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SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SR 8

SPONSOR Pearce

BILL TITLE Hiring freeze for state employees

DATE REFERRED 3-2-89

HEARING SCHEDULED 3/31/89

FISCAL NOTE PREPARED ✓

SPONSOR CONTACTED ✓ Jo 4993

INTERESTED PARTIES CONTACTED

✓ Dean Gottheimer, DDA 2201

yes Alison Elger, OMB 3568 (F/N)
FIN 0 - can't anticipate savings

Tam Cooke 2450

OTHER

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Requesting a Hiring Freeze for
 State Employees
 Sponsor: Pearce, Uehling, Coghill et al
 Requestor: _____

Agency Affected: ALL
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

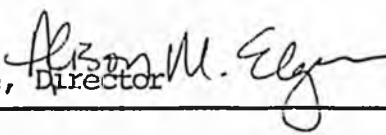
GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See attached.

Prepared by: Alison M. Elgee, Director  Phone: 465-3568
 Division: Budget Review Date: 04/05/89

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

FISCAL NOTE ANALYSIS

The Administration is unable to ascertain savings, if any, resulting from a hiring freeze. While we can identify positions budgeted which are currently vacant, many of these positions are vacant because of the practice of short-funding personal services for an assumed vacancy and turnover. It is therefore impossible to calculate savings as a result of maintaining these vacancies, as the vacancies represent savings already built in to the FY 89 appropriations.

Additionally, even with a hiring freeze in place, an emergency hire procedure would have to be implemented to allow for hiring of positions which are necessary to maintain security in the prisons, adequate care in pioneer's homes and the Alaska Psychiatric Institute, and other areas of government where, to not do so, would present a direct threat to the health and life safety of Alaskans.

It would not be the intent of the Administration to institute a hiring freeze in areas of seasonal employment, as seasonal employees are hired for specific job functions which are by their nature only performed during specific times of year.

We do not believe a hiring freeze will result in any additional cost savings to the state. We currently exercise restraint in all employment to determine the necessity of any new hire. However, the legislature has directed through statute and subsequent appropriation a menu of services to be provided. Adequate staffing is essential in providing those services. We will continue to hire new employees essential in providing those services which have been directed by the legislature and which the public has a right to expect.

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE 3-23-89
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER

**FISCAL NOTE(S) MUST BE ATTACHED
IN ACCORDANCE WITH AS 24.08.035
3/2/89

DATE TURNED INTO OFFICE 4-3-89

Mr. President:

STATE AFFAIRS Committee considered SR 8

hiring freeze for state employees

and recommended:

replace with CS ~~SR 8~~ SR 8 (St Aff) same title
[] attached amendment(s) and [] new title
[] _____ letter of intent adopted

- do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] further referral to _____

FISCAL NOTE(S) attached [zero [] fiscal impact
[] appropriation no FN attached [] Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS
[Signature]
[Signature]

OTHER RECOMMENDATIONS

[Signature]
do pass
Chairman signature and recommendation

[] Committee backup attached

Tam Cooke
2450

Sandra
4-3-89

BY PEARCE, UEHLING, COGHILL
FAIKS, HALFORD, KELLY AND
SZYMANSKI

1 IN THE SENATE

2

SENATE RESOLUTION NO. 8

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

Requesting a hiring freeze for state

6

employees.

7 BE IT RESOLVED BY THE SENATE:

8

WHEREAS from September, 1987 to September, 1988 the actual number of

9

state government employees increased by seven percent, an increase of over

10

1,000 jobs; and

11

WHEREAS 31.3 percent of the state operating budget for fiscal year

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1989 was allocated to the costs of personal services; and

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WHEREAS the Governor has proposed the addition of 307 new budgeted

14

full-time equivalent positions in the fiscal year 1990 operating budget;

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and

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WHEREAS the state is facing a budget deficit in excess of \$600,000,000

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in fiscal year 1990; and

18

WHEREAS reduced spending for state operations will likely be necessary

19

to meet the budget deficit; and

20

WHEREAS the continued growth of the state budget must be halted in the

21

face of declining oil revenues; and

22

WHEREAS the decision to avoid hiring state employees rather than

23

resorting to layoffs is fairer to current employees; and

24

WHEREAS reducing the number of state positions through the process of

25

attrition allows for both immediate and long-term savings in personnel

26

costs;

27

BE IT RESOLVED that the Senate respectfully requests the Governor to

institute an immediate hiring freeze.

add "emergency hire" language

SR0008a

except for those positions deemed of an emergency or health & safety nature

SR 8

FISCAL NOTE

REQUEST:

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for State Employees BRU: _____
 Sponsor: Pearce, Uehling, Coghill et al Components: _____
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REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

See Attached

Prepared by: Alison M. Egan Director Phone: 465-3568
 Division: Budget Review Date: 3/10/89

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by preparer):
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 Office of Management and Budget
 Impacted Agency(ies)

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POSITIONS/FY 87 ACTUAL - FY 89 CONFERENCE COMMITTEE

DEPARTMENT		FY 87 ACTUAL	FY 88 AUTHORIZED	FY 89 GOV. AMENDED	FY 89 CONF. COMM.	FY 89 CONF. COMM. COMMENTS
Governor	PFT	198	196	203	199	Transfer of the EEO function from DOT/PF 3 PFT.
	PPT	7	7	7	7	
Administration	PFT	1,061	1,012	1,050	1,061	State operation of Juneau Pioneer Home 40 PFT and 14 PPT; State telephone network billing 1 PFT; reclass of 7 PPT to PFT in Palmer, Anchorage and Central Office Pioneer Homes, Longevity Bonus Admin., and Commissioner's office; Ketchikan Pioneers Home reclass of 2 PFT to PPT; transfer of 8 PFT/2 PPT to DOE for Archives function; 1 PFT associated with HB 7 Fiscal Note; Fiscal Notes: 2 PFT in OAC for SB 442 & SCR 50; 8 PFT in Retirement for SB 56.
	PPT	89	98	105	105	
Law	PFT	361	315	345	341	Prisoner Rights Litigation 2 PFT; Federal Anti-drug Enforcement 2 PFT; Human Services 7 PFT; Debt Collection 4 PFT; Interagency 5 PFT; Anti-trust Litigation 1 PFT; 1 PFT Acct. Clerk; and Oil & Gas Litigation 7 PFT.
	PPT	8	7	6	6	
Revenue	PFT	395	391	428	431	25 PFT AHFC, 4 PFT in audit section, 9 PFT in Child Enforcement, 3 PFT in Permanent Fund; convert 1 PPT to PFT; transfer 5 PFT/1 PPT to Commerce; and 3 PFT/12 PPT Fiscal Note positions.
	PPT	26	25	23	35	
Education	PFT	443	403	429	435	3 PFT Data Mgmt; 2 PFT/2 PPT Correspondence Study increased enrollment; 1 PFT Mining Educ.; 1 PFT AK. Native Arts; 1 PFT Library Maintenance of Effort; 8 PFT/2 PPT Archives transfer from DOA; 1 PFT Museum Conservator; 10 PFT Student Loan Repayment; 1 PFT/1 PPT Gov. Council on Career & Voc. Ed.; Misc. Reclasses 4 PFT/-4 PPT.
	PPT	104	104	109	105	

DEPARTMENT		FY 87 ACTUAL	FY 88 AUTHORIZED	FY 89 GOV. AMENDED	FY 89 CONF. COMM.	FY 89 CONF. COMM. COMMENTS
Health & Social Services	PFT	1,703	1,633	1,738	1732	GICCY increments 27 PFT; Bethel Youth Facility 16 PFT and reclass of 2 PPT to PFT; Nome Youth Facility reclass of 5 PPT to Pr.; MYC 5 PFT. Cost management initiatives such as Title IVE Eligibility Reviewer (1 PFT/2 PPT), Health Surveyor (1), Patient Care Info System (1), AIDS (5), Rural Service Delivery (3), Medicaid Auditors (1); reclasses of 14 PPT to PFT; miscellaneous adjustments and corrections -4 PFT/-2 PPT); Mental Health/Suicide 6 PFT; Fiscal Notes: SB 348, 8 PFT.
	PPT	88	135	114	118	
Labor	PFT	618	592	613	609	Additional 8 PFT to enforce and monitor employment preference statutes; reclass of 11 PPT to PFT; delete 3 PFT/11 PPT due to unrealized GF or Federal Funds; delete 1 PFT Admin. Asst.; Add 1 PPT clerk and 1 PFT special asst; Fiscal Notes: 1 PFT for SB 141, Hazardous Painting.
	PPT	178	202	181	181	
Commerce	PFT	398	364	392	390	Business Development Program 2 PFT, Insurance 2 PFT; APA position count correction 5 PFT; Tourism 4 PFT; Housing Marketing Council 6 PFT. Transfer Business Licensing from Revenue 5 PFT. Convert 2 PPT to PFT in Occupational Licensing.
	PPT	21	19	18	18	
Military Affairs	PFT	98	95	100	100	Convert 2 PPT to PFT for Corrected position count; 1 PFT Communications Officer; 1 PFT Recording Clerk; 1 PFT Construction Engineer.
	PPT	9	8	6	6	
Natural Resources	PFT	707	573	595	596	Industrial Materials Development 2 PFT; TACS Project 2 PFT; Citizens Advisory Commission on Federal Areas 2 PFT/1 PPT. Convert PPT positions to PFT. Delete 1 PFT Info. Officer.
	PPT	286	335	320	321	

DEPARTMENT		FY 87 ACTUAL	FY 88 AUTHORIZED	FY 89 GOV. AMENDED	FY 89 CONF. COMM.	FY 89 CONF. COMM. COMMENTS
Fish & Game	PFT	748	722	722	725	Game Division - 3 PFT; add PPT positions in Sport Fisheries & Commercial Fisheries to support expanded management presence; add 3 PPT positions in the Commercial Fisheries Entry Comm.
	PPT	912	882	911	913	
Public Safety	PFT	832	751	782	787	Add 18 Troopers, 2 Fire Marshalls, 2 Educ. Specialists, 3 Criminalists, 1 Latent Fingerprint Exam., 1 Analyst/Programmer, and 5 support staff. Reclass four PPT to PFT.
	PPT	89	79	75	75	
Environmental Conservation	PFT	247	239	308	293	Additional 32PFT/2PPT for first year phase in of three year program to bring DEC to a core level of funding for mandated functions, 22 PFT for federal programs.
	PPT	19	21	25	23	
Community & Regional Affairs	PFT	194	174	194	186	2 foster; 2 Redi; 1 job training; 2 in base for Senior Citizens tax for FY 88; 1 Housing Loans; 2 Dislocated Workers; less 1 for 88 fiscal note and 3 PPT to PFT.
	PPT	2	3	3	0	
Corrections	PFT	999	1,150	1,265	1,269	Opening of Spring Creek CC - 84 PFT; Probation Officer staffing statewide and clerical support - 9 PFT; security staffing: Fairbanks (2), Anvil Mtn. (4), Yukon Kuskokwim (3), Mat-Su (3), Wildwood (7), combined Hiland Mtn (1); Delete 3 PFT at Goose Bay (not using facility); Major Medical staff - 5 PFT/1 PPT; 5 PFT in Wildwood (cooks and support); Miscellaneous: 1 PFT to PPT in Training unit.
	PPT	0	0	2	2	
Transportation	PFT	2,798	2,780	2,794	2,793	Implementation of management system for capital projects 3 PFT; Convert 10 PPT positions to PFT; Delete 1 PFT SE Maintenance & Operations Director. Add 1 PFT and 8 PPT at Anchorage International Airport.
	PPT	982	1,012	1,010	1,010	

DEPARTMENT		FY 87 ACTUAL	FY 88 AUTHORIZED	FY 89 GOV. AMENDED	FY 89 CONF. COMM.	FY 89 CONF. COMM. COMMENTS
University	PFT	3,024	3,312	3,269	3,271	Reduce 75 PFT/3 PPT for Restructuring savings, add 7 PFT for Hazardous Material Management, New Facilities 3 PFT, Library Enhancements 3 PFT, Fisheries 4 PFT, 4 PFT Advising, Research & UAS Counseling, 2 PFT Rural College; Other Misc. adjust. +11 PFT/9 PPT.
	PPT	268	287	284	293	
Alaska Court System	PFT	603	606	611	608	Increase Trial Courts by adding two new Court Clerks.
	PPT	35	35	32	35	
Legislature	PFT	275	303	303	303	
	PPT	40	48	48	48	
TOTAL	PFT	15,702	15,615	16,141	16,129	$ \begin{array}{r} 16,129 \\ - 15,615 \\ \hline 514 \end{array} $
	PPT	3,163	3,308	3,279	3,301	

$$\begin{array}{r}
 16,129 \\
 - 15,615 \\
 \hline
 514
 \end{array}$$

Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman
Sen. Al Adams
Sen. Tim Kelly
Sen. Rick Uehling



P.O. Box V
State Capitol
Juneau, Alaska 99811

907-465-3712

Senate State Affairs Committee

MEMORANDUM

TO: Senate State Affairs Committee Members
FROM: Senator Pat Pourchot, Chairman
RE: March 31 Committee Hearing
DATE: March 30, 1989

On Friday, March 31 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:

SR 8, Requesting a hiring freeze for state employees

SR 8 would request that the Governor institute an immediate hiring freeze. The resolution is intended to address the projected FY 90 budget deficit.

SB 232, An Act relating to certain beverage dispensary licensees

SB 232 would authorize the holder of a beverage dispensary license issued to a hotel, motel, resort or similar business to stock alcoholic beverages in guest rooms. The beverages could be consumed only on the premises. Access would be restricted to guests age 21 and older, and would be controlled through a lock system.

The bill is intended to address the expectations of travelers accustomed to receiving hospitality services in their rooms.

HB 74, An Act relating to the acquisition and financing of the Seward Student Service Center by the Alaska State Building Authority, and relating to the use of a lease-financing agreement for the project

HB 74 gives the approval required under AS 18.55.100(d) for ASBA to provide lease financing for the Seward Student Service Center. The proposal is essentially the refinancing of an existing State

March 31 Memo

Page 2

lease-financed project. The refinancing is estimated to result in present value savings in state rental payments of \$1,203,001 over the ten year repayment term. Savings in FY 90 would be \$433,229, and from \$68,000 to \$87,000 in subsequent years.

Under AS 18.55.100(d), ASBA may not proceed with any public building project until it is approved by law. HB 74 would also serve as the legislative approval required under AS 36.30.080(c) for any lease financing agreement that has annual rent in excess of \$1 million.

The Seward Student Service Center is a student lounge and recreation complex for the Alaska Vocational-Technical Center (AVTEC) at Seward. AVTEC is the only state-operated adult vocational training facility in Alaska. The Center was completed and occupied by the state in April 1985.

SR 8 HIRING FREEZE FOR STATE EMPLOYEES

TO TESTIFY

SENATOR PEARCE, SPONSOR (JO)

ALISON ELGEE, DIVISION OF BUDGET REVIEW, O.M.B.

OTHERS (SEE WITNESS LIST)

F.Y.I.

WHEREAS CLAUSES SAY OVER 1000 POSITIONS ADDED FROM 9/87 TO 9/88.
PACKET CONTAINS O.M.B. BREAK-OUT OF POSITIONS ADDED BY CONFERENCE
COMMITTEE FOR FY 89. FOR EXAMPLE:

JUNEAU PIONEER HOME	40PFT, 14 PPT
A.H.F.C.	25 PFT
D.H.S.S. GICCY	27 PFT
D.H.S.S. MENTAL HEALTH	6 PFT
TROOPERS	18 PFT
D.E.C.	32 PFT
SPRING CREEK	84 PFT

TOTAL CHANGE (FY 88 AUTH. TO FY 89 CONF. COM.)

FFT	514
PPT	- 7

O.M.B. WILL ARGUE:

ESSENTIAL POSITIONS NEED TO BE FILLED (A.P.I., PRISONS,
PIONEERS' HOMES, ETC.)

SEASONAL EMPLOYEES, BY THEIR NATURE, MUST BE HIRED THIS
SPRING/SUMMER

UNIFORM RULE 49: SIMPLE RESOLUTIONS DON'T REQUIRE COMMITTEE
REFERRALS, 3 READINGS, OR A ROLL CALL VOTE. DO NEED APPROVAL BY
MAJORITY OF SENATE.