

It is with optimism and regret that I herewith tender my resignation from state service, effective November 21, 1980. I have enjoyed the nearly four years I have been employed both as director of DMEM and as reservoir engineer for the Commission. Both jobs were challenging and rewarding and the people with which I have worked of have been excellent. The recent salary limitation (first imposed by Mr. LeResche and later by the Department of Administration) is however, too restrictive and makes it imperative that I seek other employment. I regret leaving the Commission short handed just when so many issues require experienced reservoir engineering input, however the aforementioned salary "freeze", renders the state no longer competitive and gives rise to this action.

The opportunity for a diversified new career also plays an important part in my decision. I have attempted to stay abreast of many of the facets of petroleum operations and this new opportunity affords me the chance to continue this endeavour. My new duties will be exclusive of Prudhoe and Kuparuk River operations which have occupied my time the past two plus years. Therefore there will be no conflict of interests in this move from state government.

I wish to reemphasize that my action is in no way a reflection of dissatisfaction with the Commission. Even though I will be on the other side of the street, so to speak, I sincerely hope we can continue the warm relations we have enjoyed in the past.

JFG:mmm

January 12, 1981

Speaker of the House  
Alaska State Legislature  
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill which sets the salaries for commissioners of the Oil and Gas Conservation Commission at the same rate paid to other regulatory commissioners (Alaska Transportation Commission, Alaska Public Utilities Commission, Alaska Pipeline Commission, and Commercial Fisheries Entry Commission).

The bill establishes the salary at Range 26, Step C, of the state pay plan set out in AS 39.27.011(a). This will provide equal treatment for all of the regulatory commissioners, and will avoid the possibility of arbitrary action with regard to their salaries. The salaries of Oil and Gas Conservation Commission members have not been set by statute in the past; it is important to avoid the appearance as well as the fact of possible undue influence on their decisions. This bill will help assure the independence of this commission, as intended by the legislature.

A "grandfather's clause" is included to protect the salaries of the current Oil and Gas Conservation Commission members until the pay scale in AS 39.27.011(a) catches up to them.

Sincerely,

S/JSH

Jay S. Hammond  
Governor

I. REQUEST  
 Bill/Resolution No. HOUSE BILL NO. 54  
 Title An Act Relating to the Salaries of Commissioner of the Oil & Gas Commission  
 Requested by Governor's Office Date 11-18-80

II. FISCAL DETAIL  
 Agency Affected Natural Resources  
 Program Category Affected NRMEC  
 BRU, Program, or Subprogram(s) Affected Oil & Gas Commission  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill will not change the salaries of present Commissioners, but will freeze present salaries until they are equal to Step C, Range 26 of the salary schedule. New Commissioners will be paid at Step C, Range 26.

IV. DATE 11-18-80 PREPARED BY Judy Crondahl  
 AGENCY Administration  
 PHONE 465-2277  
 Origin: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

Introduced: 2/4/81  
Referred: Resources and  
Finance

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10 \* Section 1. AS 31.05.015 is repealed and reenacted to read:

11 Sec. 31.05.015. COMPENSATION OF MEMBERS OF THE COMMISSION. Mem-  
12 bers of the commission are in the exempt service and are entitled to a  
13 monthly salary equal to Step C, Range 16 of the salary schedule in AS  
14 39.27.011(a) for Juneau, Alaska.

15  Sec. 2. The salaries of persons serving as members of the Oil and Gas  
16 Conservation Commission as of the effective date of this Act will not be re-  
17 duced, but will remain at the present rate until the rate set by this Act  
18 exceeds their current salaries.

19 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.  
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24 *instead of a black hat*  
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