

SB

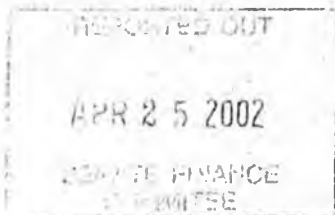
239

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/1/02



FURTHER:

DATE TURNED IN TO OFFICE: 04/25/02

Finance Committee considered

SENATE BILL NO. 239

SB 239 STATE EMPLOYEES CALLED TO MILITARY DUTY

"An Act relating to state employees who are called to active duty as reserve or auxiliary members of the armed forces of the United States; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- same title
- new title

House Bill:

- same title
- technical title
- new: SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#
Admin	4/2/02	*		

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>			X	
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

APR 25 2002

Fiscal Note Number: _____
Bill Version: SB 239
() Publish Date: _____

Revision Date/Time (Note if correction): (Rev. 4/22/02) Dept. Affected: All
Title "An act relating to state employees called to active duty..." BRU All
Component All
Sponsor Governor
Requester Senate Finance Component No. All

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2002) cost: 44.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The estimated FY 2002 cost above is based on expenses that would have been incurred on behalf of eight state employees activated to military service if an Administrative Order under the proposed legislation had been issued and if the Order directed the payment of supplemental wages and health insurance premium contributions for the period September 11, 2001 through June 30, 2002.

FY 2003 and out year funding is indeterminate since there is no way to predict the number of emergencies for which an Administrative Order under the legislation might be considered.

Prepared by: David Stewart Phone 465-4431
Division Division of Personnel Date/Time 4/22/02 11:39 AM
Approved by: Jim Duncan, Commissioner Date 4/22/2002
Agency Department of Administration

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

BILL NO. SB 239

ANALYSIS CONTINUATION

The FY 2002 cost is based on the following assumptions:

- (1) 41 State employees have been called to active duty since September 11, 2001;
- (2) 8 of those State employees called to active duty earned less salary in military service than in service to the State of Alaska;
- (3) These 8 State employees were engaged 100% of the time in military service;
- (4) The average period of active duty for the 8 affected employees, as of June 30, 2002, will be 120 days or 4 months 8 pay periods;
- (5) The composite monthly wage supplement amount for the 8 affected employees is \$6,346;
- (6) For the period of active duty, the total wage supplement would be \$25,384 (4 months @ \$6346);
- (7) The State of Alaska paid 100% of health insurance premium costs for the period 9/11/01 through 6/30/02;
- (8) The combined health insurance premium contribution would be \$18,400 (8 employees x \$575 x 4 months)
- (9) The total expense for 8 active duty employees for 120 days would be \$43,784.

For absences of 120 days or less, the use of a nonpermanent substitute is appropriate. The cost of a nonpermanent substitute for 120 days or less is the cost of wages. Nonpermanent employees employed longer than 120 days are eligible for wages, leave and health insurance costs.

The employer health premium contribution increases from \$575 to \$630 on July 1, 2002.

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

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JUNEAU, ALASKA 99811-0200
PHONE: (907) 465-2200
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SB 239, relating to State Employees who are called to Active Duty as Reserve or Auxiliary Members of the Armed Forces of the United States

SB 239 will allow the Governor to ensure that state employees who are members of reserve and auxiliary military units, including the Alaska National Guard and Alaska Naval Militia, will not be financially penalized when called to active military duty in certain circumstances.

The events of September 11, 2001 had many far-reaching impacts. An area of concern to the Governor was that sudden activation of military reservists and National Guard members who are employees of the State of Alaska could create financial and other hardships for the employees and for their families.

The intent of SB 239 is to allow the Governor by Administrative Order to reduce, or eliminate any hardships on the employee and the employee's family created by a drastic reduction in income, health insurance coverage, or any negative effects on future retirement benefits.

The effect of the bill is retroactive to September 11, 2001.

provided by:
 Department of
 Administration

Monthly Pay Difference: State vs Military Pay
 For State Employees Called to Active Military Service

Department	Air/Army	Rank	Military Pay Grade	Monthly Difference
DMVA	Air	TSG	E6	
DOT/PF	Air	SSG	E5	
DPS	Air	SSG	E5	
CORR	Air	SSG	E5	
CORR	Army	SFC	E8	
T	Army	SSG	E5	
DOT/PF	Air	SSG	E5	
DNR	Army	CPT	O3	
DEC	Air	SSG	E5	
CORR	Army	SGT	E5	
HESS	Army	SGT	E5	
DNR	Army	SPC	E4	
DNR	Army	SPC	E4	
COURTS	Army	SSG	E5	
DNR	Army	SPC	E4	
CORR	Air	SRA	E3	
CORR	Army	SPC	E4	
CORR	Air	MSG	E7	
DPS	Army	SGT	E5	
DOT	Air	TSG	E6	
DMVA	Air	MSG	E7	
CORR	Army	SGT	E5	
DNR	Army	CPL	E3	
DMVA	Air	SRA	E4	
DNR	Army	SGT	E5	
DMVA	Air	SSG	E5	\$ 65.60
DOT	Air	TSG	E6	
DPS	Air	SMS	E8	
CORR	Air	MSG	E7	
DOT	Army	CW4	W4	
DMVA	Army	SSG	E5	
DPS	Air	SRA	E3	
DPS	Army	SSG	E5	
DNR	Army	SSG	E5	
DNR	Army	SPC	E4	
DOT	Air	LTC	O5	
COURTS	Army	MAJ	O4	
DMVA	Air	SSG	E5	
CORR	Air	MSG	E7	
DNR	Army	SPC	E4	
DPS	Air	SSG	E5	
LAW	Air	MAJ	O4	
DMVA	Air	MSG	E7	
DPS	Air	SSG	E5	
DNR	Air	TSG	E6	

DMVA	Air	SSG	E5		
LAW	Air	LTC	O5		
CORR	Army	SFC	E8		
DPS	Army	CPT	O3		
DNR	Army	SGT	E5		
LAW	Air	CPT	O3		
DPS	Army	PV2	E2		
CORR	Air	MSG	E7		
CORR	Army	SPC	E4		
DMVA	Air	TSG	E6		
DMVA	Army	SGT	E5		
DMVA	Army	SGT	E5		
DPS	Air	SSG	E5		
DOT	Army	CW2	W2		
DPS	Army	SGT	E5		
DMVA	Army	SPC	E4		
DNR	Army	SGT	E5		
DNR	Army	SPC	E4		
DNR	Army	SSG	E5		
DNR	Army	SGT	E5		
DMVA	Army	SFC	E4		
LABOR	Air	SRA	E3		
DOT	Army	SGT	E5		
DMVA	Air	TSG	E6		
F&G	Air	SSG	E5		
	Air	SRA	E3		
CORR	Army	CPT	O3		
DPS	Air	SSG	E5	\$	93.00
428-6072	Air	SSG	E5		
DOT	Air	MSG	E7		
465-3955	Army	SSG	E5		
DOT	Air	TSG	E6		
745-2150	Air	SRA	E3		
249-1394	Air	TSG	E6		
DNR	Army	SGT	E5		
F&G	Air	SRA	E3		
ADM	Army	2LT	O1		
ADM	Army	CW4	W4		
ADM	Army	sgt	e5		
DPS	Army	CSM	E9	\$	866.00
LAW	Air	LTC	O5		
DOT	Air	SRA	E3	\$	1,056.00
761-6200	Air	TSG	E6		
761-6200	Air	TSG	E6		
428-6072	Air	TSG	E6		
428-6072	Army	SPC	E4		
REV/ADM?	air	SRA	E3	\$	804.00
REV/ADM?	Air	SSG	E5		
269-8663	Army	PFC	E2		
249-1394	air	MSG	E7		
HESS	Army	SGT	E5		
CORR	Air	SRA	E3		

DMVA	Army	BG	O7	
NO MATCH	Army	SFC	E8	
DMVA	Air	TSG	E6	
269-0900	Air	SSG	E5	
269-0900	Air	MSG	E7	
465-3955	Army	1LT	O2	
428-6072	Army	SSG	E5	
465-3708	Army	PV1	E1	
224-8200	Army	LTC	O5	
451-5933	Air	MSG	E7	
269-8789	Army	SGT	E5	
474-2555	Air	MSG	E7	
246-3341	Army	SPC	E4	
224-8200	Air	SSG	E5	
428-6072	Air	SRA	E3	
428-6036	Air	SSG	E5	
761-6200	Army	PV1	E1	
761-6200	Air	SRA	E3	
NO MATCH	Air	MSG	E7	
NO MATCH	Army	SGT	E5	
269-2000	Army	SSG	E5	
263-2119	Army	SFC	E8	
428-7000	Air	TSG	E6	
283-3125	Army	SPC	E4	
262-4453	Air	SSG	E5	
269-8663	Air	SRA	E3	
428-6072	army	MSG	E7	
428-6003	Army	BG	O7	
761-6200	Army	LTC	O5	
DOT	air	CPT	O3	
LABOR	Army	CPT	O3	
451-2665	Army	SFC	E8	
DPS	Air	MSG	E7	
DMVA	Air	TSG	E6	
465-3955	Army	SGT	E5	
465-3955	Army	SFC	E8	
DPS	Army	MAJ	O4	
?	Army	SSG	E5	
269-7936	Air	SSG	E5	
DOT	Army	CPT	O3	
CORR	Army	SFC	E8	
249-1394	Air	SSG	E5	
DMVA	Army	CW3	W3	
DOT	Air	SSG	E5	
761-6200	Army	SFC	E4	
AJCN	Army	SSG	E5	
DOT	Air	SMS	E8	\$ 273.00
761-6200	Army	SFC	E8	
428-6072	Army	SFC	E8	
HESS	Air	TSG	E6	
DPS	Army	SGT	E5	
HESS	air	SRA	E3	

ADM	air	MAJ	O4	
DOT	air	SSG	E5	
NO MATCH	army	CW2	W2	
DPS	air	CMS	E9	
822-3309	air	SRA	E3	
LABOR	air	SRA	E3	
NO MATCH	army	SPC	E4	
761-6200	army	SGT	E5	
NO MATCH	air	SRA	E3	
NO MATCH	air	TSG	E6	
?	army	MAJ	O4	
269-8663	air	SRA	E3	
761-6200	army	SPC	E4	
731-6200	army	SPC	E4	
761-6200	army	SPC	E4	
543-5200	army	SPC	E4	
DOT	air	SSG	E5	
465-4734	army	SGT	E5	
DOT	army	2LT	O1	
HESS	army	SPC	E4	\$ 731.00
465-4489	air	A1C	E3	
CORR	air	1LT	O2	
CORR	army	SPC	E4	
DOT	air	SSG	E5	
249-1394	air	TSG	E6	
DOT	air	SSG	E5	\$ 2,476.00
ADM	air	TSG	E6	
269-8663	army	SGT	E5	
NO MATCH	air	SRA	E3	
DOT	air	LTC	O5	
ADM	army	SGT	E5	
DPS	air	SSG	E5	
465-3955	army	SGT	E5	
DEC	air	SSG	E5	
DPS	army	CPT	O3	
				6,364.60

189 State Employees in Air/Army Guard

41 Called to Active Service

8 would qualify for wage supplementation

\$6,360 is monthly cost for wage supplementation for 8 employees.

100 Remploy Act - 100 - 1000000

Implementation of Uniformed Services Employee Return and Reemployment Act (USERRA)

	Military pay augmentation	Health Coverage continuation, non-COBRA	Other Arrangements?
Alabama			
Alaska			
Arizona			
Arkansas			
California			
Colorado			
Connecticut			
Delaware			
District of Columbia	15 days of paid military leave; unused portion carried to next year.	Coverage continues at no additional cost to employee for first 365 days of service, EE pays cost to continue beyond first year up to 18 months.	Life insurance continued for 12 months; if employee returns immediately after service period ends, absence is credited as time served for retirement.
Florida			
Georgia	18 days of fully paid service; unpaid military leave thereafter.	Cobra	EE can purchase service credit for up to 5 years of active service absence by indebtedness.
Hawaii			
Idaho	USERRA only	COBRA only	none
Illinois			
Indiana			
Iowa			
Kansas	USERRA; returning employees can buy back any leave cashed in if within 30 days of return.	COBRA	USERRA
Kentucky	10 days of military leave; USERRA	COBRA or intermittent paid leave use;	Life insurance continued for 12 months

provided by: Department of Administration

Implementation of Uniformed Services Employee Return and Reemployment Act (USERRA)

	Military pay augmentation	Health Coverage continuation, non-COBRA	Other Arrangements?
Louisiana	15 days military leave; USERRA	COBRA, except that ER will pay premium if EE does not	none, but options under consideration
Maine	17 days per year annual training duty pay only	COBRA only	none
Maryland		ER pays ER and EE portions of HI contribution for duration of active service	Other options like augmented pay and income credit for retirement are being considered
Massachusetts			
Michigan	Augmented pay for first 30 days of military absence	Benefits continue for same 30 day period; no employer contribution after 30 days, but dependent coverage subject to COBRA	Returned military employee gets service credit for time on active service.
Minnesota			
Mississippi			
Missouri			
Montana	USERRA only	If period of service less than 31 days, ER pays contribution; for longer than 31 days, COBRA or military coverage	
Nebraska			
Nevada	differential pay	none	none
New Hampshire	no	ER pays health and dental for period of active service	
New Jersey	<i>See attached</i>		

Implementation of Uniformed Services Employee Return and Reemployment Act (USERRA)

	Military pay augmentation	Health Coverage continuation, non-COBRA	Other Arrangements?
New Mexico	Regular 15 days military leave, plus an addition 15 days authorized by Gov.; can use leave.	COBRA after paid leave is exhausted.	none
New York	22 workdays military leave	no comment	none
North Carolina	15 days per year paid military leave, but can draw on succeeding year's 15 days if necessary. National Guard called to duty get 30 days full pay, then augmented pay after that.	COBRA only	General Assembly is considering deferred taxes and renewals, but nothing definite yet.
North Dakota	Military leave for first 30 days of active duty; no provision for subsidizing difference between military pay and regular pay.	State agencies are encouraged to continue premium contributions; not required.	none
Ohio	Employees get 22 days of military leave per year; up to \$500 per month subsidy for NG who are state employees.	Regular coverage for 30 days; COBRA after	none

Implementation of Uniformed Services Employee Return and Reemployment Act (USERRA)

	Military pay augmentation	Health Coverage continuation, non-COBRA	Other Arrangements?
Oklahoma	Full state pay for first 20 days of military leave in any federal fiscal year; agencies have option to pay afterward.	No provision to continue premium contribution after first 20 days; employees may be allowed to use portions of accrued leave to constitute "pay status" for purposes of contribution by employer.	none
Oregon	USERRA only		
Pennsylvania	15 additional days of paid military leave;	coverage continues through active service period	\$500 stipend per month of active service, paid upon reemployment; retirement credit continues - ER pays ER portion if EE pays EE portion
Rhode Island			
South Carolina			
South Dakota			
Tennessee			
Texas	studying options for policy decisions		
Utah	USERRA only, but under review		
Vermont			
Virginia	no	Employer pays ER contribution for 18 mo period under COBRA, if EE selects to continue coverage	Use of accrued leave
Washington			
West Virginia			

Implementation of Uniformed Services Employee Return and Reemployment Act (USERRA)

	Military pay augmentation	Health Coverage continuation, non-COBRA	Other Arrangements?
Wisconsin	no for regular military; yes for employed National Guard who are activated	coverage continues through active service period	none
Wyoming	15 days per year paid military leave	Health Ins premium contributions continue; flexible spending accounts are open to adjustment	Upon reemployment, ER will make all retirement contributions to make EE whole for active service

SB 239-STATE EMPLOYEES CALLED TO MILITARY DUTY
SENATE FINANCE COMMITTEE

SIGN-IN

✓ NAME: DAVE STEWART Subject/Bill No: SB 239
Co./Dept./Title: Personnel Manager
Division of Personnel Phone: 465-4431
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

✓ NAME: Quia Ghosia Subject/Bill No: SB 239
Co./Dept./Title: My 3414 Phone: 789-3236
Address: 9202 Emily Way Zip: 99861
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions