

SENATE FINANCE COMMITTEE REPORT

DATE: 4/17/91

FURTHER:

Noticed 5-1-91

DATE TURNED INTO OFFICE: 5-7-91

The Finance Committee considered SB 256
Compensation of legislators; efd.

and recommended:

replace with _____ CS SB 256 (Fix)
 or adopt _____ CS _____
 attached amendment(s)
 _____ letter of intent adopted

same title
 new title
 technical title change (HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

fiscal note(s) LAA 5-7-91
7601.7
Dept/Date: _____

zero fiscal note(s) _____

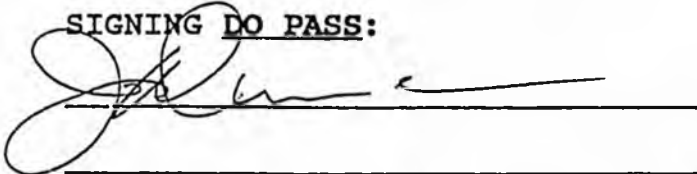
appropriation-no fiscal note

APPROVES PREVIOUS:

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) _____

SIGNING DO PASS:



OTHER RECOMMENDATIONS:

Al Adams - Do NOT Pass
Paul King NO RE

1. Pat Hunkler
Co-Chairs: Signatures and

2. Kurt Hule Do NOT pass
Recommendations

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO: CSSB 256(Fin)

Revision Date: _____
 Title: "An Act relating to compensation of
legislators; and providing for an effective date."
 Sponsor: Senate Rules Committee
 Requestor: Senate Finance

Department Affected: Legislative Affairs Agency
 BRU: Legislative Council

Component: Salaries & Allowances

COMPONENT SERIAL NO: 776

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	832.0	832.0	832.0	832.0	832.0	832.0
TRAVEL	-230.1	-230.1	-230.1	-230.1	-230.1	-230.1
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	601.9	601.9	601.9	601.9	601.9	601.9

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	601.9	601.9	601.9	601.9	601.9	601.9
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	601.9	601.9	601.9	601.9	601.9	601.9

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

CSSB 256(Fin) relates to compensation of legislators. It increases the annual salary of legislators from a range 10A (\$24,012) to a range 16A (\$35,340). CSSB 256(Fin) eliminates the long-term per diem payment for legislators. See attached for detail.

Prepared By: Pamela A. Stoops, Director
 Division: Administrative Services

Pamela A. Stoops

Phone: 465-3850
 Date: 5/7/91

Approved By: Warren W. Endicott, Executive Director
 Agency: Legislative Affairs Agency

Warren W. Endicott

Date: 5/7/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE: CSSB 256(Fin)

PERSONAL SERVICES

1. Compensation of legislators.

Effective July 1, 1991 the salary for legislators will be increased from \$24,012 annually to \$35,340 annually. The increase in compensation and benefits is \$831,956 for FY 92.

832.0

TRAVEL

2. Long term per diem eliminated.

Long term per diem payments are vouchered and vary per legislator. Amount budgeted for FY 92 is \$230,100. Legislators are entitled to \$65.00 per day while engaged in committee business or other legislative business at their place of permanent residence. In FY 90 \$159,350 was expended on long- term per diem payments to legislators.

<230.1>

CS SENATE BILL NO. 256 (Fin)

IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE

Introduced: 4/17/91
Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to compensation of legislators; and providing for an effective date."

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

3 * Section 1. AS 24.10.100 is amended to read:

4 Sec. 24.10.100. SALARY OF LEGISLATORS. The annual [MONTHLY] salary for
5 each member of the legislature is equal to \$35,000 [STEP A, RANGE ¹⁶ ~~10~~ OF THE SALARY
6 SCHEDULE IN AS 39.27.011(a) FOR JUNEAU]. The president of the senate and the speaker
7 of the house of representatives are each entitled to an additional \$500 a year during tenure of
8 office.

9 * Sec. 2. AS 24.10.105(c) is amended to read:

10 (c) A legislator is entitled to receive per diem at the long-term rate
11 [(1)] during a legislative session if the legislator is living in the legislator's place
12 of permanent residence during the session [; AND
13 (2) WHILE ENGAGED IN COMMITTEE BUSINESS OR OTHER
14 LEGISLATIVE BUSINESS AT THE LEGISLATOR'S PLACE OF PERMANENT

1 RESIDENCE].

2 * Sec. 3. This Act takes effect July 1, 1991.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO: SB 256

Revision Date: _____
Title: "An Act relating to compensation of legislators; and providing for an effective date."
Sponsor: Senate Rules Committee
Requestor: Senate Finance

Department Affected: Legislative Affairs Agency
BRU: Legislative Council

Component: Salaries & Allowances

COMPONENT SERIAL NO: 776

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	807.3	807.3	807.3	807.3	807.3	807.3
TRAVEL	<230.1>	<230.1>	<230.1>	<230.1>	<230.1>	<230.1>
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	577.2	577.2	577.2	577.2	577.2	577.2

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	577.2	577.2	577.2	577.2	577.2	577.2
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	577.2	577.2	577.2	577.2	577.2	577.2

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

SB 256 relates to compensation of legislators. It increases the annual salary of legislators from \$22,872 to \$35,000. SB 256 eliminates the long-term per diem payment for legislators. See attached for detail.

Prepared By: Pamela A. Sloops, Director
Division: Administrative Services

Pamela A. Sloops

Phone: 465-3850
Date: 5/3/91

Approved By: Warren W. Endicott, Executive Director
Agency: Legislative Affairs Agency

Warren W. Endicott

Date: 5/3/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

CONTINUATION OF FISCAL NOTE: SB 256

PERSONAL SERVICES

1. Compensation of legislators.

Effective July 1, 1991 the salary for legislators will be increased from \$22,872 annually to \$35,000 annually. The increase in compensation and benefits is \$807,279 for FY 92.

807.3

TRAVEL

2. Long term per diem eliminated.

Long term per diem payments are vouchered and vary per legislator. Amount budgeted for FY 92 is \$230,100. Legislators are entitled to \$65.00 per day while engaged in committee business or other legislative business at their place of permanent residence. In FY 90 \$159,350 was expended on long- term per diem payments to legislators.

<230.1>

~~SB 256~~
SB 256

RECOMMENDATIONS

A. THE BASE SALARIES

The Commission makes the following salary recommendations for the legislative branch:

President of the Senate	\$40,500 per year
Speaker of the House.....	\$40,500 per year
All other Legislators	\$40,000 per year

The Commission also makes the following recommendations:

1. **Interim Per Diem.** When the legislature is not in session, legislators should be paid per diem only for bona fide legislative business requiring overnight travel.
2. **Per Diem Rates.** The Department of Administration should review per diem rates paid to all State employees. The Commission believes that current per diem rates are too low to adequately cover reasonable lodging and meal expenses in most Alaska towns and cities.
3. **Office Allowances.** The present lump-sum distribution for legislative office expenses should be eliminated. An account system should be instituted in the Legislative Affairs Agency whereby each legislator could "charge" up to \$4,000 for stationery, printing, postage and office equipment.
4. **Travel.** The Commission considers that, in order to maintain constituent contact, each legislator should be reimbursed for two round-trip visits to his or her home district during the legislative session.
5. **Benefits.** The Commission recommends that the current system of retirement and other legislative benefits be retained.

B. RATIONALE

Since much of the rationale for the foregoing recommendations is already contained in the Commission's 1987 Report, it will not be reiterated. However, some supplementary comments are in order.

With respect to the recommended legislative salary issue, the Commission concluded that salaries for the three co-equal branches of state government should bear some equivalence. Thus, having determined that the salaries of the Governor of the State of Alaska and its Chief Justice should both be \$100,000 per year, an attempt was made to equate those full-time salaries with the part-time service rendered by legislators.

The \$40,000 figure was derived from a recognition that, for a 120 day session,