

HB

qo

Rep Goh
C-17

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* DELIVER TO: TCJNU *
* ORIGINAL *
* SENT: 02/21/86 TIME: 15:46 *
* FROM: ELAINE SUNDE *
* SUBJECT: 2/21 H-CRA FINAL STATS *
* PRINT DATE: 02/21/86 TIME: 15:48 *
* * * * *

TO MODERATOR
FR ELAINE, SITKA

FINAL STATS 2/21 H-C&RA HB 90

TESTIFYING IN SITKA:

1. LENNIE SHOREY, SITKA SCHOOL DISTRICT EMPLOYEE
BOX 2182, SITKA 99835 747-5075

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 * DELIVER TO: TCJNU *
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 * ORIGINAL *
 * SENT: 02/21/86 TIME: 16:33 *
 * FROM: JUNE GALLEY *
 * SUBJECT: T/C FINAL STATS WRANGELL *
 * PRINT DATE: 02/21/86 TIME: 16:34 *
 *

*** FINAL T/C STATS ***

DATE: FEBRUARY 21, 1986 _____
 SITE: WRANGELL _____
 SPONSOR: HOUSE COMM. AND REG. AFFAIRS _____
 SUBJECT: HB 90--LABOR RELATIONS _____
 LOCAL MODERATOR: MABEL FENNIMORE _____

TESTIFIED:

NAME/REPRESENTING ADDRESS PHONE

1. TEDI SIMS, PO BOX 1553, WRANGELL, AK. 99929 (874-3720)

OBSERVED:

NAME/REPRESENTING ADDRESS PHONE

1. ANN KIRKWOOD, PO BOX 798, WRANGELL, AK. 99929 (874-2301)
2. MAUREEN LAURENCE, PO BOX 1311, WRANGELL, AK. 99929 (874-3391)
3. ROBERT S. PRUNELLA, PO BOX 197, WRANGELL, AK. 99929 (874-3738)
4. EADIE MONTGOMERY, PO BOX 1002, WRANGELL, AK. 99929 (874-3934)
5. DICK BARTON, PO BOX 1018, WRANGELL, AK. 99929 (874-3045)
6. CHERIE YOUNG, PO BOX 1230, WRANGELL, AK. 99929 (874-3037)

TESTIFIED: ____1____
 SERVED: ____6____
 TOTAL: ____7____

TIME START: ____3:00PM__
 TIME END: ____3:45PM__

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* DELIVER TO: TCJNU
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* ORIGINAL
* SENT:          02/21/86  TIME: 15:53
* FROM:          TCANC
* SUBJECT:       (H) C&R AFFAIRS T-C STATS
* PRINT DATE:   02/21/86  TIME: 15:55
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*** FINAL T/C STATS ***

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DATE: _____FEBRUARY 21, 1986_____
SITE: _____ANCHORAGE_____
SPONSOR: _____HOUSE COMMUNITY AND REGIONAL AFFAIRS_____
SUBJECT: _____HB 90 - LABOR RELATIONS_____
LOCAL MODERATOR: _____DAVID J_____

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TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
WILLIAM ECKELS	4600 DEBARR ROAD	ANCH 99503 264-2178

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
NONE		

TESTIFIED: ___01___	TIME START: ___3PM___
OBSERVED: ___00___	TIME END: ___4:45PM___
TOTAL: ___01___	

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* DELIVER TO: TCJNU
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* ORIGINAL
* SENT: 02/21/86 TIME: 15:48
* FROM: TCFBX
* SUBJECT: 2/21 HC&RA HB 90, LABOR REL
* PRINT DATE: 02/21/86 TIME: 15:50
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FINAL T/C STATS

DATE: 2/21/86
SITE: FAIRBANKS MODERATOR PAULA GRAY

SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS
SUBJECT: LABOR RELATIONS

NAME/REPRESENTING	ADDRESS	PHONE
TESTIFIED:		
1. FRANK BELTS	21.8 CUSHMAN ST, FBX 99701	452-2023

OBSERVED

1. CINDY SPANYERS	819 1ST AVE, FBX 99701	456-2030
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TESTIFIED: 1 TIME START: 3:00 PM TIME END: 3:40 PM

OBSERVED: 1
TOTAL: 2

*
* DELIVER TO: TCJNU *
*
* ORIGINAL *
* SENT: 02/21/86 TIME: 16:19 *
* FROM: JUNE GALLEY *
* SUBJECT: KTN. FINAL STATS HB 90 *
* PRINT DATE: 02/21/86 TIME: 16:20 *
*

*** FINAL T/C STATS ***

DATE: FEBRUARY 21, 1986 _____
SITE: KETCHIKAN _____
SPONSOR: HOUSE COMM. AND REG. AFFAIRS _____
SUBJECT: HB 90--LABOR RELATIONS _____
LOCAL MODERATOR: JUNE GALLEY _____

TESTIFIED: 0

OBSERVED: 0

TESTIFIED: ___0___ TIME START: ___0___
OBSERVED: ___0___ TIME END: ___0___
TOTAL: ___0___

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* DELIVER TO: TCJNU *
* *
* ORIGINAL *
* SENT: 02/24/86 TIME: 10:31 *
* FROM: LIOBAR *
* SUBJECT: 2/21 HB 90 T/C *
* PRINT DATE: 02/24/86 TIME: 10:35 *
* *

FINAL STATSFINAL STATS***FINAL STATS***FINAL STATS***

BARROW LIO
2/21/86
HOUSE C&RA
HB 90: LABOR RELATIONS

-----TESTIFY/OBSERVE

BARROW PARTICIPANTS:
1) NO ONE

TESTIFIED: 0 OBSERVED: 0 TOTAL: 0

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* DELIVER TO: TCJNU
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* ORIGINAL
* SENT: 02/21/86 TIME: 15:50
* FROM: LIOBET
* SUBJECT: FINAL STATS
* PRINT DATE: 02/21/86 TIME: 15:51
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FINAL STATS

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T/C: HOUSE STATE C-RA AFFAIRS
SUBJECT: LABOR RELATIONS
DATE: 2-21-86
SITE: BETHEL
TIME IN: 3:00
TIME OUT: 3:40I
MODERATOR: REGGIE BELDEN

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IN BETHEL TESTIFYING

1. BILL ADAMS BOX 27 BEHTEL, AK 99559 543-2172
 2. STEVE MURAT BOX 522 BETHEL 543-3109
 3. DON FANCHER GENERAL DELIVERY BETHEL, AK 99559 543-3611 XT
- 252

*
 * DELIVER TO: TCJNU
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 * ORIGINAL
 * SENT: 02/21/86 TIME: 16:47
 * FROM: FALEENE BIGGS
 * SUBJECT: HAINES STATS
 * PRINT DATE: 02/21/86 TIME: 16:50
 *
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*** FINAL T/C STATS ***

DATE: FRIDAY, FEBRUARY 21, 1986
 SITE: HAINES LTC
 SPONSOR: HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE
 SUBJECT: HB 90, LABOR RELATIONS--SCHOOL BOARDS & PUB. EMPLOYEES
 LOCAL MODERATOR: ELAINE SUNDE & FALEENE BIGGS

TESTIFIED:

1. ENID VERGON, P.O. BOX 252, HAINES, AK 99827
2. HENRY CHATONEY, P.O. BOX 683, HAINES, AK 99827

TESTIFIED: _____	2	TIME START: _____	3:00
OBSERVED: _____	0	TIME END: _____	3:40
TOTAL: _____	2		

Legal counsel. (a) The attorney general is legal counsel to the commission. The attorney general shall advise the commission on legal matters arising in the discharge of its duties and represent the commission in actions to which it is a party. If, in the opinion of the commission, the public interest is not adequately represented by counsel in a proceeding, the attorney general, upon request of the commission, shall represent the public interest.

(b) The commission may employ temporary legal counsel from time to time in proceedings before the commission in which the attorney general is representing the public interest or a party before the commission. (§ 6 ch 113 SLA 1970)

Sec. 42.05.120. [Repealed, § 5 ch 113 SLA 1970.]

Sec. 42.05.121. Employment of commission personnel. (a) The commission may employ an executive director who shall have had at least five years of experience in public utility management or regulation, law, accounting, engineering, or an allied field. The executive director is responsible for directing the administrative functions of the commission and carrying out the policies as set by the commission. The commission may employ engineers, hearing officers, administrative law judges to the extent provided by AS 42.06.140(b), experts, clerks, accountants, and other agents and assistants it considers necessary. Employees and agents of the commission who are not partially exempt under AS 39.25.120, other than legal counsel, are in the classified service under AS 39.25.100.

(b) In addition to its staff of regular employees, the commission may contract for and engage the services of consultants and experts the commission considers necessary. (§ 6 ch 113 SLA 1970; am § 2 ch 103 SLA 1978; am § 2 ch 136 SLA 1980; am § 5 ch 110 SLA 1981)

* Sec. 4. AS 42.05.121 is amended to read:

Sec. 42.05.121. EMPLOYMENT OF COMMISSION PERSONNEL. (a) The commission may employ an executive director who shall have had at least five years of experience in public utility management or regulation, law, accounting, engineering, or an allied field. The executive director is responsible for directing the administrative functions of the commission and carrying out the policies as set by the commission. The commission may employ engineers, hearing officers, administrative law judges to the extent provided by AS 42.05.171 and AS 42.06.140(b), experts, clerks, accountants, and other agents and assistants it considers necessary. The executive director, deputy director, attorneys, hearing officers, and administrative law judges are in the partially exempt service under AS 39.25.120. Other employees (EMPLOYEES) and agents of the commission (WHO ARE NOT PARTIALLY EXEMPT UNDER AS 39.25.120, OTHER THAN LEGAL COUNSEL,) are in the classified service under AS 39.25.100.

(b) In addition to its staff of regular employees, the commission may contract for and engage the services of consultants and experts the commission considers necessary to advise, recommend, or testify in a specific proceeding. The commission may not contract for advice on legal matters unless the attorney general is representing the public interest under AS 42.05.111.

* Sec. 5. AS 42.05.121 is amended by adding a new subsection to read:

(c) The commission shall maintain accurate records of the time devoted by a consultant or expert to each matter and the services provided. The services shall be described in reasonable detail.

Sec. 42.05.123. Communications carriers section. (a) There is established within the commission a communications carriers section which shall develop, recommend and administer policies and programs with respect to the regulation of rates, services, accounting and facilities of communications common carriers within the state involving the use of wire, cable, radio and space satellites.

(b) The section shall advise and make recommendations to the commission and represent the commission in matters pertaining to communication common carrier regulation and licensing and shall participate, as a party, in adjudicatory hearings in which significant common carrier issues are involved.

(c) It is the responsibility of the communications carrier section in its participation in rate or tariff adjudication proceedings to advocate and provide support for the lowest practicable rate under the circumstances. (§ 1 ch 224 SLA 1976)

Collateral references. — Community antenna television systems (CATV) as subject to jurisdiction of state public utility or service commission, 61 ALR3d 1150. Federal legal problems arising from subscription television or "pay TV" broadcast over the air, 61 ALR Fed 809.

Sec. 42.05.130. [Repealed, § 5 ch 113 SLA 1970.]

Sec. 42.05.131. Restrictions on members and employees. (a) A member of the commission or an employee of the commission may not have an official connection with, or hold stock or securities in, or have a pecuniary interest in a public utility within the state. Membership in a cooperative association is not a "pecuniary interest" within the meaning of this section; however, a member or employee of the commission may not be an officer, board member or employee of a cooperative association. A member or employee may not act upon a matter in which a relationship of the member or employee with any person creates a conflict of interest.

(b) A member or employee of the commission may not, after leaving the position as a member or employee of the commission, act as agent for or on behalf of a public utility in any matter before the commission that was before the commission during the employee's employment or the member's term of office. A violation of this subsection is a class A misdemeanor. (§ 6 ch 113 SLA 1970; am § 3 ch 136 SLA 1980)

HOUSE
COMMITTEE REPORT

(7)
Date referred: 1/24/86

FURTHER REFERRALS: FINANCE

(HESS WAIVED 1/24)

DATE: 2-21-86

The COMMUNITY &
REGIONAL AFFAIRS

Committee has considered

HB 90

"An Act relating to labor relations between school boards and other public employers and their employees."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with _____ same title
- replace with _____ new title

and recommends _____

further referral to the Finance Committee

- and attaches:
- letter of intent
 - first fiscal note
 - new fiscal note
 - zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Rob Kegan

ROBE ROBE

W. H. Harnage

Peter J. ...

W. J. ...

A. W. MARRON DO NOT PASS

OVERRULES LOCAL ELECTED SCHOOL BOARDS.

F. Kofwaller DO NOT PASS

Peter J. ...

Chairman

STATE OF ALASKA

DEPARTMENT OF LABOR

LABOR STANDARDS AND SAFETY DIVISION

FEB 11 RECD
BILL SHEFFIELD, GOVERNOR

P.O. BOX 630
JUNEAU, ALASKA 99802
PHONE: (907)-465-4870

February 11, 1986

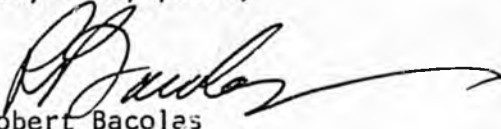
The Honorable Kay Wallis
Vice-Chairman
Community and Regional Affairs Committee
House of Representatives
P.O. Box "V" - Mail Stop 3100
Juneau, Alaska 99811

Dear Representative Wallis:

In reference to my testimony before the committee on February 10, 1986, with regards to House Bill 90. I have enclosed ten (10) copies of the Department's Briefing Paper which defines the Department's role under this bill. This document was prepared during the waning day of the last session, however, was not submitted as the bill was not scheduled for hearing.

If I can be of any further assistance or you have any questions, feel free to contact me at anytime.

Very truly yours,



Robert Bacolas
Director
Labor Standards and Safety

BRIEFING PAPER
HOUSE BILL No.90

Under this bill, the Department of Labor would act as the labor relations agency for 53 separate school districts involving approximately 4,400 non-certified employees. The Department would be responsible for investigating representation petitions, determining appropriate units for collective bargaining purposes, conducting elections, investigating unfair labor practices, conducting preliminary hearings and formal hearings under the Administrative Procedure Act, mediating labor disputes, strike action, resolving grievances, acting as a mediation and conciliation service subsequent to impasse during collective bargaining negotiations, and acting as an arbitration tribunal for the formal resolution of grievances pursuant to a collective bargaining agreement being entered into between school districts and labor organizations.

There are a number of employee groups and labor organizations that have indicated an interest in organizing this sizable group of public employees. Except for the four larger school districts in the state (Juneau, Anchorage, Kenai, and Fairbanks) which are loosely organized, virtually all other school districts are unorganized and unaffiliated. It would be necessary for the labor relations agency to determine community of interest groups, to hold representational elections, and to respond to unfair labor practice charges and related disputes.

Other states which have enacted PERA laws to cover this class of employees have advised the Department that during the first few years the laws were in effect, management or employee representatives of 50 percent of the covered school districts filed unfair labor practice charges which resulted in hearings before the labor relations agency. The hearings typically last from one to five days. Assuming that our experience would be comparable to that of other states, we would expect that approximately 26 of the school districts would generate unfair labor practice charges requiring hearings before the labor relations agency. Under PERA, such hearings are required to be heard by an attorney hearing officer using the Administrative Procedure Act guidelines.

In addition to unfair labor practice proceedings, we expect approximately 50 percent of the 53 school districts to be involved in employee organizing during the first year the new law is in effect. In each case, the Department would be responsible for determining the appropriate unit for collective bargaining, based upon such factors as community of interest, wages, hours, and other working conditions of the employees involved, and the history of collective bargaining and the desires of the employees.

Our experience with political subdivisions shows that the average representation/certification proceeding spans a period of two months. The proceeding begins with the filing of a petition by a labor organization with the agency which demonstrates a showing of a community of interest within the employee group to be represented.

The Department must then examine employer records to determine the accuracy of the information listed in the petition and whether or not a showing of a community of interest actually represents a minimum of 30 percent of the work force required for an election to be conducted. Once the community of interest has been verified, the petition is then posted for a period of 15 days to allow sufficient time for the employer or other interested persons to file objections to the conduct of an election or for intervention by other labor organizations. The 15-day posting period is also used to respond to inquiries generated by the petition and to prepare ballots, mailers, and other documents required by statute.

After the 15-day posting period, there is then a period of about two to three weeks when the agency will schedule hearings to resolve objections or challenges to the conduct of an election, to clarify the community of interest, and to make investigations into the right of an intervener to appear on the ballot. Once these issues have been resolved, the election can proceed. Two persons are required to conduct an election at the polling place to ensure that the persons voting are so entitled, that there is no tampering with the secret ballot process, and that electioneering is not conducted within the restricted limits of the polling place. After polling is completed, the ballots must be counted and notification given to all parties, who may challenge the conduct of the election, challenge any ballot, call for recount, or challenge the right to vote of any member of the community of interest. Once the election challenges have been resolved, a bargaining unit is then certified or representation is denied, based upon the vote of the majority. After certification, the agency acts as mediator if the parties reach an impasse during collective bargaining negotiations or acts as an arbitration tribunal to resolve formal grievances under the executed collective bargaining agreement.

Based on past experience, the Department anticipates that coverage of non-certified school employees will require substantial time and resources. Even though many of the employees covered by this legislation are in communities accessible by road, the majority of the school districts are located in the rural areas of Alaska and are accessible only by air travel, ferry, or charter aircraft. Typically, it would require two days of travel to conduct pre-election hearings, and two days of travel to conduct post-election hearings and certification. Moreover, if unfair labor practice charges are generated during the organizational activities or as a result of pre-election campaign interference, this would increase costs significantly. Hearings on unfair labor practice charges require an attorney hearing officer and are conducted under the formal rules of the Administrative Procedure Act. Such hearings are required whenever mediation or conciliation fails to resolve the unfair labor practice complaints or objections to the conduct of an election.

To illustrate the costs associated with representation/certification proceedings, the Department acting as a labor relations agency was recently involved in a lengthy and complex case involving 253 employees in the City of Fairbanks. This situation came about when the City of Fairbanks opted back into PERA in September of 1983. The size and composition of the unit would be equivalent to one medium-sized school district. The Department expended over 1,200 manhours to resolve the issues and certify the bargaining units. The personal services cost of these manhours which include clerical support,

investigators, hearing officers, and board member activities was \$34,000; travel and per diem was \$3,600; transcription cost was \$2,900; mailing, postage, and phone costs were \$300; the total cost of this activity was over \$41,000.

Other examples of the magnitude and complexity of labor relations activity related to school districts and PERA include the following:

- A. The State of Florida by legislative act recently transferred Labor Relations activity for school districts to their public employees relations board. The board's estimated cost for the initial hearings for each school district to clarify communities of interest, appropriateness of bargaining units, and intervention was approximately \$1,500 per day including transcription of the record but exclusive of travel and per diem costs. Hearings for small school districts usually required only one day. The larger districts, however, took several days. The Florida board estimates the cost of an onsite election for their school districts at \$5.00 per employee. Their largest district has 800 workers and cost \$4,000 for the election proceedings alone.
- B. The State of Oregon Public Employee Relations Board has an annual budget of \$1.25 million. They carry an annual case load of 300 matters including elections, unfair labor practices, petitions, and de-certifications. Sixty (60) cases deal with representation, which is about 1/5 of their case load. They allot \$250,000 each year to this type of activity. This figure is slightly larger than what the Department expects with 53 school districts in Alaska.

In summary, the Department believes that our first-year costs are comparable to those of other states. Moreover, in consideration of the higher cost of doing business in Alaska, particularly travel costs, we do not believe that the fiscal note associated with this legislation is extraordinary.

Without adequate funding, the Department would be unable to comply with the statutory mandate of this legislation and could well find itself explaining to a Superior Court judge why it is unable to hold hearings, conduct elections, and otherwise carry out its duties. The end result could be similar to the litigation that occurred a few years ago when the Workers' Compensation Division was unable to get the decisions out on time.

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: 2/19/86

REQUEST

Bill/Resolution No.: HB 90
 Title: "An Act relating to labor relations between school boards...."
 Sponsor: Koponen
 Requestor: House Comm. & Regional Affairs
 Date of Request: 2/7/86

FISCAL DETAIL

Agency Affected: Labor
 BRU: Labor Standards & Safety
 Components: Wage and Hour

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		43.7	43.7	43.7	43.7	43.7
TRAVEL		18.9	19.7	15.9	16.5	17.5
CONTRACTUAL		49.5	51.5	25.7	26.7	27.8
SUPPLIES		1.0	1.0	1.0	1.0	1.0
EQUIPMENT		2.0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	115.1	115.9	86.3	87.9	89.7

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND	0	115.1	115.9	86.3	87.9	89.7
FEDERAL FUNDS						
OTHER						
TOTAL	0	115.1	115.9	86.3	87.9	89.7

POSITIONS :

FULL-TIME	0	1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by: ^{MS} Robert J. Bacolas, Director
 Division: Labor Standards and Safety

Phone: 465-4870

Date: 2/19/86

Approved by Commissioner: ^{MS} Jim Robison
 Agency: Labor

Date: 2/19/86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 90

Under this bill, the Department of Labor will act as the Labor Relations agency for all school districts and will be responsible for investigating representation petitions; determining appropriate units for collective bargaining purposes; investigating unfair labor practices; monitoring elections; and holding representation and unfair labor practices hearings.

One investigator (located in Anchorage) is required to conduct the investigations, to monitor the elections, and to hold informal hearings.

In addition to the costs associated with the one Wage and Hour Investigator, the fiscal note also includes costs to contract for a hearing officer on 13 occasions (\$12,000) and court reporting services including transcripts (\$12,300), plus printing (\$7,200) and legal costs (\$7,000), and telephone and postage (\$9,000). A total of \$8,400 has been included in travel for the hearing officer's transportation and per diem - thirteen trips of two days each [$(\$466 + \$180) \times 13$].

Total line item costs for FY 87 are as follows:

Personal Services	\$ 43,680
Travel	18,900
Contractual Services	49,500
Commodities	1,000
Equipment	2,000
TOTAL	<u>\$115,080</u>

Of these costs, only the equipment costs of \$2,000 are one-time items.

For FY 88 through FY 89, an inflation rate of 4.0 percent has been used for all line items except personal services.

Other Assumptions:

1. Effective date of July 1, 1986
2. There are 52 school districts in the state and contracts of 26 school districts will come up for renegotiation each year.
3. Twenty-five percent of the school districts which equates to approximately 13 per year for the first two years, will file unfair labor practice charges requiring hearing before the labor relations board. After the first two years the organizational activities will be completed and hearing officer costs for travel and professional fees will decline by 50%. Hence the reduced cost in FY 89 and forward.

Position Title Wage and Hour Investigator I			No. of Positions	Range/Step 16A	Barg. Unit	Gov.	Approv.	Disapp.
Time Status P F T	Staff Months 12	RP Number	Location Anchorage	Election District		Leg.		
Type of Expenditure			Justification					
Amount			<p>This position will conduct investigations and informal hearings of unfair labor practices complaints filed with this agency. The position will be responsible for monitoring school district representation elections and assisting school districts in complying with state and federal labor relations laws. The investigator will travel extensively throughout the state performing these investigations, hearings, and monitoring functions.</p> <p>Travel funds allow for 12 (four-day) trips, costing an average of \$539 for transportation and \$340 for per diem.</p> <p>Contractual services costs include average costs of \$2000.</p> <p>Normal commodities of \$1,000 and a one-time equipment expense of \$2,000 are also included.</p>					
1	2	3						
Salary	33,600							
Benefits	10,080							
Premium Pay	-							
Other	-							
Total Personal Services		43,680						
Travel		10,500						
Contractual		2,000						
Commodities		1,000						
Equipment		2,000						
Other								
Total Cost		59,100						
Receipt Code	Funding Source							
	Federal Receipts	1002						
	G. F. Match	1003						
	General Funds	1004	59,100					
	I-A Receipts	1005						
	Program Receipts	1028						
	CIP Receipts	1061						
	Other							
For B&M Use Only								
Key Number								

**Request For
New Position**

Agency Department of Labor
 BRU Labor Standards and Safety
 Component Wage and Hour Administration

Page 1 of 1
 Revised Date _____

FY 87

Bill No. House Bill No. 90

Date February 7, 1986

Title "An Act relating to labor relations between school boards and other public employers and their employees."

Contact: Eileen Plate
465-2700
Bob Bacolas
465-4870

This legislation makes it mandatory for all school boards and municipalities to permit their noncertificated employees to enter into collective bargaining and mandates coverage by the Public Employment Relations Act (PERA).

Under this bill, the Department of Labor would become the labor relations agency for 53 separate school districts (including REAA's) involving approximately 4,400 noncertificated employees. The Department would be responsible for investigating representation petitions; determining appropriate units for the purpose of collective bargaining; conducting elections; investigating unfair labor practices; conducting preliminary hearings and formal hearings under the Administrative Procedures Act; mediating labor disputes; monitoring strike actions; resolving grievances; and mediating and arbitrating disputed issues subsequent to impasse during collective bargaining negotiations.

- Section 1: Amends AS 23.40.100(b) to make it mandatory that "no representation" be a choice on all election ballots for elections conducted by the labor relations agency under PERA.
- Section 2: Amends AS 23.40.200(c) to permit noncertificated employees of a school board to engage in a strike.
- Section 3: Adds a new section to AS 23.40 to prohibit a school board or municipality from rejecting having the provisions of the PERA apply to its relations with its noncertificated school employees.
- Section 4: Amends AS 23.40.250(6) to define public employees to include noncertificated employees of school boards and to exclude certificated employees.
- Section 5: Amends AS 23.40.250(7) to define a public employer to include school boards.
- Section 6: Amends AS 23.40.250 by adding a new paragraph to define a school board as including a regional education attendance area.
- Section 7: Provides for existing collective bargaining units, agreements, and recognized bargaining representatives to remain status quo.

There are 53 school boards within the State of Alaska (including REAA's). Therefore, the Department of Labor as the labor relations agency could be monitoring elections for the 53 separate school boards and holding hearings to settle grievances or unfair labor practice charges involving approximately 4,400 noncertificated employees.

Four school districts are presently organized or have a collective bargaining agreement with a union or an association. These are Fairbanks, Kenai, Juneau, and Anchorage.

The Department supports the concept of extending collective bargaining to this group of public employees.

The Department's fiscal note is attached.

APPROVED:



Jim Robison, Commissioner
Department of Labor

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 21, 1985

SUBJECT: Sectional analysis of HB 90 (Labor relations between school boards and their employees)

TO: Representative Niilo Koponen

FROM: Teresa B. Cramer *Teresa Cramer*
Legislative Counsel

You have asked for a sectional analysis of HB 90.

Section 1 amends the Public Employment Relations Act (PERA) by requiring that in an initial election to select which bargaining organization will represent the employees of a bargaining unit, the ballot must include a "no representation" choice.

Section 2 amends the subsection that defines those public employees whose right to ~~strike~~ is limited and removes the noncertificated employees of school boards from that group. This removal, when combined with the amendment in section 4 of this bill, has the effect of making noncertificated employees members of the class in AS 23.40.200(a)(3) with an unlimited right to strike.

Section 3 requires school boards to negotiate with non-certificated employees who choose to participate in collective bargaining.

Section 4 amends the definition of "public employee" in the PERA to remove noncertificated employees from the exception to the definition. This has the effect of including non-certificated employees of school boards within the definition and making the PERA applicable to them. The change from "school districts" to "school boards" is a stylistic change only.

Section 5 makes technical amendments for style to the definition of "public employer." The municipal code does

Representative Niilo Koponen
February 21, 1985
Page 2

not refer to towns and therefore "town" is deleted from this definition.

Section 6 adds a definition of "school board" to the Public Employment Relations Act since noncertificated employees of school boards are now included within its scope.

Section 7 guarantees that the bill will not be interpreted to change any existing collective bargaining contracts. This is required by the constitutional prohibitions against impairing the obligations of contracts.

If I may be of further assistance, please advise.

TBC:ojb
J12/001



Alaska Public
Employees Association **APEA**

~~State Headquarters: 640 N. Franklin, Juneau, AK 99801 (907) 586-2334~~
210 Ferry Way, Suite 200, Juneau, AK 99801
(907)586-2334

MEMORANDUM

TO: Representative Peter Goll, Chairman
House Community and Regional Affairs Committee

FROM: Cherie Shelley
Executive Director

SUBJECT: HB 90: Collective Bargaining for School Employees

DATE: February 10, 1986

The Alaska Public Employees Association supports the provisions of HB 90 which grants collective bargaining rights to the noncertificated employees of school boards. These employees are the only public employees excluded from collective bargaining.

Noncertificated employees include teachers' aides, secretaries and custodians. They are traditionally the lowest paid public employees in Alaska. They are the only employees in the educational system who absorb the economic backlash when school boards intimate financial problems.

APEA urges the committee to act favorable on this bill. Passage will promote better employer-employee relations by affording noncertificated school employees the same collective bargaining rights provided to teachers and other public employees.

CS/kr

FROM: Frank Beltz
Classified Personnel - 452-2023
2118 Cushman St.
Fairbanks, Alaska

January 25, 1985

TESTIMONY IN SUPPORT OF HOUSE BILL 90

In 1972 the Alaska State Legislature established the Public Employment Relations Act. The Legislators recognized the benefits of joint decision making, the need for established guidelines and the necessity for a rational method to resolve disputes.

The Declaration of Policy states: 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.

This statute determined the rights of public employees and employers. Then it singled out the classified employees of school districts, for reasons unknown to us, and denied those established rights.

The bill before you, H.B. 90, seeks to amend the Public Employment Relations Act and rectify this injustice.

The inequity created by the lack of legislation has had far reaching effects. There are many specific incidents where the classified employees of the Fairbanks North Star Borough School District have suffered from this disparity. At this time I would like to relate just a few of those incidents to you in an effort to illustrate the pressing need for this legislation.

In 1976 the sense of responsibility by individual employees was the only element that prevented the school district from being totally disrupted by internal union problems. At that time the employees and the School Board found themselves caught in the middle of a representation struggle between APEA and the Teamsters with no where to turn for help. The lack of legislation is also the absence of guidelines to be followed for representation elections. The employees were not guaranteed their freedom of choice nor were they assured that their choice would be honored by the School Board. This was a frightening situation that we do not wish to repeat. What we left to chance in 1976 we now seek to be guaranteed by H.B. 90.

For all other public employees the current statute defines and provides relief for unfair labor practices. That is the section our organization would have looked to when the district imposed a new interpretation of a currently negotiated clause in response to the membership vote to increase dues. Except for classified employees, that type of interference in the administration of an organization is not tolerated by Alaska State Law.

Nor may public employees other than school districts restrain or coerce an employee in the exercise of guaranteed rights. Yet we contend that has been the case several times in our district. An employee who filed a grievance over working conditions found herself involuntarily discharged-fired, within nine days, and just three days before her probationary period was to end.

Another employee of our district found it necessary to contact her building representative with questions about her evaluation. From that point on the employee was faced with intense harrassment forcing her to resign. At the ensuing grievance hearing the employee testified that her supervisor had promised that if she would resign he would destroy her evaluations and attempt to secure for her a teacher's aide position. In order to receive that position she was also instructed not to go to her building representative or to the union business agent for help. That employee decided to exercise her rights, discovered that she had none and is now no longer a Banks North Star Borough School District employee.

The need for this legislation is shown every time we enter negotiations with the school district. After six months at the table we have been told that a settlement must be reached. If agreement had not been reached the School Board would have ceased to recognize us as the exclusive bargaining representative for noncertified employees. Our fring benefits would cease, and we would be placed under a unilaterally imposed personnel system. Because we are not recognized under the Public Employment Relations Act, the School Board could do as threatened. There is no protection from this type of bad faith bargaining nor do we have access to an agency to assist in rectifying such situations.

That single episode illustrates two things: Recognition is strictly voluntary and tenuous at best; and employee concerns are not taken seriously. The School Board was only willing to go through the motions of bargaining.

Needless to say we folded and reached agreement by the imposed deadline, but quickly found ourselves unable to enforce the provisions of the negotiated agreement in a critical situation. The School Board bargained to include school crossing guards in the contract. Seeking enforcement of that agreement we began the grievance process. In order to avoid satisfying the grievance the School Board contracted out those positions and caused the individual employees not only to be cut in salary, but also to lose all fringe benefits, including membership in the Public Employees Retirement System, and to sacrifice their right of representation. We do not question the right of management to contract for services but to seek relief from the use of this tactic to circumvent a negotiated agreement.

The need of the classified employees to come under the auspices of the Public Employment Relations Act is great. The lack of legislation not only allows but encourages injustices to continue, and until classified employees have a forum for resolution of disputes arising from representation elections, the collective bargaining process, and the administration of a negotiated agreement, we will continue to feel the low morale and distrust of the system shared by all second class citizens.

STATE OF ALASKA 1986 - 14TH LEGISLATURE
SECOND SESSION
FISCAL NOTE

Bill/Resolution No.: SB 113

ANALYSIS:

Assumptions:

The zero fiscal note is based on an assumption that the prorating language enacted into law last year (SB 190) would be employed beginning in FY 87. Below are estimates showing the anticipated growth of these programs if fully funded through FY 91.

	FULL FUNDING <u>WITHOUT</u> \$200,000 CAP	FULL FUNDING <u>WITH</u> \$200,000 CAP	GOVERNORS ACTUAL BUDGET REQUEST
FY 87	\$ 7,842,300	\$ 6,862,000	\$4,008,600
FY 88	\$ 9,018,700	\$ 7,891,300	
FY 89	\$10,371,500	\$ 9,075,000	
FY 90	\$11,927,200	\$10,436,300	
FY 91	\$13,716,300	\$12,001,800	

1336W



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

February 12, 1985

MEMORANDUM

TO: Representative Peter Goll

FROM: Nancy Pease *Nancy Pease*
Legislative Analyst

RE: Deposits to Public Utilities
Research Request 85-142

Bob Berry of your office requested the following information on deposits that public utilities may require of first-time customers or those with no established credit:

- the representative low, high and average deposit required;
- the total amount of deposits held by public utilities;
- the length of time the deposits are held;
- the administrative cost and the burden to public utilities if they were required to pay interest on the deposits, and;
- an indication of the lead time utilities would require to begin paying interest on deposits without undue burden to the utilities.

The attached table presents information on the customer deposit requirements of 28 electric, natural gas, water, sewer or refuse utilities across the state. The four smallest utilities surveyed do not require deposits from first-time customers or those with no established credit.¹ In addition, several utilities waive their deposit requirement for new customers who provide good credit references or for new residential customers who own or purchase a home.

¹The Cities of Kotlik, Seldovia, North Pole and Dillingham each provide utility services to no more than 225 customers.

Average deposits

Utilities which require a standard deposit from their new customers charge, on average, a \$74 deposit to open a residential account and \$142 to open a commercial account.

However, many utilities adjust the amount of a customer's deposit according to the monthly bills or credit histories of previous customers with similar service needs. Depending upon the methods used to calculate customer risk, residential deposits range from \$10 for water and sewer service in Fairbanks to \$600 for telephone service from the Matanuska telephone utility. Deposit requirements for new commercial accounts range from \$19 for water service in Wrangell to \$2,500 for electricity in Dillingham.² For those utilities which reported varying deposit requirements, the average low and high residential deposits are \$29 and \$130 respectively. The average low and high commercial deposits are \$89 and \$950 respectively.

Total Amount of Deposits Held by Public Utilities

Bob Berry indicated that the Alaska Public Utilities Commission (APUC) was providing you with the total deposits held by all APUC-regulated utilities. Based on the information gathered in this survey, we are unable to estimate the amount of deposits held by unregulated utilities. The 10 unregulated utilities which indicated in this survey that they require customer deposits hold a total amount of at least \$1,180,000. Four of the unregulated utilities surveyed do not require deposits.

These 14 unregulated utilities represent only 20 percent of the approximately 70 unregulated utility corporations which provide electricity, natural gas, water, refuse removal, sewer or telephone service to Alaska consumers.³ It is difficult to assess how accurately this survey reflects the sizes and types of unregulated utilities as well as

²David Bowker, General Manager of Nushagak Electric Co-operative in Dillingham, stated that Nushagak received permission from the Alaska Public Utilities Commission to charge commercial users a deposit of up to the estimated two-month billing. This policy was directed specifically toward fish processors after the utility suffered \$50,000 in losses when fish processors went bankrupt.

³The survey included the following unregulated utilities: Fairbanks Municipal Utilities Systems, Ketchikan Public Utilities, Kodiak Municipal Utilities, and the Cities of Kenai, Petersburg, Sitka, Nome, Wrangell, Palmer, Unalaska, Kotlik, Seldovia, Dillingham and North Pole.

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 1/16/86

REQUEST

Bill/Resolution No. : SB 113
 Title : State & Municipal Tax

Sponsor : Rules by request of Governor
 Requestor : Community & Regional Affairs
 Date of Request : _____

FISCAL DETAIL

Agency Affected : State Assessor
 BRU : Senior Citizens/Disabled
Veterans Tax Relief

Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	* . . .	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

*See estimates attached.

Prepared by : Michael W. Worley
 Division : Municipal & Regional Assistance

Approved by Commissioner : _____
 Agency : Community & Regional Affairs

Phone : 465-4730
 Date : 1/16/86
 Date : 1/16/86

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

other unknown factors which may correlate to deposit policy. Because this sample is not necessarily representative, the information cannot be used to extrapolate the total amount of deposits for all utilities.

We were also unable to estimate the total amount of deposits by determining the average deposit charged per customer or per capita. Utilities' records show the number of customer accounts, but not necessarily the number of actual customers. One customer may pay a single deposit for several services or he may pay multiple deposits either to the same or different utility companies. An extrapolation of total deposits based on a per capita estimate would also be inaccurate because the percent of the population who are utility customers varies greatly in different localities.

Length of Time Deposits Are Held

Most of the surveyed utilities which require deposits refund them after either one or two years if the customer maintains good credit with the company. Nearly half (42 percent) of those utilities keep the deposits for two years. Four of the utilities surveyed hold the deposit until the customer closes the account. For those utilities which return customer deposits after a scheduled interval, the average period for holding deposits is 16 months.

Administrative Cost, Burden and Lead Time for Requiring Interest Payments on Deposits

The administrative cost to utilities of paying interest on customer deposits depends largely on whether the utility has a computerized accounting system. Spokespersons for several utilities which currently pay interest indicated that implementing the interest paying policy incurred a one-time computer programming cost. Their computers calculate interest monthly on each customer's deposit. The interest is either credited to the customer's bill once per year or is refunded with the deposit. Utility spokespersons who currently use computerized accounting systems to pay interest estimated that implementing an interest paying policy would require very little lead time.

Some of the small utilities balance their customer accounts by hand. Calculating and paying interest for each customer deposit would increase considerably the accounting and clerical work for these utilities. The utilities clerk for the city of Kenai stated that the Kenai utility might find it advantageous to stop requiring deposits rather than handle the paperwork of paying interest on each deposit.

Representative Goll
February 12, 1985
Page 4

Several utilities spokespersons mentioned that administrative complications would arise in calculating and paying interest to customers delinquent on their payments. The amount held in deposit for a customer may change many times at irregular intervals if the customer is consistently late with his payments and is disconnected, has part of his deposit confiscated, or is required to pay additional deposits.

Utility spokespersons were not able to estimate the financial burden of paying interest without determining what portion of their customer deposits would be affected. The burden to each utility will depend on the amount of deposits on which it must pay interest and on the utility's current use of the deposits. There was no consistent pattern to utilities' management of the deposits. Some of the utilities hold their deposits in a general fund and use them for general operating expenses while other utilities keep the deposits in checking accounts or interest bearing saving accounts, either separately or in combination with other daily cash deposits.

Chugach Electric keeps its deposits in a noninterest bearing checking account because it must frequently make refunds. If the utility were forced to commit its deposits to an investment account, it would lose this flexibility. Utilities which enter deposits into their general funds would also lose operating flexibility.

Ketchikan Public Utilities currently keeps customer deposits in an interest bearing savings account and passes along interest to the depositors. The City of Sitka invests its customer deposits for a return of 8 or 9 percent, also passing most of the interest to depositors. These utilities will incur a minimal burden if interest payment is mandated.

* * *

We hope you find this information to be useful. Please contact us if you have further questions.

NP

Attachment

STATE OF ALASKA
THE LEGISLATURE
LEGISLATIVE AFFAIRS AGENCY

PETE!
HARRIS SUGGESTED
AMENDMENT TO
SB 113, AS WG
DISCUSSED IN
COMMITTEE
YESTERDAY.

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

MEMORANDUM

January 28, 1986

Andre
28 JAN 86
1:48 P

SUBJECT: State and municipal tax exemptions
(SB 113)

TO: Representative Andre Marrou

FROM: Richard A. Bradley
Legislative Counsel *RAB*

↓
ALSO:
NOTE
COUNSEL'S
COMMENTS
BELOW.
RAB

The amendment you requested is enclosed.

And while your amendment has no serious problems (but see below), I note that the main bill itself has a one or two problems; I believe that the committee may be addressing them.

Among those problems is the fact that the revision of the municipal code rendered essentially all of the references to AS 29 sections obsolete, e.g., secs. 3 - 9 of the bill.

While some of the provisions have been carried forward in more or less the same phrasings, the references should be corrected.

And the revisor advises me that the 1986 revisor's bill (HB 493), now pending in the House Judiciary Committee, repeals AS 28.10.4100(d) because, I am advised, it is "rendered redundant and meaningless by the revised municipal code."

If I may be of further assistance, please advise.

RAB:csh
c5/028

Bill No. House Bill No. 90

Date February 7, 1986

Title "An Act relating to labor relations between school boards and other public employers and their employees."

Contact: Eileen Plate
465-2700
Bob Bacolas
465-4870

This legislation makes it mandatory for all school boards and municipalities to permit their noncertificated employees to enter into collective bargaining and mandates coverage by the Public Employment Relations Act (PERA).

Under this bill, the Department of Labor would become the labor relations agency for 53 separate school districts (including REAA's) involving approximately 4,400 noncertificated employees. The Department would be responsible for investigating representation petitions; determining appropriate units for the purpose of collective bargaining; conducting elections; investigating unfair labor practices; conducting preliminary hearings and formal hearings under the Administrative Procedures Act; mediating labor disputes; monitoring strike actions; resolving grievances; and mediating and arbitrating disputed issues subsequent to impasse during collective bargaining negotiations.

- Section 1: Amends AS 23.40.100(b) to make it mandatory that "no representation" be a choice on all election ballots for elections conducted by the labor relations agency under PERA.
- Section 2: Amends AS 23.40.200(c) to permit noncertificated employees of a school board to engage in a strike.
- Section 3: Adds a new section to AS 23.40 to prohibit a school board or municipality from rejecting having the provisions of the PERA apply to its relations with its noncertificated school employees.
- Section 4: Amends AS 23.40.250(6) to define public employees to include noncertificated employees of school boards and to exclude certificated employees.
- Section 5: Amends AS 23.40.250(7) to define a public employer to include school boards.
- Section 6: Amends AS 23.40.250 by adding a new paragraph to define a school board as including a regional education attendance area.
- Section 7: Provides for existing collective bargaining units, agreements, and recognized bargaining representatives to remain status quo.

There are 53 school boards within the State of Alaska (including REAA's). Therefore, the Department of Labor as the labor relations agency could be monitoring elections for the 53 separate school boards and holding hearings to settle grievances or unfair labor practice charges involving approximately 4,400 noncertificated employees.

Four school districts are presently organized or have a collective bargaining agreement with a union or an association. These are Fairbanks, Kenai, Juneau, and Anchorage.

The Department supports the concept of extending collective bargaining to this group of public employees.

The Department's fiscal note is attached.

APPROVED:



Jim Robison, Commissioner
Department of Labor



Alaska Public
Employees Association **APEA**

~~Chief Headquarters, 840 N. Franklin, Juneau, AK 99801 (907) 586-2334~~
210 Ferry Way, Suite 200, Juneau, AK 99801
(907) 586-2334

MEMORANDUM

TO: Representative Peter Goll, Chairman
House Community and Regional Affairs Committee

FROM: Cherie Shelley
Executive Director

SUBJECT: HB 90: Collective Bargaining for School Employees

DATE: February 10, 1986

The Alaska Public Employees Association supports the provisions of HB 90 which grants collective bargaining rights to the noncertificated employees of school boards. These employees are the only public employees excluded from collective bargaining.

Noncertificated employees include teachers' aides, secretaries and custodians. They are traditionally the lowest paid public employees in Alaska. They are the only employees in the educational system who absorb the economic backlash when school boards intimate financial problems.

APEA urges the committee to act favorable on this bill. Passage will promote better employer-employee relations by affording noncertificated school employees the same collective bargaining rights provided to teachers and other public employees.

CS/kr

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James O. Smith
Signature of Camera Operator

7/25/89
Date