

**SB**

**151**

# FISCAL NOTE

No. 6

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

Bill Version: CSSB 151(FIN)

(S) Publish Date: 4-17-97

Revision Date: \_\_\_\_\_  
Title: Public Employment Labor Relations

Dept. Affected: Alaska Court System  
BRU: Trial Courts  
Component: \_\_\_\_\_

Sponsor: Senate Finance  
Requestor: \_\_\_\_\_

COMPONENT SERIAL NO. 768

**Expenditures/Revenues (Thousands of Dollars)**

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	14.7	14.7	14.7	14.7	14.7	14.7
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**Fund Source (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	14.7	14.7	14.7	14.7	14.7	14.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>	<b>14.7</b>

Estimate of any current year (FY 97) cost: None

**Positions**

Full-Time						
Part-Time	2.0	2.0	2.0	2.0	2.0	2.0
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached fiscal analysis.

Prepared by: C. S. Christensen III, Staff Counsel  
Agency: Alaska Court System

Phone: 264-8228  
Date: 04/10/97

Approved by: Stephanie J. Cole, Acting Administrative Director  
Agency: Alaska Court System

Date: 04/10/97

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**Alaska Court System**  
**Fiscal Analysis**  
**SB 151** \*4

SB 151 makes numerous changes to AS 23.40, the Public Employment Relations Act (PERA). These changes include an expansion of the rights of public employees who are subject to collective bargaining, an expansion of the duties of public sector labor organizations, and the creation of criminal penalties and civil remedies enforceable against public sector labor organizations by the state and/or by individual public employees.

The impact of most of these new penalties and remedies on the courts is highly speculative, and accordingly this note does not reflect costs for these matters. Should actual experience with these new criminal and civil actions result in significant costs to the court system, we may need to return to the legislature for funding at a later date. Proposed statutes with potential impact include the following: AS 23.40.450, which makes certain violations of AS 23.40.400 - 23.40.470 a class A misdemeanor; AS 23.40.460, which authorizes the commissioner of the Department of Labor to bring a civil action alleging violations of AS 23.40.400 - 23.40.470; AS 23.40.500, which creates a new class A misdemeanor; AS 23.40.520, which makes certain violations of AS 23.40.500 - 23.40.540 a class A misdemeanor, and which also authorizes a labor organization member to bring a civil action alleging violations under those sections; AS 23.40.650, which authorizes the Labor Relations Agency to bring a civil action against a labor organization following a complaint from a member of the organization alleging a violation of AS 23.40.600 - 23.40.660; AS 23.40.710, which authorizes a member of a labor organization to bring a civil action alleging violation of duties declared in AS 23.400.700(a); AS 23.40.730, which creates a new class A misdemeanor; and AS 23.40.740, which creates a new class A misdemeanor.

The Department of Law has estimated the need for two additional attorneys to handle cases generated by section 27 of SB 151, which amends AS 23.40.210. Currently, an arbitrator's decision in both compulsory and voluntary grievance arbitration procedures is reviewable by the superior court only under very limited circumstances; the standard for review is "gross error" by the arbitrator. PSEA v. State, 902 P.2d 1335 (Alaska 1995). Partly as a result, very few grievance arbitration decisions are appealed to court. Section 27 makes grievance arbitration decisions appealable under standards set by AS 44.62.560 - 44.62.570 (the "arbitrary and capricious" standard). This lesser standard of review gives the court more latitude to reject or modify an arbitrator's decision. As a result, Law anticipates that public employees will appeal unfavorable rulings from arbitrators far more frequently.

Administrative appeals are heard by a superior court judge sitting without a jury. The judge may decide the case on the existing record, may augment the existing record, or may consider the issues de novo. This note assumes that most cases will be decided on the record, limiting the amount of judicial time and in-court clerk time spent on a typical case.

**Alaska Court System****Fiscal Analysis****SB 151** \*6**Personal Services**

<u>Position</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
Pro Tem Superior Court Judge, Anchorage, permanent part-time, 1 1/2 months	\$7,313	\$4,450	\$11,763
In-Court Clerk, 12A, Anchorage, permanent part-time, 1 month	2,375	612	<u>2,987</u>
<b>Total Estimated Costs</b>			<b><u>\$14,750</u></b>

# Alaska State Legislature

Co-Chair Resources Committee  
Special Committee on Oil & Gas  
Legislative Council  
Community and Regional Affairs  
Fisheries



State Capitol, Rm 128  
Juneau, Alaska 99801  
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## Representative Scott Ogan

House District 27

### SPONSOR STATEMENT - SCSCSHB 151(RES)

This bill is a good faith effort to cleanup a statute that was passed last year in the form of the Big Game Guide Bill HB 335. Since the passage of HB 335 last year, several oversights and issues have become apparent. HB 151 is aimed at correcting these issues.

HB 151 Accomplishes the following:

- Makes it illegal for registered guides to knowingly personally take big game while accompanying a client in the field, or a species of big game if the registered guide is under contract with a client to provide a guided hunt for that species of big game and the client is in the field.
- Makes it illegal for class-A assistant guides and assistant guides to hunt while a client of the registered guide is in the field, unless they are not at that time providing or participating in hunting services.
- Makes it illegal for transporters to knowingly accompany or remain in the field with a big game hunter who is a client.
- Closes a loophole that had allowed felons to apply for a new class of license under a grandfather clause. A person is still protected by the grandfather clause so that they may maintain their current license. However, they would no longer be able to apply for a new class license.

- Creates the ability for guides to register for one more guide use area if the federal lands requested would otherwise not be used and are adjacent to the existing guide use area. This is subject to approval by the Department of Commerce.
- Provides for the administration, by the department, of an oral exam for a registered guide license or for a management unit certification if an applicant experiences a specific language disability.

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## Representative Scott Ogan

House District 27

### SECTIONAL ANALYSIS SCSCSHB 151(RES)

**BILL SECTION 1:** AS 08.54.600 is amended by adding a new subsection that would require the department to provide for the administration of an oral examination for a registered guide license if the applicant suffers from a specific language disability.

**BILL SECTION 2:** AS 08.54.605(b) is amended by adding language that closes a loophole that had allowed felons to apply for and receive a new class license even if there was warranted concern for public safety. This is simply an alteration of a grandfather clause that protected those who possessed a certain class license prior to the passage of the existing statute.

**BILL SECTION 3:** AS 08.54.605 is amended by adding a subsection that codifies that a person may not receive a certification for a game management unit if the person is prohibited from receiving or renewing a registered guide license or a master guide license.

**BILL SECTION 4:** AS 08.54.610 is amended by adding a subsection that would allow a person applying for a guide license to substitute evidence of 25 years of experience as a class-A assistant guide or class-A assistant guide-outfitter in place of passing the qualification examination administered by the department.

**BILL SECTION 5:** AS 08.54.720(a) is amended by adding subsections (17), (18), (19) which makes it an illegal act for class-A assistant guides or assistant guides to take big game while clients are in the field or for transporters to accompany clients into the field. Also, registered guides cannot personally take big game while accompanying a client into the field, or a species of big game if the guide is under contract with a client to provide a guided hunt for that species and the client is in the field.

**BILL SECTION 6:** AS 08.54.720(b) is amended by adding subsections (17), (18), & (19) which makes it a misdemeanor for violating the crimes set forth in Bill Section 2. Violation is punishable by a fine of not more than \$10,000 or by imprisonment of up to one year, or both.

**BILL SECTION 7:** AS 08.54.720(f) is amended by adding subsections (17), (18), & (19) which allows the court to order the department to suspend the guide or transporter license of a person who commits a misdemeanor offense.

**BILL SECTION 8:** AS 08.54.750 is amended by adding a new subsection (e). This section allows guides to register for one more guide use area if the federal lands requested would otherwise not be used and are adjacent to the existing guide use area. The request is subject to approval by the Department of Commerce.

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. CSSB 151(STA)

Revision Date: \_\_\_\_\_

Department Affected: Labor

Title: Public Employment Labor Relations

CRU: Office of the Commissioner

Sponsor: Senate Finance

Component: Commissioner's Office

Requestor: Senate State Affairs

COMPONENT SERIAL NO. 340

**EXPENDITURES/REVENUES:**

(Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	108.4	94.9	94.9	94.9	94.9	94.9
TRAVEL	8.9	3.4	3.4	3.4	3.4	3.4
CONTRACTUAL	77.5	68.9	68.9	68.9	68.9	68.9
SUPPLIES	2.0	1.4	1.4	1.4	1.4	1.4
EQUIPMENT	7.0	0.5	0.5	0.5	0.5	0.5
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>203.8</b>	<b>169.1</b>	<b>169.1</b>	<b>169.1</b>	<b>169.1</b>	<b>169.1</b>

<b>CAPITAL</b>						
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<b>CHANGE IN REVENUE FUND SOURCE #</b>						
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**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	203.8	169.1	169.1	169.1	169.1	169.1
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
<b>TOTAL.</b>	<b>203.8</b>	<b>169.1</b>	<b>169.1</b>	<b>169.1</b>	<b>169.1</b>	<b>169.1</b>

**POSITIONS:**

FULL-TIME	2.00	1.75	1.75	1.75	1.75	1.75
PART-TIME						
TEMPORARY						

Estimate of current year (FY97) impact: \$ None

**ANALYSIS:** (Attach a separate page if necessary)

(see attached)

Prepared by: Ed Flanagan, Deputy Commissioner

Phone: 465-2700

Division: Commissioner's Office

Date: 4/18/97

Approved by Commissioner: Tom Cashen, Commissioner

Agency: Department of Labor

Date: 4/18/97

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ALASKA DEPARTMENT OF LABOR  
FISCAL NOTE

CSSB 151(FIN) Analysis

This Fiscal Note corrects an error in the original note relating to the personal services costs shown in FY 99 through FY 03. The costs in these years were inadvertently understated. One other change is to reduce the needed positions after the first year.

In addition, two amendments to Article 4 partially mitigate the impact of the incorporation of the federal LMRDA reporting provisions in SB 151. A labor organization which establishes its service fee for non-members through an impartial arbitration or court decision is exempted from some but not all of the reporting requirements of new AS 23.40.400. This would, at this time, apply only to the National Education Association.

Another amendment reduces the number of officers who must file disclosure forms to the department by excluding those paid less than \$250.00 in the preceding year, which will exempt most job stewards. Officers and employees of a union which establishes its service fee through arbitration or court decision would also be exempted from individual reporting.

One other amendment exempts political contributions under \$100.00 from reporting.

The original Fiscal Note analysis follows:

The bill's proposed reporting and disclosure requirements are substantial. Some of the sections are modeled after the federal reporting requirements in the Labor Management Reporting and Disclosure Act. See, e.g., 29 U.S.C. § 431(a).

The bill would necessitate the need for increased funding to the Alaska Department of Labor to monitor and enforce the bill's reporting and disclosure requirements. Additional funding for legal representation would also be required to file actions in superior court to enforce Article 4.

Proposed AS 23.40.400(a) requires a labor organization to adopt a constitution and bylaws and to file copies of them with the Commissioner of Labor. In addition, a report must be signed by an officer of the labor organization and filed with the commissioner that contains: (1) the addresses of the organization; (2) names and titles of the union officers; (3) the amount of an initiation fee or fees; (4) the amount of regular dues and service fees; and (5) detailed statement concerning the organization's qualifications for membership, levying of assessments, participation in insurance or other benefit plans, authorization for disbursement of funds, regular and special meeting procedures, election procedures, discipline procedures, authorization for bargaining demands, ratification of contract terms, authorization for strike, and the issuance of work dispatches.

Under AS 23.40.200(b), the labor organization is required to report any changes to the information required by section (a) in its annual financial report to the commissioner.

\* Subsection (c) requires the filing of annual financial reports with the commissioner. The reports must contain detailed statements relating to the unions' (1) assets and liabilities; (2) receipts; (3) salary, allowances and disbursements to each officer, employee, consultant and contractor of more than \$1,000 annually; (4) loans to members, employers and officers; (5) loans to businesses; (6) "any payment of money or other things of value and any expenditures; and (7) other disbursements and the purpose of those disbursements.

Subsection (d) requires labor organizations subject to the reporting requirements to maintain the information in this state and make it available to all its members and fee payers without cost.

Section 23.40.410 imposes reporting requirements for officers and employees of labor organizations. All income or other benefits with monetary value to the officer or employee of a labor organization including an individual's spouse, spousal equivalent, or minor child derived directly or indirectly from a public employer, must be reported except permanent fund dividends. Included are grants, contracts or loans from a public employer whose employees are represented by the labor organization or whose employees the labor organization is actively seeking to represent. Payments made by the individual or the individual's spouse, spousal equivalent or child to an elected or appointed official of a public employer or a candidate for public officer must also be reported.

Subsection (b) and (c) list the exceptions to the reporting requirements. An officer or an employee does not have to report investment income from securities.

Section 23.40.420 requires public officers of a public employer to report payments, loans, or other benefits made to employees and agents of a labor organization and to the labor organization itself.

Section 23.40.440 makes the reports and documents filed with the commissioner "public records" and requires them to be maintained for a period of five years.

Section 23.40.450 contains criminal provisions for persons who intentionally violate the reporting requirements by making false statements or destroying or withholding the reports. An individual who signs the report is personally responsible for filing the information and for any false statements contained in the report.

Section 23.40.460 provides for civil enforcement and injunctive relief by the commissioner for violations of AS 23.40.400-470.

Section 23.40.470 requires auditing companies or accounting services that prepare reports to file annual reports with the commissioner listing the company's experience, credentials, payments, and expenses.

POSITION INFORMATION HAS BEEN UPDATED

04/03/97

Position Information Inquiry/Update

Prior

09:59:15

Position: ██████████	Project: 0_____	Salary:	59,052	38,976.00
Comp: 07-06-07-01-05-00	Region: _____	Benefits:	17,461	15,240.41
Scenario: 2	FY: 98	COLA %: 1.500	Total:	76,513
				54,216.41

Yr Actual

Budgeted

-----  
 Actuals from Payroll (Status: FILLED ) FLSA: Y | Retirement Code: A  
 -----

F		Step: C for 12.0 months & Step: D for _0.0 months (total: 12.00 )
97/05/16		Merit Date; use merit defaults? N ( 0.0 @ & 0.0 @ )
0		Class/Sched Prefix: 0 Schedule: AA (actual: AA )
EE		Bargaining Unit: EE Range: 16 (actual: 21 )
EBA ?		Location Code: AWA Place: JUNEAU
P1925 ?		Job Class Code: P7767 Title: INVESTIGATOR II_____
F		Seasonal Indic.: F Type: FACL - FULL TIME / OMB AUTH

-----  
 Optional Override Salary Rates:

Monthly Rate: 0.00\_\_\_\_\_ for \_0.0 months & rate of 0.00\_\_\_\_\_ for \_0.0 months  
 Hourly Rate: 0.00\_\_\_\_\_ for \_0.0 months Frozen at this rate? (Y/N): N

Press ENTER to update record; enter # or use PF key to go to another screen:

1=Premium pay info    2=Funding info    4=Code Translations    6=Calculations  
 8=Detail Report    12=Exit w/o update    Selection: 0\_

POSITION INFORMATION HAS BEEN UPDATED

04/03/97

Position Information Inquiry/Update

Prior

10:19:21

Yr Actual

Budgeted

Position: ██████████	Project: 0	Salary: 59,052	38,976.00
Comp: 07-06-07-01-05-00	Region: -	Benefits: 17,461	15,240.41
Scenario: 2	FY: 98	COLA %: 1.500	Total: 76,513
			54,216.41

-----  
Actuals from Payroll (Status: FILLED ) FLSA: Y ; Retirement Code: A  
-----

F		Step: C for 12.0 months & Step: D for 0.0 months (total: 12.00 )
97/05/16		Merit Date; use merit defaults? N ( 0.0 @ & 0.0 @ )
0		Class/Sched Prefix: 0 Schedule: AA (actual: AA )
EE		Bargaining Unit: EE Range: 16 (actual: 21 )
EBA ?		Location Code: AWA Place: JUNEAU
P1925 ?		Job Class Code: P1212 Title: ACCOUNTING TECH III
F		Seasonal Indic.: F Type: FACL - FULL TIME / OMB AUTH

-----  
Optional Override Salary Rates:

Monthly Rate: 0.00 for 0.0 months & rate of 0.00 for 0.0 months

Hourly Rate: 0.00 for 0.0 months Frozen at this rate? (Y/N): N

Press ENTER to update record; enter # or use PF key to go to another screen:  
 1=Premium pay info    2=Funding info    4=Code Translations    6=Calculations  
                           8=Detail Report    12=Exit w/o update    Selection: 0\_

ANCHORAGE SCHOOL DISTRICT  
ANCHORAGE, ALASKA



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## IMPACT OF SB 151

APRIL 14, 1997

We have reviewed this bill and it contains numerous problem areas. Rather than go through each, let me draw your attention to what is most problematic for us:

AS 23.40.215: Sub-section C currently excludes school district collective bargaining agreements from legislative review, at the state level. What the new proposed "E" would do is enable the Municipal Assembly to review and approve (or disapprove) collective bargaining agreements between the School Board and its employees. This provision would fundamentally negate the authority of the Board to manage its revenues and meet its statutory obligations under Title 23, to bargain terms and conditions of employment with its employees. The School Board has had no opportunity to discuss this proposal.

The Municipal Assembly now approves the upper limit of the School District's Budget. It also determines how much tax revenue it will collect to support that budget. The Assembly is not otherwise involved in management of the School District's budget and has, in fact, exempted itself from participation in Title 23 for its own employees.

The proposed subsection "D" would also intrude seriously into the labor relations between the School Board and its employees by making the payment of awards following statutorily prescribed arbitration procedures to be subject to review by the Municipal Assembly.

If you need to have prepared a more complete analysis, please let me know. We can prepare one over the few days to more fully address our concerns. In essence, however, CSSB 151 (State Affairs) if enacted as currently written, will make changes in the powers of schools boards, diminishing them immensely and shifting powers to the legislature and local assemblies.