

HB

157

Committee Action on Legislation

HOUSE RECORDS COMMITTEE SECRETARY: LORI ROLAND

MARCH 31, 2009

HOUSE STATE AFFAIRS STANDING COMMITTEE

PAGE 1 OF 1

#	SHORT TITLE	ACTION TAKEN ON LEGISLATION
	HB 157-REEMPLOYMENT OF RETIREES; EXEMPT SERVICE	<input type="checkbox"/> Moved Out of Cmte <input checked="" type="checkbox"/> Moved CS (<u>STA</u>)Out of Cmte <input type="checkbox"/> Moved HCS (____)Out of Cmte <input type="checkbox"/> Heard and Held <input type="checkbox"/> Heard and Held; Assigned to Subcmte <input type="checkbox"/> Scheduled but not Heard <input type="checkbox"/> Failed to Move Out of Committee <input type="checkbox"/> Waived Out of Committee

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Alaska State Legislature



Chairman
State Affairs Committee

Member
Judiciary Committee
Labor & Commerce Committee
Health & Social Services Committee
Military & Veterans Affairs Committee

Finance Subcommittees
Labor and Workforce Development
Military and Veterans' Affairs
Public Safety

Session:
Alaska State Capitol, #104
Juneau, AK 99801-1182

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A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

E-Mail: Representative_Bob_Lynn@legis.state.ak.us
"Bob Lynn's Alaska Blog" RepBobLynnBlog.com

FAX

To: Legal Services

Fax #: 465-2029

From: Nancy Manly 465-2794
Alaska State Capitol, room 104
Juneau, AK 99801-1182

of Pages (including cover): 1

Phone: 907-465-4931
Fax: 907-465-4316

Re HB 157 26-GH1035\A

3/31/09

HB 157 26-GH1035\A passed out of the House State Affairs Committee amended. Please draft a final CS with the following changes.

Conceptual Amendment #1 (Seaton) 26-GH1035\A.1 was changed as follows:

Delete on Page 1 Lines 1-4

Delete on Page 1 Lines 21-23

Delete on Page 1 Lines 8 & 9 the phrase "in the executive branch of State government"

Page 1 Line 11 delete "15" and insert 20

Page 1 Line 18 delete "30" and insert 40

Delete on Page 2 Lines 1-5

Conceptual Amendment #2 (Seaton) 26-GH1035\A.2 was changed as follows:

It was the intent of the Committee for this amendment to **mirror** Conceptual Amendment #1 (which was for the PERS) except that it be for the TRS.

Amendment # 1

Wayne

3/28/09

To Bill Number HB 157

Sponsor: SEATON

AMENDMENT

①

Date: 3/30/09 Logged By: NM

OFFERED IN THE HOUSE

BY REPRESENTATIVE SEATON

TO: HB 157

1 Page 1, line 5:

2 Delete "by providing for an effective date by"

3 Insert ";"

5 Page 2, following line 10:

6 Insert a new bill section to read:

7 "* Sec. 3. AS 39.35.150(h) is amended to read:

8 (h) Notwithstanding (b) of this section, an employer in the executive branch of
9 state government may not allow a member hired to fill a position that requires
10 recruitment to make the election provided in (b) of this section unless

11 (1) the employer conducted an initial recruitment for at least ²⁰~~15~~ days
12 for the position to be filled by the member making an election under (b) of this section
13 that resulted in fewer than three [FIVE] qualified, eligible, and available applicants,
14 including the retired member; and

15 (2) the employer then conducted an additional recruitment and the
16 additional recruitment resulted in fewer than three [FIVE] qualified, eligible, and
17 available applicants, including the retired member; this additional recruitment period
18 added to the initial recruitment period must be at least ⁴⁰~~30~~ days total."

20 Renumber the following bill sections accordingly.

22 Page 2, line 25:

23 Delete "secs. 3, 4, 7, and 8"

1 Insert "secs. 4, 5, 8, and 9"

2

3 Page 2, line 26:

4 Delete "secs. 3, 4, 7, and 8"

5 Insert "secs. 4, 5, 8, and 9"

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE SEATON

TO: HB 157

1 Page 1, line 5:

2 Delete the first occurrence of "by"

3 Insert ";"

4
5 Page 1, following line 8:

6 Insert new bill sections to read:

7 **** Section 1.** AS 14.20.135(a) is amended to read:

8 (a) A school district or regional educational attendance area that has or
9 anticipates having a shortage of teachers qualified to teach in a particular discipline or
10 specialty may, subject to AS 14.25.043(f) [BY RESOLUTION], adopt, by
11 resolution, a policy that permits the employment of retired teachers who are qualified
12 to teach in the discipline or specialty in accordance with this section. The policy must
13 describe the circumstances that constitute the shortage. If a shortage of teachers exists
14 as described in the policy, the district or attendance area shall notify the administrator
15 of the teachers' retirement system (AS 14.25) that it is hiring retired teachers under
16 this section.

17 *** Sec. 2.** AS 14.25.043 is amended by adding a new subsection to read:

18 (f) Notwithstanding (b) and (e) of this section and AS 14.25.135, an employer
19 that is a school district or regional educational attendance area may not allow a
20 member hired to fill a position that requires recruitment to make the election provided
21 in (b) or (e) of this section unless

22 (1) the employer conducted an initial recruitment for the position for at
23 least 15 days that resulted in fewer than three qualified, eligible, and available

1 applicants, including the retired member; and

2 (2) the employer then conducted an additional recruitment for the
3 position and the additional recruitment resulted in fewer than three qualified, eligible,
4 and available applicants, including the retired member; the additional recruitment
5 period required by this paragraph added to the initial recruitment period in (1) must
6 total not fewer than 30 days."
7

8 Renumber the following bill sections accordingly.
9

10 Page 2, line 25:

11 Delete "secs. 3, 4, 7, and 8"

12 Insert "secs. 5, 6, 9, and 10"
13

14 Page 2, line 26:

15 Delete "secs. 3, 4, 7, and 8"

16 Insert "secs. 5, 6, 9, and 10"

AMENDMENT

3

NO

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: HB 157

1 Page 1, lines 1 - 2:

2 Delete "chief economist and"

3

4 Page 1, lines 2 - 3:

5 Delete "and certain professional positions concerning oil and gas within the
6 Department of Natural Resources"

7

8 Page 1, line 9, through page 2, line 7:

9 Delete all material.

10

11 Renumber the following bill sections accordingly.

12

13 Page 2, line 9:

14 Delete "the chief economist and"

15

16 Page 2, line 25:

17 Delete "secs. 3, 4, 7, and 8"

18 Insert "secs. 2, 3, 6, and 7"

19

20 Page 2, line 26:

21 Delete "secs. 3, 4, 7, and 8"

22 Insert "secs. 2, 3, 6, and 7"

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 157

BY REPRESENTATIVE GRUENBERG

1 Page 2, line 18:

2 Delete "2013"

3 Insert "2010"

4

5 Page 2, line 21:

6 Delete "2013"

7 Insert "2010"

8

9 Page 2, line 29:

10 Delete "2013"

11 Insert "2010"

12

13 Page 2, line 31:

14 Delete "2013"

15 Insert "2010"

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: HB 157

1 Page 1, line 5:

2 Delete the first occurrence of "by"

3 Insert ";"

4

5 Page 1, following line 8:

6 Insert new bill sections to read:

7 **** Section 1.** AS 14.20.135(a) is amended to read:

8 (a) A school district or regional educational attendance area that has or
9 anticipates having a shortage of teachers qualified to teach in a particular discipline or
10 specialty may, subject to AS 14.25.043(f) [BY RESOLUTION], adopt, by
11 resolution, a policy that permits the employment of retired teachers who are qualified
12 to teach in the discipline or specialty in accordance with this section. The policy must
13 describe the circumstances that constitute the shortage. If a shortage of teachers exists
14 as described in the policy, the district or attendance area shall notify the administrator
15 of the teachers' retirement system (AS 14.25) that it is hiring retired teachers under
16 this section.

17 *** Sec. 2.** AS 14.25.043 is amended by adding a new subsection to read:

18 (f) Notwithstanding (b) and (e) of this section and AS 14.25.135, an employer
19 that is a school district or regional educational attendance area may not allow a
20 member hired to fill a position that requires recruitment to make the election provided
21 in (b) or (e) of this section unless

22 (1) the employer conducted an initial recruitment for the position for at
23 least 15 days that resulted in fewer than three qualified, eligible, and available

1 applicants, including the retired member; and

2 (2) the employer then conducted an additional recruitment for the
3 position and the additional recruitment resulted in fewer than three qualified, eligible,
4 and available applicants, including the retired member; the additional recruitment
5 period required by this paragraph added to the initial recruitment period in (1) must
6 total not fewer than 30 days."
7

8 Renumber the following bill sections accordingly.
9

10 Page 2, following line 10:

11 Insert new bill sections to read:

12 **** Sec. 5.** AS 39.35.150(g) is amended to read:

13 (g) In accordance with this section, a political subdivision or a public
14 organization that has or anticipates having a shortage of employees qualified for
15 particular job classes may, by resolution, adopt a policy that permits the employment
16 of employees who retired under AS 39.35.370(a), who have been separated from
17 employment for at least 30 days, and who are qualified for particular job classes. The
18 policy adopted by resolution must describe the circumstances that constitute the
19 shortage. The policy must require recruitment procedures [SIMILAR TO THE
20 PROCEDURE] described in (h) of this section for any position filled by a retired
21 employee under (f) of this section. If a shortage of qualified employees exists as
22 described in the policy, the political subdivision or the public organization shall notify
23 the administrator that it is hiring retired members under (f) of this section and shall
24 provide a copy of the resolution and policy adopted by the resolution to the
25 administrator of the public employees' retirement system (AS 39.35).

26 *** Sec. 6.** AS 39.35.150(h) is amended to read:

27 (h) Notwithstanding (b) of this section, an employer [IN THE EXECUTIVE
28 BRANCH OF STATE GOVERNMENT] may not allow a member hired to fill a
29 position that requires recruitment to make the election provided in (b) of this section
30 unless

31 (1) the employer conducted an initial recruitment for at least 15 days

1 for the position to be filled by the member making an election under (b) of this section
2 that resulted in fewer than three [FIVE] qualified, eligible, and available applicants,
3 including the retired member; and

4 (2) the employer then conducted an additional recruitment and the
5 additional recruitment resulted in fewer than three [FIVE] qualified, eligible, and
6 available applicants, including the retired member; this additional recruitment period
7 added to the initial recruitment period must be at least 30 days total."
8

9 Renumber the following bill sections accordingly.

10

11 Page 2, line 25:

12 Delete "secs. 3, 4, 7, and 8"

13 Insert "secs. 7, 8, 11, and 12"

14

15 Page 2, line 26:

16 Delete "secs. 3, 4, 7, and 8"

17 Insert "secs. 7, 8, 11, and 12"

STATE OF ALASKA

DEPARTMENT OF LAW CRIMINAL DIVISION

**SARAH PALIN,
GOVERNOR**

Address: 310 K. St., Suite 403
Anchorage, AK 9950

Phone: (907) 269-6379

Fax: (907) 269-6305

March 27, 2009

Honorable Bob Lynn
Chair, House State Affairs Committee
Alaska State Legislature, Room
Juneau, AK 99801

Re: HB 157 – Extending repeal of Retire/Rehire Provisions

Dear Representative Lynn:

The purpose of this letter is to support the passage of HB157, which would extend the repeal of AS 39.35.120(b)(2) and AS 39.35.150(b) (the “retire/rehire” provision) until July 1, 2013. The three most experienced attorneys in the Department of Law – William (Mick) Hawley, Patrick Gullufsen and Richard Svobodny – are retired, rehired employees. Without the extension, their reemployment will end on July 1, 2009. At the present time, there are no other lawyers within the department capable of performing the service that each of these attorneys performs. Should the law sunset as planned, these attorneys may decide to stop working. The Department of Law cannot presently afford the risk of losing them.

Mick Hawley has been employed with the criminal division since 1968 and is the most experienced prosecutor working for the Department of Law. He is presently assigned to the Appellate Division and handles multiple complex appeals. For example, Mr. Hawley prevailed in the both Alaska appellate courts and Federal District Court in affirming the convictions of Jon Woodard, who was convicted in 1993 of a robbery/ homicide of a security guard at an Anchorage grocery store. The transcripts of the numerous trials and post conviction proceedings in this matter total over 10,000 pages. If Mr. Woodard seeks review in the Ninth Circuit Court of Appeals, it would take months for a newly assigned prosecutor to become familiar with the history of this case. Mr. Hawley is one of the very few people employed in the Department of Law who possesses historical knowledge of the evolution of Alaska’s current criminal code and rules of evidence. It is that type of experience which enabled him to convince the Alaska Supreme Court to rule that the state has criminal jurisdiction over an offender who commits a sexual assault on the state ferry while it is in Canadian waters. More recently, he successfully defended the legislature’s amendment of Evidence Rule 412. This breadth of knowledge enables Mr. Hawley to serve as an unmatched resource for trial attorneys as issues arise in mid-trial and to ensure that an appropriate record is made for appeal.

Patrick Gullufsen began his career as an assistant district attorney nearly 35 years ago. As early as the mid-1970's, it was clear that Mr. Gullufsen is an outstanding trial attorney. He has continued to develop those skills in the intervening 30 years, growing to become a trial attorney of legendary ability. He has twice served as the Juneau District Attorney, and has also served as the Deputy Attorney General for the criminal division. These experiences have provided him with full knowledge of the administrative processes of this department. However, it is in his current placement as the sole prosecutor for the Cold Case unit that Mr. Gullufsen is irreplaceable. He works closely with a specialized group of police officers in meticulously reviewing cold homicide cases to determine whether new evidence, scientific advances or further investigation are sufficient to support charging and prosecuting these crimes. He has had remarkable success in this endeavor. His position requires not only mastery of contemporary law, but also thorough knowledge of former law as it applied at the time of the crime and applies to sentencing. Mr. Gullufsen currently has several matters pending, including two massive cases which are set for the summer of 2009. The first is the trial of James Eacker, who is charged with murdering Ms. Toni Lister in Seward in 1982. The other is the trial of Kenneth Dion, who is charged with the 1994 murder of Ms. Bonnie Craig in Anchorage. The investigation and preparation for these trials has taken years, and while there may be one or two other attorneys who are experienced enough to handle cases of this magnitude, it is simply not realistic for another attorney to assume responsibility for these trials at this late date.

One attorney who possesses sufficient skill and historic knowledge to successfully prosecute cold cases is Richard Svobodny. However, Mr. Svobodny is also employed as a retired, rehired attorney, and is presently serving as the Acting Attorney General. Mr. Svobodny, who began working for the state in 1975, served 20 years as the Juneau district attorney. When Mr. Svobodny was appointed to the position of Deputy Attorney General, he immediately saw the need to provide training to the department's young lawyers, so that they will be prepared to move up in the ranks as they gain the experience to do so. He is an excellent administrator and is keenly aware of the need to motivate the best and the brightest attorneys to remain in public service. It is hoped that, when an Attorney General is appointed, Mr. Svobodny will return to his position as Deputy Attorney General. If he does not do so, there are few other candidates qualified for that position.

Like many government agencies, the Department of Law suffers from the generational hiatus of the 1990's, in which few young people chose careers in public service. This has resulted in an imbalance in our ranks. There are several older attorneys who fully intend to retire from the department when they have finished their service and many young attorneys who lack the experience to move into positions of leadership, but there are relatively few qualified attorneys in the mid-range. Furthermore, it is no secret that the salaries of public service lawyers have not kept pace with those of private practitioners, and therefore the turnover in younger attorneys seems to occur more frequently than in years past.

March 27, 2009
Page 3

At the present time there is a hiring freeze in effect. However, even in the absence of that limitation, it is not likely that there are many attorneys in the state who are qualified to perform the duties that these lawyers are performing. It is therefore an understatement to say that if the Department loses these three very experienced attorneys, our ability to effectively provide quality services will be greatly compromised.

I urge you to pass HB 157 so that the Department may have four more years in which to prepare others to take the places of these outstanding public servants.

Sincerely,

A handwritten signature in cursive script that reads "Susan S. McLellan". The signature is written in black ink and is positioned above the typed name.

Susan McLellan
Chief Assistant Attorney General

cc: Members of House State Affairs Committee:
Representative Paul Scaton, Vice-Chair
Representative Carl Gatto
Representative Craig Johnson
Representative Peggy Wilson
Representative Max Gruenberg
Representative Pete Petersen

2007-2008 Adequate Yearly Progress

AMO's: Reading/Writing/Language: 77.18%

77.18%

Meets AYP

PRELIMINARY DATA

FINAL DESIGNATIONS ASSIGNED BY 08/15/2008 Mathematics: 66.09%

66.09%

School District: Ketchikan Gateway Borough Schools School: Ketchikan Charter School

Group	Participation Rate			Performance on the Language Arts Composite Score (LA=R+W)			Performance on the Mathematics Score			Other Indicator	
	(A) Number Enrolled (On 1st day of week of testing in grades 3-10)	(B) Number Tested (grades 3-10) (with one or more valid scores in R, W, or I-1)	(C) Participation Rate (95% if # enrolled is > 40 or all but 2 if # enrolled is 40 or fewer)	(D) Number Tested (B) enrolled for "Full Academic Year" (FAY) (Gr. 3-10)	(E) Number of FAY Students Proficient on Language Arts Composite Score (R+W=LA)	(F) Percent Proficient in Language Arts (E / D) X 100 = F	(G) Meet AYO for Language Arts Comp. Score? (+ 99% Conf. int.) (Yes/No)	(H) Number of FAY Students Proficient on the Math Score	(I) Percent Proficient in Math (H / D) X 100 = I		(J) Meet AYO for Math Comp. Score? (+ 99% Conf. int.) (Yes/No)
School as a Whole	110	109	Yes	102	88	Yes	83	81%	Yes	Yes	Yes
African American	1	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alaska Native and American Indian	31	31	Yes	29	25	Yes	25	86%	Yes	Yes	Yes
Asian	14	14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Caucasian	55	54	Yes	50	44	Yes	40	88%	Yes	Yes	Yes
Hispanic	7	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Multi-Ethnic	2	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Economically Disadvantaged Students with Disabilities*	50	49	Yes	47	39	Yes	38	83%	Yes	Yes	Yes
LEP Students*	12	12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	5	5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

OTHER INDICATOR STATUS

Other Indicator - Graduation Rate: N/A Schoolwide Title I School Confidence Interval Formula: AMO - 2.33 X $\sqrt{\frac{D}{N}}$ Printed 07/18/08

Other Indicator - Attendance Rate: 94% Targeted Assistance "School as a Whole" and Safe Harbor Thresholds: Attendance Rate 85%, Graduation Rate 55.58%

* LEP and Students with Disabilities Subgroups include former LEP and former SIVD students that are being monitored for up to two years.

2007-2008 Adequate Yearly Progress

Does Not Meet AYP

AYP Level 2 (Meets Grade Span: 6-8)**

Language Arts AMO: **77.18%**

Mathematics AMO: **66.09%**

School District Ketchikan Gateway Borough Schools

"District as a Whole" and Safe Harbor Thresholds: Attendance Rate 85%, Graduation Rate 55.58%

Group	Participation Rate			Performance on the Language Arts Composite Score (LA=R+W)			Performance on the Mathematics Score			Other Indicator (K) Meet the Required % for Other Indicator (Yes/No)	
	(A) Number Enrolled (On 1st day of week of testing in grades 3-10)	(B) Number Tested (Grades 3-10) (with one or more valid scores in R, W, or M)	(C) Participation Rate (95% if # enrolled is > 40 or all but 2 if # enrolled is 40 or fewer)	(D) Number Tested (B) enrolled for "Full Academic Year" (FAY) (Gr. 3-10)	(E) Number of FAY Students Proficient on Language Arts Composite Score (R+W=LA)	(F) Percent Proficient in Language Arts (E/D) X 100 = F	(G) Meet AMO for Language Arts Comp. Score? (+ 99% Conf. int.) (Yes/No)	(H) Number of FAY Students Proficient on the Math Score	(I) Percent Proficient in Math (H/D) X 100 = I		(J) Meet AMO for Maths Comp. Score? (+ 99% Conf. int.) (Yes/No)
District as a Whole	1348	1337	Yes	1276	1029	81%	Yes	932	73%	Yes	No
African American	13	11	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alaska Native and American Indian	401	398	Yes	373	264	71%	No	235	63%	Yes	
Asian	115	114	Yes	108	91	84%	Yes	91	84%	Yes	
Caucasian	761	756	Yes	729	618	85%	Yes	555	76%	Yes	
Hispanic	47	47	Yes	47	42	89%	Yes	37	79%	Yes	
Multi-Ethnic	11	11	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Economically Disadvantaged	445	442	Yes	414	285	69%	No	243	59%	No	
Students with Disabilities*	167	166	Yes	155	73	47%	Yes - SH	72	46%	Yes - SH	
LEP Students*	53	53	Yes	47	31	66%	Yes	31	66%	Yes	

OTHER INDICATOR STATUS

Other Indicator - Graduation Rate: 50%

Other Indicator - Attendance Rate: N/A

TITLE I STATUS

Title I District

Confidence Interval Formula: $AMO - 2.33 \times \sqrt{\frac{(pm)}{N}}$

Printed 10/06/08

* LEP and Students with Disabilities Subgroups include former LEP and former SWD students that are being monitored for up to two years. Identifiable information.

** District is considered to have missed for consecutive years only when missing overall AND in all three grade spans for one or more of: participation; language arts; mathematics; other indicator.

Amy Webb
3457 Arnold Ave.
Ketchikan, AK 99901
March 20, 2009

Dear Representative Lynn,

I am writing to encourage you to help the Ketchikan Charter School by allowing our principal, and our reading specialist, to continue working under the retiree's re-hire provision. I know that you are considering HB157 and will weigh the advantages to the state on each area of the bill.

We have a vigorous academic school which uses the Core Knowledge curriculum. Our principal has been a teacher, principal, reading specialist, curriculum director, assistant Superintendent, Superintendent (and Alaska's Superintendent of the Year). Because he has retired (due to a shift in the local School Board), we were able to hire him at the entry level principal's salary. He has 100% approval rating from the Charter School Board, the building staff, the students, and parents. We have no complaints about his performance, and the performance of our students continues to climb. (On the state SBA assessment, all our sub groups are 80% proficient or higher). There is no one in Ketchikan, nor any applicant we have seen who can compare to his abilities and accomplishments.

Retaining good educators is often a problem for the rural and smaller communities in Alaska. If the lack of amenities in the bush doesn't do it, the rain in Ketchikan will. Our two employees are not only the best at what they do, they and their families are a part of our community and wish to remain here. Their salaries are a savings for our budget and they are not accruing larger retirement. For us this is a winning combination.

We appreciate your attention to this bill and the ramifications to our school if the educator part is not extended. I know that there is much to consider and we thank you in advance for any help we may receive.

Sincerely,



President, Academic Policy Committee
Ketchikan Charter School
Ketchikan, Alaska

February 24, 2009

Ketchikan Gateway Borough School Board
Karen Eakes, President

Dear President Eakes and members of the board,

Last week the board of the Ketchikan Charter School (Academic Policy Committee) voted unanimously to recommend the return of Harry Martin as principal of the Ketchikan Charter School for the 2009-2010 school year.

In response to a school-wide survey given to parents, staff, and students, Mr. Martin has received exceptional praise. Harry is considered hard working, patient, fair, and quick to respond to any questions, concerns or problems which arise. As one parent responded, "Both of my children love Mr. Martin. He exceeds our expectations of a principal..."

Our school is thriving with the Core Knowledge curriculum, a content staff, and a principal with the experience and awareness of what it takes to make a school run effectively. Many of the staff and parents (students) have come back to the Ketchikan Charter School strictly because Mr. Martin is the principal.

Therefore, the board at the Ketchikan Charter School recommends and chooses Harry Martin to continue as our principal (we understand that there may be pending legislation that will possibly affect this action).

We appreciate the support you have shown the Ketchikan Charter School and would like this to continue.

Thank you for your time,



Amy Webb
President Academic Policy Committee

Nolan, Loretia YN1

From: kolundl@kgsd.org on behalf of Lyn Kolund [kolundl@kgsd.org]
Sent: Tuesday, February 17, 2009 7:54 AM
To: kcsapc; Choc Schafer
Subject: re: recommendation

I would like to recommend that Harry Martin be retained as the principal of Ketchikan Charter School. He has created an atmosphere of learning and cooperation at our school, and he has excelled at working with students, parents, teachers, and other staff. In my 4 years of working at KCS, the years of working with Harry have been the best, and I can see them getting better as he implements his vision of successful teaching and learning as well as cooperation and forward momentum.

Thank You,
Lyn Kolund

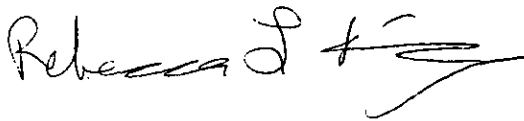
9-10-09

To Whom It May Concern:

This letter is in support of Harry Martin's return as our principal. I cannot express my support enough. During Harry's time here at Ketchikan Charter School the atmosphere of the building has been warm, caring, supportive, and professional. Harry has made reading, writing, and math the top priority in our school and with our families. He not only promotes it in his weekly address to parents in the newsletters but supports teachers in the classroom. We have specialists to work with struggling students, an after school tutoring program, homework house, and regular conversations and conferences on how we can accommodate struggling students. Harry is fair and consistent in his dealings with students, parents, staff and the public. People can trust him because they always know what he expects of them.

Harry is very resourceful and not afraid to look hard for answers. His experience in administration and in the field of education is indispensable. I have never worked under a better administrator.

Sincerely,



Rebecca L. King

Second Grade Teacher

Ketchikan Charter School

To Whom It May Concern:

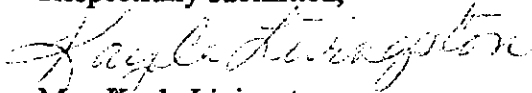
I am writing this letter to give my opinion of my Principal, Mr. Harry Martin. I came to Ketchikan Charter School (KCS) as a new teacher three years ago. Initially, there was a lot of controversy surrounding another Principal my first year here at KCS so much so that I was apprehensive at reapplying for another year. The work atmosphere and having to deal with difficult co-workers made the job very difficult. After meeting Mr. Martin, though, and taking the time to talk with him, I reconsidered my position and decided to stay these last two years.

I have the utmost respect for Mr. Martin and for his knowledge, abilities, and expertise in education. He has created a very pleasant working atmosphere in the building not only with the staff, but also with the students. He is wonderful in handling behavioral issues and motivates students to do their best to succeed. He is also professional in his interaction with parents and strives to keep his staff and parents on the same page.

I have personally grown as a teacher under his leadership. He is in my classroom frequently and provides both critique and advice to help motivate me to be the best educator I can be for my students.

I believe for our students, parents, and staff it would be beneficial to not cause any more trauma with yet another Principal change. The one we have, Mr. Martin, is a great asset to this school and community. Stability in the school staffing is an important key to helping our students succeed.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kayla Livingston".

Mrs. Kayla Livingston

Thomas V. Neufeldt
3807 Chatham Avenue
Ketchikan, Alaska 99901

February 16, 2009

To:
Mr. Robert Boyle, Superintendent
Ketchikan Gateway Borough School District – School Board
Ketchikan Charter School Academic Policy Committee

Re: Mr. Harry Martin, Principal

I am writing to express my appreciation for the work that Mr. Harry Martin is doing in our school. I strongly support him as our principal at Ketchikan Charter School.

Since Mr. Martin began working in our school, he has stimulated improvement in our site as a workplace for the staff and as a place of learning for our students. At the beginning of the last school year, as we were preparing to work together for the first time, I went to Mr. Martin to talk about my math curriculum. I told him what I had been using, and got his input on how I should proceed for the coming year. He showed me a page on the state website that offered sample items to demonstrate each of the Performance Standard Grade Level Expectations. He wanted me to figure out how I could address those PSGLE's, so I that I could be sure I am addressing all of the stated learning needs. I found that I could supplement my textbook by writing daily ~~problems and quizzes that I would teach as units in addition to the adopted text.~~

Mr. Martin has given me a sense of empowerment and ownership. It has been a great deal of extra work to build this supplementary curriculum. It takes a lot of extra time, thought, and energy to look at what is expected and build a program to fill each need, but I know that what I am doing every day is important and effective. He showed me something that needed to be done, and then he guided and supported me as I worked to meet the needs before me.

Mr. Martin has shown me ways that I can develop myself as a teacher, and I am happy to take his direction. I find myself working harder because I have a stronger sense of the mission. He has shown me that I can improve my instruction. With his guidance, I know that what I am doing will help my students. Knowing how and why I should do something provides the motivation to do so even if it means extra time and effort.

Mr. Martin is also a warm and positive role model for our students. He knows every child by name, and they all know and enjoy him too. He stands outside at the steps to greet children as they get off the busses every morning. Primary children bring the books that they have learned to read into his office so they can show off what they've accomplished to a person that they know will appreciate the effort they've made. Our students know Mr. Martin. They respect him, and they trust him. If they are succeeding, he celebrates with them. If they get into trouble, they will tell you that he is fair

I write this letter both as a teacher and as a parent. Mr. Martin is a very positive and uplifting influence in our school. I really want him to stay here. As a teacher, I want him to be my instructional leader. As a parent, I want him to be my son's principal. He is making this school the positive, effective place of learning that we all want it to be. Please let us keep him as our principal.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas V. Neufeldt". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Thomas V. Neufeldt

Maria Neufeldt
3807 Chatham Avenue
Ketchikan, AK 99901

February 10, 2009

To: Robert Boyle, Superintendent
KGBSD School Board
Ketchikan Charter School APC

RE: Harry Martin

I am writing this letter in support of Harry Martin as our principal here at Ketchikan Charter School.

I have been teaching first grade at KCS for the last 3 years. I have been a classroom teacher in Alaska since 2003, and an educator of young children since 1997. In all of my years of experience, Mr. Martin is the best principal that I have worked for. He is professional, friendly, and clear in his expectations.

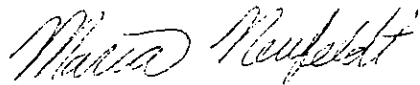
Perhaps one of the clearest examples of this is shown in Mr. Martin's support of my reading program. At the beginning of this year, I was directed to make teaching reading my primary focus. To help me accomplish this, I was given unqualified support. Mr. Martin provided classified staff so that I had 3 additional adults help me with my reading groups. Every KCS first grade child is in a leveled, 1-hour reading group, every day. He provided me curriculum funds to purchase more leveled reading books. He supported the approval of my 1st and 2nd grade after school tutoring program. He supported me in getting our reading specialist to work with 4 struggling readers for an additional 45 minutes a day. And he is wonderful at stopping to listen to any of my students read, whenever I ask him to. Most of my students have read at least 1 book this year to Mr. Martin. (Each time, the student feels so happy and proud - to read a whole book to the PRINCIPAL.)

With all of this support, I have the highest reading first grade class that I have ever had. Of my 19 first graders, 15 are currently reading chapter books. 5 students are doing 2nd grade level writing as well. All of my students are passing math, science and history - and all are still receiving their technology, art, and P.E. specials. But all of my young students will also tell you what their most important job is in school: to READ.

Mr. Martin is the type of principal that gives a direction, and then lets his teachers and students "fly" - as high as they wish to. My class this year is soaring higher than I ever expected such a young group could. For our 100th day of school last week, my first graders read 105 books in 2 hours - each student read 5-10 books - and did mini book-reports on each of the books.

I fully support Mr. Martin's continuing to be our principal. He encourages and enables his students and staff to do their best. Mr. Martin is a tremendous asset to Ketchikan Charter School.

Sincerely,

A handwritten signature in cursive script that reads "Maria Neufeldt".

Maria Neufeldt
First Grade Teacher
Ketchikan Charter School

Email: neufeldtm@kgbsd.org
Home: 225-1866
Work: 228-4705

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

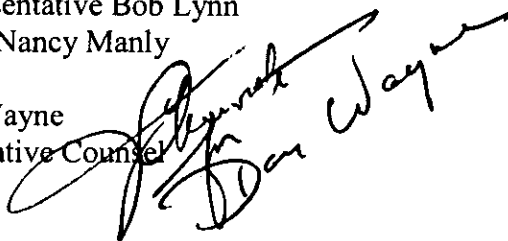
MEMORANDUM

March 31, 2009

SUBJECT: Definition of "special inquiry" in the state's exempt service
(Work Order No. 26-LS0825)

TO: Representative Bob Lynn
Attn: Nancy Manly

FROM: Dan Wayne
Legislative Counsel



You have asked if the term "special inquiry," as it is used in AS 39.25.110(9), is defined by state statute or regulation, or if it is interpreted uniformly throughout the executive branch. You have also asked if a written opinion prepared by the Department of Law may be withheld on the grounds that it is confidential.

"Special inquiry." The term "special inquiry" is not defined by state statute or regulation, and in the time available to respond to your request I am unable to determine whether it applied uniformly, in the context of the exempt service or any other context, throughout the agencies of the state's executive branch.

Opinions prepared the Department of Law. Under AS 40.25.120(a), "every person has the right to inspect a public record in the state. . . ." However, that section lists several exceptions, among them records required to be kept confidential by a federal law or regulation or by state law.¹ One state law that might be relevant to the confidentiality of the opinion you have asked about is AS 39.25.080, which requires that personnel records be confidential -- it is possible that the definition of "special inquiry" noted by Mr. Brooks appears in an opinion that contains confidential personnel information.

It is possible for an opinion by the Department of Law to be withheld on the basis that it is protected by the deliberative process privilege. Because it is a privilege, one might expect that it allows, rather than requires, a person to withhold information. However, the Alaska Supreme Court has said it is a state law *requiring* the withholding of information, under AS 40.25.120(a)(4). The court said:

On two prior occasions, we have recognized that at common law courts recognized a deliberative process privilege. And because Alaska's statutory definition of 'state law' encompasses common law as well as

¹ AS 40.25.120(a)(4).

positive law, we have held that the deliberative process privilege is 'one of the judicially recognized 'state law' exceptions' to public access under the public records act. In so holding, we have explained that the deliberative process privilege is intended to 'protect[] the mental processes of government decisionmakers from interference.' And we have noted generally, that '[p]ublic officials may assert this privilege and withhold documents when public disclosure would deter the open exchange of opinions and recommendations between governmental officials.'²

In *Fuller*, the court did not explain the difference between a law that requires a document to be withheld because of confidentiality and a law that allows information to be withheld on that basis, but nevertheless it concluded that the deliberative process privilege is in the former category. This is a considerable shift in the direction -- toward narrowing the privilege -- that the court seemed to be heading in previous opinions, when it still viewed the deliberative process privilege as a privilege allowing the withholding of certain information and discussed circumstances in which the privilege might be held not to apply. In a case preceding *Fuller*, in response to the argument that the deliberative process privilege only protects communications relating to constitutionally prescribed executive powers because it stems from the executive privilege which, in turn, is based on the separation of powers doctrine, the court responded:

We stated in Capital Information Group v. State, Office of the Governor that we considered the terms 'executive privilege' and 'deliberative process privilege' to be synonymous for purposes of that discussion. But the two terms are not identical. Instead, the deliberative process privilege is a 'branch' of a broader group of governmental privileges. *The roots of the deliberative process privilege lie in the common law*; it protects the mental processes of government decisionmakers from interference, not constitutional notions of separation of powers. Therefore, the question is not whether the communication relates to a duty mandated in article III of the Alaska Constitution, but whether disclosure of the communication sought would affect the quality of governmental decisionmaking.

.....
The privilege may protect any governmental decisionmaking function, including the governor's policymaking and lobbying of either state or federal government.... Generally, it is difficult for a requestor to override a presumption privilege. Relevant factors include: the degree of confidentiality and sensitivity of the communication; the time elapsed after deliberation concluded and after communications were made; and whether deliberation is ongoing.³

² *Fuller v. City of Homer*, 75 P.3d 1059, 1063 (Alaska 2003).

³ *Gwich'in Steering Committee v. Office of the Governor*, 10 P.3d 572, 578 and 579 (Alaska 2000) (emphasis added).

In a case that preceded both *Gwich'in Steering Committee* and *Fuller*, the court said:

The deliberative process privilege has never been held to be absolute. The strongest indication of its constitutional roots has come from the Nixon case, in which the United States Supreme Court recognized a qualified presumptive privilege 'inextricably rooted in the separation of powers under the Constitution.' 418 U.S. at 708, 94 S.Ct. at 3107. But the very holding of that case was that the executive privilege, even though constitutionally rooted, was not absolute and may be outweighed by the legitimate needs of a coordinate branch. . . . Thus we believe it is not sufficient to say that because the deliberative process privilege has constitutional underpinnings the legislature may never enact a statute which has the effect of overriding the executive's request for secrecy.

.....
The legislature has not only mandated that the [budget] reports be made and submitted to OMB, it has, in declaring the reports to be public, implicitly determined that the need for public disclosure outweighs any risk of lack of candor on the agencies' part. This determination is entitled to significant weight, given the legislature's constitutional power to allocate executive department functions and duties among the officers, departments, and agencies of state government.⁴

In conclusion, the court in *Capital Information Group* decided that the deliberative process privilege, while constitutionally based, may be limited by statute at least to the extent that the privilege is "outweighed by the legitimate needs of a coordinate branch" of state government. As a practical matter, this seems to give the legislature a fairly narrow area within which it may act to limit the privilege.

DCW:ljw
09-197.ljw

⁴ *Capital Information Group v. Office of the Governor*, 923 P.2d 29, 39 and 40 (Alaska 1996).

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 157

BY REPRESENTATIVE SEATON

1 Page 1, line 5:

2 Delete the first occurrence of "by"

3 Insert ";

4

5 Page 1, following line 8:

6 Insert new bill sections to read:

7 **** Section 1.** AS 14.20.135(a) is amended to read:

8 (a) A school district or regional educational attendance area that has or
9 anticipates having a shortage of teachers qualified to teach in a particular discipline or
10 specialty may, subject to AS 14.25.043(f) [BY RESOLUTION], adopt, by
11 resolution, a policy that permits the employment of retired teachers who are qualified
12 to teach in the discipline or specialty in accordance with this section. The policy must
13 describe the circumstances that constitute the shortage. If a shortage of teachers exists
14 as described in the policy, the district or attendance area shall notify the administrator
15 of the teachers' retirement system (AS 14.25) that it is hiring retired teachers under
16 this section.

17 *** Sec. 2.** AS 14.25.043 is amended by adding a new subsection to read:

18 (f) Notwithstanding (b) and (e) of this section and AS 14.25.135, an employer
19 that is a school district or regional educational attendance area may not allow a
20 member hired to fill a position that requires recruitment to make the election provided
21 in (b) or (e) of this section unless

22 (1) the employer conducted an initial recruitment for the position for at
23 least 15 days that resulted in fewer than three qualified, eligible, and available

1 applicants, including the retired member; and

2 (2) the employer then conducted an additional recruitment for the
3 position and the additional recruitment resulted in fewer than three qualified, eligible,
4 and available applicants, including the retired member; the additional recruitment
5 period required by this paragraph added to the initial recruitment period in (1) must
6 total not fewer than 30 days."

7

8 Renumber the following bill sections accordingly.

9

10 Page 2, line 25:

11 Delete "secs. 3, 4, 7, and 8"

12 Insert "secs. 5, 6, 9, and 10"

13

14 Page 2, line 26:

15 Delete "secs. 3, 4, 7, and 8"

16 Insert "secs. 5, 6, 9, and 10"

State of Alaska

Department of Revenue

Administrative Services Division



SARAH PALIN, GOVERNOR

333 Willoughby Avenue, 11th Floor

P.O. Box 110400

Juneau, Alaska 99811-0405

Phone: (907) 465-2300

Fax: (907) 465-2394

March 23, 2009

The Honorable Bob Lynn
Chair, House State Affairs Committee
Alaska State Legislature
State Capitol, Room 104
Juneau, AK 99801-1182

Thank you for hearing HB 157 on Tuesday, March 17th. The conversation and questions were well thought out by the committee and I'm happy to provide this response from each of the three agencies that are specifically impacted by this legislation.

Department of Natural Resources, Division of Oil and Gas

Representative Gruenberg asked for a copy of the legal opinion that defines "special inquiry" in AS39.25.110(9).

- The legal opinion was issued as confidential guidance and cannot be released.
- *Is there uniformity of the use of this phrase between departments?*
The DNR has several staff hired under AS 39.25.110(9) and who were employed to provide the division with the expertise to match the skills and abilities of their counterparts in industry. The workload of the division has grown commensurately with the number of new companies, oil and gas fields, and new development initiatives such as the gas line. This growth has generated new challenges and new situations that require specially equipped staff with the necessary education, skills, and work experience to deal with them. The positions that are listed in Section 1 of HB 157 are not found in any other department.
- *Sounds like it's a loophole – how is it used – used for commensurate pay?*
HB 157 closes a potential loophole had the provisions of AS 39.25.110(9) been applied indiscriminately and unreasonably. HB 157 will provide that only certain positions within the division can be identified as exempt and that are filled with employees hired from the very specialized, and highly paid, pool of industry workers.

Representative Seaton asked for confirmation that this bill moves positions from section 9 to section 14?

Section 1 of HB 157 will move only those positions in the division created now under AS 39.25.110(9) to (14). There are no other exempt staff under (9) that will remain left in that category upon implementation of HB 157.

Attachment A includes three position descriptions for a commercial analyst, a petroleum land manager, and a petroleum geophysicist to provide the committee with a sampling of the kinds of skills that the Department of Natural Resources requires. Please note that personal information has been redacted from these position descriptions.

Department of Revenue

Chief Economist Position:

Representative Gatto inquired as to why the chief economist position would need to be paid more since predictions are based on past performance.

- *Why pay more?*

The Department has been unable to fill this position due to unqualified applicants or due to better market pay in the private sector. Open recruitments were conducted in early 2008 with one qualified applicant who turned down an interview because of non-competitive pay, and in 2009 prior to the hiring freeze having only one applicant who was deemed unqualified.

- *What other tasks would this person do or be responsible for?*

In summary, an acceptable candidate would have global experience and/or knowledge to lead Alaska in the State's economic plan. While a widely visible part of this person's job is to prepare the oil/gas revenue forecast, this person would also provide an economic vision in renewable resources, alternative energy, and the state's tax structures. This person would also be responsible for developing economic models, preparing cost/benefit analyses on tax related issues, understanding state and federal tax law as it applies to Alaska. Alaska is widely dependant on global economies and this person would need experience and/or knowledge of the State's interactions world-wide.

Representative Johnson reiterated that this person would review professional contracts and would need that skill set to adequately negotiate contracts on behalf of the state.

Yes, this person must be able to negotiate professional services contracts with private service providers where short term professional needs are required. This person must know the terminology, have area-specific knowledge, anticipate the impact to the State, and know how to negotiate to receive an acceptable product to be provided at the end of the contract.

Representative Gruenberg asked if the two exempt positions for the Department of Revenue could be provided for under AS 39.25.110 (26) rather than creating a new sub-section (42).

Yes the positions could be included in sub-section (26) but the bill was drafted with a new sub-section due to drafter's choice because it establishes a clear distinction as to the time in which the positions were exempted.

Attachment B includes the position description that has been used for the past two years' recruitment efforts for the Department of Revenue's chief economist.

Department of Administration:

Retire/Rehire Issues:

Representative Seaton asked if there was a problem or deterrent for upward mobility due to retire/rehire.

- *How is upward mobility solved?*

AS 39.35.150 (f),(g),(h) requires the executive branch of the State of Alaska and political subdivisions to hold a competitive recruitment of not less than 30 days for which there are fewer than five qualified candidates, including the retiree, before a shortage of applicants can be declared. This recruitment would allow any employees looking for advancement an opportunity to apply for the position. Should the employees not have the required knowledge, skills and abilities required, the knowledge transfer plan should include succession planning and cross training to build those skills. The Division of Retirement

and Benefits (DRB) reviews each political subdivision certification and resolution as it is submitted. If there is any indication that the recruitment resulted in greater than 5 applicants who met the qualifications of the recruitment, the hiring of a retiree under the program is denied unless further documentation substantiates there was a true shortage. The knowledge transfer plan is also requested from the employer. The Division of Personnel monitors the State of Alaska Executive Branch requests for hire and has solved the situation of blocking upward mobility by succession and training programs and the Knowledge Transfer Plan

- *Is the Knowledge Transfer Plan being implemented and is it audited/monitored?*
Knowledge Transfer plans are being requested from each political subdivision employer who participates in the retiree rehire program. Approximately 80% of employers have responded. The DRB monitors the program overall rather than on an individual employer basis. Statistics show that, of the 227 total waivers granted under this program, 103 have been terminated. Of the 63 employers participating in the program, 15 have eliminated their dependence on retirees and 12 have reduced their dependence on retirees.
- *The committee would like to see a copy of the Department's procedures for following up on the Knowledge Transfer Plan.*
The Executive Branch requires a knowledge transfer plan for all classified positions within 60 days of the appointment of a retiree rehire. Although there is no written procedure that addresses the process for following up, the plans are reviewed and approved by the Division of Personnel and Labor Relations. If the plan is not received timely, the director follows up with the applicable department. In February, 2008 the division provided a reminder to the director of each division that employed a retiree of the need to monitor the progress of the plan and to update as necessary. If the retire/rehire program is extended the division will continue this monitoring process and will request a status report of the knowledge transfer progress.

The DRB requires a knowledge transfer plan for all political subdivision employers. If a plan is not received timely, a follow-up in the form of a telephone call or email is sent to the employer representative. If a plan is still not received, a letter requesting the plan is sent to the employer periodically until the plan is received.

Representative Seaton commented on the "Alaska Legislative Report" prepared by the Division of Retirement and Benefits.

- *Some positions on the report didn't look like they should have been hard to fill (Admin Asst I)*
The Administrative Assistant I position that was highlighted in the question, is employed by the Court System. The title may not be representative of the job duties and skill requirements. The Court System has been asked to provide the criteria they used to make the appointment of a retiree. A letter from the Court System is added as **Attachment C**.
- *Do you review the current labor pools on a timely basis?*
The labor pool is reviewed for each vacancy prior to authorizing the appointment of a retiree rehire.

Once a classified position is filled with a retiree, that employee maintains his/her right to the job. If that person remains in the job until the end date of the authorized retire rehire program he/she would receive a letter alerting them to their options. The employee would have the option to remain employed in that

position but surrender retirement payments until he/she retires again, or the employee could leave the position and continue to receive his/her retirement as usual.

Partially Exempt or Exempt positions that are filled with retirees are slightly different because exempt employees work at the pleasure of the Governor or her designee. All employees in these positions do not enjoy the same right to the job as classified positions.

Representative Seaton would like the administration to consider a provision that requires the employer to reevaluate the labor market during the 4 year sunset so that a person does not automatically keep the rehire position without further reconsideration

This could prove contrary to collective bargaining agreements.

Representative Wilson referred to some specifics outlined in Commissioner Scott Nordstrand's Sept 11, 2006 memo.

- *Are the requirements described in the memo also included in regulation or statute?*
This memorandum established the policy for the State of Alaska in 2006. HB 161 placed the requirement for two 15-day recruitments that results in fewer than five qualified, eligible, and available applicants in AS 39.35.510(h) before a shortage can be declared. A similar provision for political subdivisions is contained in AS 39.35.510(f).
- *Is it fair to other employees to have only a 30 day vacancy?*
The policy set through this memorandum places "side boards" on this program for positions in the classified service. If the criteria set by this policy is met, it is reasonable to assume that there were no other qualified applicants. Therefore, the 30 day separation is sufficient.

The committee in general would like detailed statistics on the number of people impacted by retire/rehire and would like better details regarding accountability of the retire/rehire program overall.

Attachment D is a copy of a sample Knowledge Transfer Plan. Please note that each position would need to be customized to the skills required of the retiree and the affected employees who were seeking to learn those necessary skills.

Attachment E is a two page statistical summary of PERS and TRS employer and active retirees by employer.

Please let me know if the committee needs any further information regarding HB 157.

Sincerely,

Ginger Blaisdell
Administrative Services Director, Department of Revenue

CC: Kevin Banks, Director, Division of Oil and Gas, Department of Natural Resources
Kevin Brooks, Deputy Commissioner, Department of Administration

Attachment A – Department of Natural Resources, three position descriptions

**STATE OF ALASKA
 POSITION DESCRIPTION**
(form completion instructions removed)

1. Name (last, first, middle)	2. Current Class Title / Code / Range / Bargaining Petroleum Land Manager (exempt)
3. Department Natural Resources	4. Division Oil and Gas
5. Region/Section/Unit Unit Administration	6. Work Phone: Fax: E-mail Address:
7. Work Address (Street/City) 550 W. 7th Avenue, Suite 800 Anchorage, Ak. 99501	8. Name/Title of Supervisor PCN: Work Phone:

12. In one or two sentences, state the main purpose of the position.

This position participates in gas line related negotiations concerning the state's participation in gas balancing agreements, field gas offtake scheduling, royalty in kind taking points, gas processing fees and gas exchange/storage agreements. This position also leads a team of professionals to ensure that the formation of new and gas units and participating areas, expansions or contractions of existing oil and gas units and participating areas, and oil and gas plans of exploration or development will promote the conservation of all natural resources, promote the prevention of economic and physical waste and provide for the protection of all parties of interest, including the state.

13. List all duties of the position. Begin with the most important duty. List duties in a decreasing order of importance with the least important duty last. Describe each task in detail (see previous page). List the **percentage of time** spent at each duty and rate the **importance** of each duty (see previous page).
***The supervisor must define each duty/function as essential (E) or marginal (M).**

Essential = E Marginal = M Importance = IMP Percent of Time = %/T

*E/ M	IMP	%/T	DUTIES/FUNCTIONS/TASKS
E	1	20 %	Negotiate, draft and administer oil and gas unit agreements between the state, the oil industry, native corporations, the federal government, and private individuals. Lead diverse teams of geoscientists and engineers; and legal, accounting, permitting and environmental professionals to evaluate the formation of new units, expansions and contractions as well as termination of existing units, amendments to unit agreements, and the formation of participating areas. Review and evaluate tract participating and cost allocation schedules to ensure the protection of the state's royalty interests and the correlative rights of all parties. Interpret existing agreements and enforce industry compliance including operating agreements and facility sharing agreements.

E	1	10 %	Negotiate plans for exploration and development of the state's oil and gas resources. Evaluate plans to bring known but presently uneconomic hydrocarbon accumulations into production. Work closely with the oil industry and other state and federal agencies to develop well-documented plans and exploration/development incentives. Interpret existing agreements and enforce industry compliance with plans of exploration and/or development. Review oil and gas lease operation permit applications and approvals to ensure compliance with the lease and unit agreements including environmental stipulations and mitigation measures.
E	1	5%	Develop positions on various oil and gas issues through discussions with the director, the commissioner, the division's commercial analysts and technical staff. Interact with senior administration officials, and brief the DNR commissioner on various oil and gas issues and pending decisions. Develop decisions and communicate with senior industry executives. Consult with the Attorney General's Office to ensure decisions are legally sound, assist in the preparation of court documents and provide support and expert testimony for litigation or legal negotiations.

23. List the most important purpose, service, or product expected of this position.
Negotiates complex agreements with the oil and gas industry, the federal government, native corporations, and private individuals for the exploration, evaluation and development of the state's oil and gas resources, commits those agreements to writing, and enforces industry compliance with the agreements. Participate in North Slope gas sale related negotiations
24. List specific or specialized training, education, experience and/or skills needed to perform the duties of this position.
College degree from a four-year accredited institution, plus 5 years experience in land/title related work, preferably oil and gas work; or 5 years experience in or working with the upstream oil and gas industry preferably in land/title, exploration

STATE OF ALASKA
POSITION DESCRIPTION
(form completion instructions removed)

1. Name (last, first, middle)	2. Current Class Title / Code / Range / Bargaining Commercial Analyst
3. Department Natural Resources	4. Division Oil & Gas
5. Region/Section/Unit Commercial Section	6. Work Phone: Fax: E-mail Address:
7. Work Address (Street/City) 550 West 7th Avenue, Suite 800 Anchorage, AK 99501	8. Name/Title of Supervisor PCN: 10-XXXX Work Phone:

12. In one or two sentences, state the main purpose of the position.			
This position identifies revenue opportunities in State oil and gas assets and negotiates commercial terms with private industry. The Director has delegated significant responsibility to this position to work with a minimum of supervisory oversight.			
13. List all duties of the position. Begin with the most important duty. List duties in a decreasing order of importance with the least important duty last. Describe each task in detail (see previous page). List the percentage of time spent at each duty and rate the importance of each duty (see previous page). *The supervisor must define each duty/function as essential (E) or marginal (M).			
Essential = E Marginal = M Importance = IMP Percent of Time = %/T			
*E/ M	IMP	%/T	DUTIES/FUNCTIONS/TASKS
Overview: The Division of Oil and Gas represents the state in its commercial dealings with oil and gas companies who explore for, develop, and produce hydrocarbons from state land. The Division's organizational model resembles the exploration and production arm of an oil company and it employs (and competes for) staff with the same commercial and scientific experience. The administration and the legislature recognize that the Division is the chief repository of oil and gas expertise in Alaska, and they require that the Division adapt its expertise to the rapidly changing structure of the industry.			

E	1	75	<p>Royalty Deductions: Pipeline Transportation Systems</p> <p>Oil and gas leases issued by the State obligate the lessees to pay royalties to the State. Since each lessee's royalty obligation to the State is based on the Value of oil and gas in their destination markets, minus the costs of transporting the oil and gas to market, any increase in or overstatement of transportation costs decreases royalties paid to the State. This position is responsible for analyzing pipeline transportation systems, as well as lessees' claimed transportation deductions, to determine the actual, reasonable, and allowable costs of transportation. Where claimed transportation deductions are found to be excessive, this position works with other members of the Division and the Department of Law to assure full payment of each lessee's historical royalty obligation, and in negotiating methodologies intended to govern the calculation of future transportation deductions.</p> <p>The position will evaluate the lessees' commercial incentives in pipeline transportation of Alaska North Slope (ANS) and Cook Inlet oil and gas and formulate options to enhance royalty netback-value. The position's responsibilities include working in technical teams consisting of engineers and managers with the State/Federal Joint Pipeline Office, the Gas Pipeline Office, and attorneys with the Department of Law to influence and implement policy initiatives. With minimum supervision, this senior commercial analyst will construct value netback models, decision analysis models, and other relevant management science tools to:</p> <p>Monitor and evaluate the cost and tariff structure for the Trans-Alaska Pipeline System (TAPS), as well as the system of existing, planned, and proposed oil and gas pipelines and their impact on royalty netback value. Monitor and evaluate proposed and/or actual changes to the pipeline statutes and regulations of the Federal Energy Regulatory Commission (FERC) and the Regulatory Commission of Alaska (RCA) and their impacts on tariff making and royalty netback value. Advise the Commissioner on the State's royalty interests with respect to pipeline tariff proposals and advocate the Department's position on tariff issues to the Department of Law.</p> <p>Develop the appropriate royalty deduction for pipeline transportation of ANS Gas. The position will lead the Department's evaluation of producer and/or pipeline owner's cost of transportation service and negotiate with the lessees to determine their actual and reasonable transportation cost. Provide technical support to the Commissioners of Natural Resources and Revenue as provided for under AS 43.82 (Stranded Gas Development Act), or any similar act. Develop monitoring systems to evaluate ANS gas pipeline tariffs and ANS gas market data to manage royalty settlement agreements (RSAs) that may result from these negotiations.</p> <p>Participate with the Department's negotiating team to implement the royalty terms fro the ANS gas pipeline project. These negotiations will require that the position interact and coordinate the departments' initiatives the Department of Law, the Legislature, and with staff and commissioners in FERC and RCA.</p> <p>Identify economic barriers (such as monopolistic pricing practices) that may impede commercial access to pipeline transportation systems and recommend actions, legislation, and regulations to mitigate these economic barriers.</p>
			<p>Develop the appropriate royalty deduction for pipeline transportation of ANS Gas. The position will lead the Department's evaluation of producer and/or pipeline owner's cost of transportation service and negotiate with the lessees to determine their actual and reasonable transportation cost. Provide technical support to the Commissioners of Natural Resources and Revenue as provided for under AS 43.82 (Stranded Gas Development Act), or any similar act. Develop monitoring systems to evaluate ANS gas pipeline tariffs and ANS gas market data to manage royalty settlement agreements (RSAs) that may result from these negotiations.</p> <p>Participate with the Department's negotiating team to implement the royalty terms fro the ANS gas pipeline project. These negotiations will require that the position interact and coordinate the departments' initiatives the Department of Law, the Legislature, and with staff and commissioners in FERC and RCA.</p> <p>Identify economic barriers (such as monopolistic pricing practices) that may impede commercial access to pipeline transportation systems and recommend actions, legislation, and regulations to mitigate these economic barriers.</p>

E	1	15	<p>Royalty Valuation The position has considerable autonomy to examine the performance of existing and proposed RSAs and develop negotiation strategies for state-initiated settlement reopeners. Also, the position will formulate options and provide analysis to respond to lessee-initiated royalty settlement reopeners. The position will initiate, coordinate and analyze options with the Department of Law and recommend policy to the Commissioner to assure maximum value for state royalty oil and gas. The position will carry out analysis and advocate negotiation strategies pertaining to the following area of increasing importance in oil and gas industry structure and conduct:</p> <p>Analyze commercial arrangements related to ANS and Cook Inlet oil and gas dispositions, including third-party, arm's-length contracts, internal company transfers, and exchange agreements between oil and gas producers to assure maximum value for state royalty oil and gas.</p> <p>Monitor international and domestic oil and gas trading and pricing behavior, markets where Alaskan royalty oil and gas is traded. Evaluate structure, conduct, and performance of ANS and Cook inlet oil and gas markets and determine impact of changes in market structures on ANS and cook Inlet producer commercial arrangements and royalty settlement reopeners.</p> <p>Conduct market identification analysis to assure compliance with "higher of" provisions of oil and gas lease forms for leases not covered by RSAs.</p>
E	1	10	<p>Special Projects Prepare written expert reports and provide oral testimony supporting the state's commercial/revenue interests before legislative committees, conferences and public hearings. Provide litigation support to the Department of Law. Testify as an expert witness in royalty litigation when necessary. Design and carryout research and prepare written research papers on oil and gas commercial issues for presentation at conferences and for submission to professional journals and trade publications.</p>

23. List the most important purpose, service, or product expected of this position.
- This position must identify and secure State revenue potential in State oil and gas assets and commercial contracts.
24. List specific or specialized training, education, experience and/or skills needed to perform the duties of this position.
- Position requires a graduate degree in economics or business, the ability to communicate complex information in a clear and concise manner, and a mature, professional deportment to represent the State in commercial negotiations.

**STATE OF ALASKA
 POSITION DESCRIPTION**
(form completion instructions removed)

1. Name (last, first, middle)	2. Current Class Title / Code / Range / Bargaining Petroleum Geophysicist
3. Department Natural Resources	4. Division Oil & Gas
5. Region/Section/Unit Leasing / Evaluations	6. Work Phone: Fax: E-mail Address: jfm@dnr.state.ak.us
7. Work Address (Street/City) 550 West 7th Avenue, Suite 800 Anchorage, AK 99501	8. Name/Title of Supervisor PCN: Work Phone:

12. In one or two sentences, state the main purpose of the position.
The geophysical evaluation of State lands for oil and gas potential which is used to determine the bidding methods for State lease sales, decisions concerning expansion and contraction of units and to provide technical expertise related to any oil and gas activity.
13. List all duties of the position. Begin with the most important duty. List duties in a decreasing order of importance with the least important duty last. Describe each task in detail (see previous page). List the percentage of time spent at each duty and rate the importance of each duty (see previous page). *The supervisor must define each duty/function as essential (E) or marginal (M).
Essential = E Marginal = M Importance = IMP Percent of Time = %/T

*E/ M	IMP	%/T	DUTIES/FUNCTIONS/TASKS
	50%		Seismic data interpretation involving the following procedures: review the seismic data for acquisition or processing problems, map selected seismic horizons and determine the fault patterns, apply datum and residual time corrections, contour posted time and depth maps and delineate prospects, planimeter fill levels and assign risk factors to the prospects for the purpose of calculating their value and present the results and recommendations to the Commissioner of Natural Resources so that lease sale conditions may be determined.
	19%		Gravity and magnetic interpretation involving the following procedures: organize the conduct field programs for collecting gravity and magnetic data, calculate the density values and reduce the gravity readings to Complete Bouguer anomalies, draw a hypothetical geologic model, calculate gravity values for the model and compare with the observed gravity field, change the model to fit and produce maps, charts and reports of interpretation.
	10%		Request and develop computer programs and program modifications and supply technical expertise for program development related to geophysical interpretation procedures.

5%	Velocity data interpretation involving the following procedures: pick time-velocity pairs from velocity spectra, generate and analyze iso-velocity contour and composite plots, position the velocity composites and determine the interpolation grid, review the contoured depth map for velocity problems and revise the velocity interpretation if necessary.
5%	Seismic modeling and synthetic generation involving the following procedures: revise and edit the sonic and density logs in preparation for digitizing, input checkshot and deviation data, select a wavelet that matches the seismic date and generate the synthetic seismogram display, transfer the geologic picks from well logs to the synthetic and correlate the synthetic with the seismic data; draw a hypothetical geologic cross-section, generate the seismic response display and compare to the seismic section.
5%	Supervise geological assistants in the digitizing of well logs and seismic data, posting of intersections, plotting of synthetic seismograms and in map production.
2%	Obtain seismic, gravity, magnetic, geographic, lease tract, and well log data from state, federal and industry sources.
1%	Give depositions to the Attorney General's Office concerning geophysical matters.
1%	Respond to requests for geophysical information from organizations, companies and individuals.
1%	Inspect geophysical data for possible acquisition..
1%	Write requests for new equipment.

17. List **actions** you take or **decisions** you make on a regular basis without higher level approval:

I am responsible for deciding what data reduction and interpretation techniques to use in the geophysical evaluation of oil and gas lease sales. These techniques may vary due to structural complexity, velocity problems or the presence of stratigraphic traps. The results of the geophysical and geological analysis are used to recommend bidding methods for oil and gas lease sales to the Commissioner of DNR. These bidding methods, if in error, could adversely affect the state's revenue in the millions of dollars. I decide how to organize and implement field parties in a manner that maximizes the amount and quality of the data collected. These data are used in the pre-sale evaluation which would be seriously affected by any inadequacies in the data. I decide what computer software procedures should be followed in order to maintain a consistency in our interpretation of the geophysical data in order to efficiently evaluate it for lease sales and provide information on unit expansion and contraction decisions. I recommend bidding methods for oil and gas lease sales based on pre-sale evaluation. I assess oil and gas potential for land trades and recommend approval or disapproval. I recommend additions and changes to the five-year leasing program. I make recommendations concerning oil company request (e.g. lease extensions, drilling incentive credits, or unit boundaries). I make recommendations concerning what computer hardware and software to purchase for us in evaluation of state lands. I map seismic horizons and apply corrections to produce time, depth and prospect maps; determine oil and gas fill levels; assign risk factors and present interpretation results to the Commissioner for determination of lease sale conditions. I organize and conduct gravity and magnetic field programs; reduce and model the field data to produce maps, charts and reports of interpretations. I generate and interpret velocity spectra; generate and analyze velocity composite data; determine three dimensional velocity structures and apply the reduced data to produce seismic depth maps. I use logs, check shot and well deviation data to produce synthetic seismograms and create hypothetical geologic cross-sections to generate synthetic seismic models. I supervise geological assistants in the digitizing of geophysical data and production of geophysical displays. I request and help develop computer programs and systems for use in seismic, velocity, well log, gravity and geomagnetic data reductions and interpretations.

Attachment B – Department of Revenue, chief economist

**Position Description for Chief Economist
for the Department of Revenue**

Definition:

Under general administrative direction, the Chief, Revenue Economic Research supervises the economic research, revenue forecasting, and financial analysis staff and functions of the Department of Revenue's Tax Division.

Distinguishing Characteristics:

The Chief, Revenue Economic Research is a single position job class having primary responsibility for the development, coordination, and production of the economic and financial analysis of state revenues from all tax sources. It is distinguished from the Economist and Petroleum Economist series by the broader scope of responsibility encompassing the planning, supervision, and coordination of the Economic Research Section. It is distinguished from the Assistant Chief, Revenue Economic Research by its responsibility for overseeing all the staff and activities of the Economic Research Group.

This is a supervisory class with substantial responsibility for the exercise of independent judgment in employing, disciplining, or adjudicating grievances of subordinates.

Examples of Duties:

Supervise and mentor the staff of the Economic Research Section.

Assign tasks, evaluate progress, monitor outcomes and evaluate strategies for achieving those outcomes. Hire, evaluate, and coordinate the work of professional economists and research staff.

Develop economic models to forecast tax revenue from various sources and coordinate the refinement and improvement of these models in accordance with acceptable statistical techniques and advances in technology and communication.

Conduct or supervise the preparation of a wide variety of analyses including cost/benefit analyses; research relating to various taxation alternatives; studies relating to fiscal system; studies on such topics as Enhanced Oil Recovery [EOR]; and heavy oil or market research.

Coordinate information, economic models, and forecasts with the Treasury Division, the Alaska Permanent Fund Corporation, the Office of Management and Budget, and other state agencies.

Coordinate and edit, under the supervision of the division director, the publication and dissemination of revenue analyses - with agencies within the state, the legislature, the media, and with the public through meetings, seminars, and public addresses.

Supervise the preparation of the State's Revenue Sources Book (RSB).

Develop strategies and assist other state agencies with the development of a long-range fiscal plan.

Develop and build the research capacity within the Tax Division for research and economic modeling. Participate in research, analysis and the presentation of tax and revenue options; negotiations on new and existing energy projects and tariff agreements.

Make recommendations for formulation of proposed tax legislation to agency executives and legislators; prepare, or supervise the preparation of, fiscal notes to proposed tax and revenue legislation.

Conduct or supervise research on issues that require wide-ranging economic expertise including analyzing the impact of national and international events, federal and state statutes, and court decisions on state tax policy and revenue.

Response to Committee HB 157 Retire Rehire

March 23, 2009

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Make presentations concerning state revenue outlook and/or administrative policy with respect to tax issues to a wide variety of audiences, expressing complex economic ideas and concepts through clear and often non-technical language. Provide briefings to the Governor, Legislature, professional societies and business organizations, bond rating agencies, and the general public.

Draft Requests for Proposals to provide the Tax Division with economic and financial information and analyses from nationally and/or regionally respected consultants.

Testify as an expert witness in judicial proceedings and legislative hearings.

Direct the preparation and interpretation of cost/benefit analyses and research relating to various taxation alternatives. Coordinate information, economic models, and forecasts with the Treasury Division, the Alaska Permanent Fund Corporation, the Office of Management and Budget, and other state agencies.

Participate in research, analysis and presentation of tax and revenue options. Participate in negotiations on new and existing energy projects and tariff agreements. Make recommendations for formulation of proposed tax legislation to agency executives and legislators. Prepare, or supervise the preparation of, fiscal notes to proposed tax and revenue legislation.

Conduct or supervise research on other issues that require wide-ranging economic expertise. Analyze the impact of national and international events, federal and state statutes, and court decisions on state tax policy and revenue. Directly or through staff, support other sections of the Tax Division and other divisions within the Department of Revenue.

Write and edit the narrative explanation of study findings in technical and non-technical terms. Analyze the impact of existing or proposed tax laws on state revenues.

Provide technical assistance and supervise the development, planning, assessment and implementation of tax proposals and systems. Direct cost/benefit analyses and studies of existing and proposed tax programs

Represent the department before boards, commissions, and the legislature in areas pertaining to state revenues, economic research, statistical analyses, and other related studies. Coordinate and act as liaison with state, federal and legislative agencies to develop projects to measure economic and/or revenue impact. Work with other state agencies to propose, evaluate and assess economic, tax or revenue programs.

Knowledge, Skills and Abilities:

Extensive knowledge of the principles of economic theory and models; statistical theory and methods; techniques of research and reporting, data collection and evaluation; basic statistical measures and terminology; principles of effective composition; utilization of resource and reference materials; petroleum fiscal systems and the ability to analyze and evaluate petroleum projects within the parameters of those systems. Considerable knowledge of tax law and economics. Considerable knowledge of economic analysis techniques and sources of economic and financial data. Knowledge of the principles of organization, administration management, and supervision.

Ability to plan, direct, and review the work of professional staff in the analysis of economic data and preparation of comprehensive reports; apply expert judgment, prepares valid conclusions and accurate evaluations related to forecasting petroleum revenue and resources; speak, write and communicate effectively with government officials, representatives of the petroleum industry and others. Ability to manage multiple projects and prepare economic analyses.

Minimum Qualifications:

A bachelor's degree or the equivalent with major course emphasis in economics, accounting, public or business administration, petroleum engineering, industrial engineering, or a closely related field.

AND

Five years of advanced professional level experience in the analysis and interpretation of economic data relating to the determination of the economic value of known and potential petroleum resources, financial status of oil companies, oil revenue projections and oil tariffs. This experience is met by service as a Petroleum Economist II with the State of Alaska or the equivalent elsewhere. This experience may be in industry, in educational or nonprofit institutions, or government.

Substitution:

Appropriate graduate study may be substituted for the required experience on a year-for-year basis not exceeding two years.

Appropriate doctoral study may be substituted for the required experience on a year-for-year basis not exceeding three years.

Required Job Qualifications:

(The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.)

Special Note:

"Advanced professional experience" includes substantial responsibility for complex economic analysis, forecasting, and econometric modeling requiring non-routine data analysis and consistent application of creative problem solving techniques. Projects are broad in scope and require comprehensive research and analysis involving the application of advanced economic principles to difficult problems.

Attachment C – Courts System letter regarding retiree filled position

Alaska Court System

Human Resources Department
820 W. 4th Avenue, Anchorage, AK 99501
Phone: 264-8242 Fax: 264-8262

TO: Nicki Neil, Director DATE: March 23, 2009
Division of Personnel
Department of Administration

FROM: Lee Powelson SUBJ: Retiree Rehire
Alaska Court System Human Resources Director Information Request

The following is in response to the request from Representative Seaton for information regarding the court's recruitment process when retired applicants were appointed to court positions. Representative Seaton requested the information during a recent legislative hearing; you forwarded the request to the court. All employees of the Alaska Court System are exempt from the State Personnel Act in accord with AS 39.25.100(2). The court system has adopted its own personnel/classification system and has designated court positions as classified, partially exempt, or exempt.

The Alaska Court System submitted a plan to implement the retiree rehire program in 2005 following passage of HB 161; that plan was approved by the Director of Retirement and Benefits. The plan imposed somewhat different rehire criteria for positions in the court's classified and partially exempt services.

Standards for Classified rehire:

A PERS retiree may be appointed to a classified position with the Alaska Court system if:

1. A standard competitive recruitment (internal or external, as determined by the HR Director using customary criteria) has been conducted for at least 30 days; and
2. The recruitment generated a pool of five or fewer applicants who met both minimum and preferred qualifications; and
3. Both the HR Director and the supervisor of the position agree that the retiree applicant is clearly superior.

Standards for PX rehire:

A PERS retiree may be appointed to a partially exempt position with the Alaska Court System if the Administrative Director determines that:

1. The retiree's skills and qualifications are highly matched to the critical business needs of the Alaska Court System; and the retiree's skills and qualifications would be extremely difficult to replicate; or
2. Continuity and lack of disruption in the position is extremely important to support an important business need of the Alaska Court System.

The court employs very few individuals under the retiree rehire program. As used by the court system, the Administrative Assistant job title includes positions which provide the primary administrative support to a justice or judge. These positions use the working title of Judicial Assistant. The specific positions referenced by Representative Seaton are in the partially exempt (PX) service.

PCN 419022 Administrative Assistant III (SR 14)

This position serves as the primary Judicial Assistant to the Chief Justice of the Supreme Court. The Chief Justice requested approval to rehire the employee based upon her significant specialized knowledge of and experience with the administrative matters and duties specific to the Chief Justice, and the difficulty associated with attempting to recruit and train a new assistant during the chief justice's term. The Chief Justice serves a three year term. During that period, the Chief Justice receives no additional administrative support although the chief justice assumes significant additional management and administrative duties associated with the operation of the statewide court system. Based upon the applicant's familiarity with the supreme court caseload she is able to direct work flow and assignments to law clerks and handle a large quantity of administrative work without direction. This efficiency allows the Chief Justice to carry a full caseload in addition to the considerable administrative duties of the position. Given the specialized nature of the Chief Justice's work and additional administrative duties, the continuity of rehiring the applicant was a critical concern. The employee was rehired on November 2, 2007.

PCN 419021 - Executive Secretary/System Coordinator (SR 14)

This position serves as the sole Judicial Assistant to a Supreme Court justice. The justice requested approval to rehire the employee citing the benefit of continuity and lack of disruption in hiring and training a new Judicial Assistant during the remaining years of the justice's service on the bench. (This justice is required to retire in April 2009 due to the mandatory retirement age for judges and justices; the employee's tenure in this position will also end in early April.) Recruiting to fill a position with a highly-skilled individual for a short term of employment would have been extremely difficult. The incumbent also has specialized knowledge of the case management system used by the supreme court and court of appeals, and serves as the only specialist in a wide variety of software applications used by the appellate courts. The employee was rehired on August 2, 2005.

Administrative Assistant I (SR 12)

This position serves as Judicial Assistant to a Superior Court Judge in Anchorage. Following an external recruitment open to all applicants, the judge requested approval to appoint the employee, noting that her skills and qualifications are highly matched to critical business needs of the superior court and that those skills and qualifications would be extremely difficult to replace. The applicant had extensive experience working in a variety of positions in the trial and appellate courts. The justification to hire stated that with one exception, none of the small group of internal applicants had been with the court system for any length time and their experience in handling civil cases was limited. While some external candidates had secretarial experience, very few had any experience in the legal system, and none had experience working in a court. The applicant was appointed on June 7, 2006.

If you need additional information, please contact me.

Attachment D – Knowledge Transfer Plan

Progress under this plan can be monitored and reviewed quarterly and reported to the Management Services Consultant as needed.

Development Area	Transfer Type	Recipient(s)	Target Completion Date	Successful Transfer Measurement
<p>1.) Prepare a review and a brief description of the user interface between each of the commercial fisheries in the region, and the associated data management forms and reports in the Integrated Fisheries Database which have been developed to support the information needs of that fishery across the region. The information needs of the Pacific Salmon Commission will be separately considered for each fishery within their purview.</p>	<p>Returned Retiree: has the greatest cumulative knowledge of how these interfaces now work, and how they should work with upgraded technology to more fully meet the needs of each associated fishery in the years ahead.</p>	<p>The SE Region IT Supervisor; the Region's second Analyst-Programmer IV, and any designated users, or other support staff.</p>	<p>6/30/2009 (30 months)</p>	<p>Sharing knowledge of the technical workings of IFDB, will be successful when any Recipient, or any authorized ADFG staff member, can quickly call up diagrams, schematics, user, usage, and technical notes, on the web, about any IFDB interface for any fishery in the region</p>
	<p>Job Aids: The Region's IT supervisor will work with other IT staff in the Division and Department to establish standard structures and formats which provide for collaboration and consensus on storing, updating, reviewing, and modifying these reviews.</p>		<p>11/1/2007</p>	<p>These aids are already partially in place on a web site named Confluence." This site is sponsored and supported by DOA/ETS, and has full support and participation by ADFG. Those interested can click http://kiwi.state.ak.us to review the status to date.</p>
	<p>Data Supervision Board (DSB). In the Fall of 2003, the Regional Supervisor for SE Region formed what is now known as the Data Supervision Board. This board, comprised of IT staff and regional managers, meets</p>		<p>Semi-annual regional meetings, starting 11/2005</p>	<p>There are more than 40 data management forms, and over 200 distinct data output formats that represent the interfaces to IFDB. We have an active program underway, under the umbrella name Zander, to</p>

	<p>semi-annually to review projects, and set priorities on the work of the region's IT Staff.</p> <p>Mentoring: The returned retiree will also provide for, and allow time for the recipient(s) to read, discuss, and work through the usage issues in each interface review document.</p>		On-going	<p>upgrade and document the technologies which support each of these interfaces.</p> <p>As work is completed on these upgrades the DSB, and anyone with web access, can review the documentation for them under Zander on DOA's Confluence web site.</p>
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<p>2.) Prepare technical reviews, including high-level context diagrams, of the components, technical issues, procedures, processes and adopted standards, such as Oracle ADF, which, taken together, are critical to the full functioning of the Integrated Fisheries Database in supporting each fishery.</p>	<p>Returned Retiree: has the greatest cumulative knowledge of how these interfaces now work, and how they should work with upgraded technology to more fully meet the needs of each associated fishery in the years ahead.</p>	<p>The SE Region IT Supervisor; the Region's second Analyst-Programmer IV, and any designated users, or other support staff.</p>	On-going	<p>These reviews will be more technically oriented than the interface reviews described above. Making them effective for system trouble-shooting will require more extensive production experience, and perhaps new tools.</p> <p>As with all documentation which will be produced routinely by this Knowledge Transfer Plan interface and fishery specific information will be available, at least in summary, for inspection on the DOA Confluence web site as they are released.</p>
	<p>Job Aids: The Region's IT supervisor will work with other IT staff in the Division and Department to establish standard structures and formats which provide for collaboration and consensus on storing, updating, reviewing, and modifying these technical reviews.</p> <p>Mentoring: The</p>		6/30/2008	

	returned retiree will also provide for, and allow time for the recipient(s) to read, discuss, and work through the technical issues in each interface review document.			
3.) Prepare a description of technical and usage issues, including a review of licensing, maintenance, and technical training requirements, for all standard applications (e.g., MS Office, some statistical programs, open source apps, various third-party utilities) used in SE Region which directly, or indirectly, affect data in IFDB.	Returned Retiree: has some knowledge of how these interfaces now work, and how they should work with upgraded technology. However, he is not necessarily the primary user of these kinds of apps, nor will he be necessarily familiar with how IFDB data is used. Therefore, the SE Region IT Supervisor will have primary responsibility for working with the relevant users in the preparation of these descriptions with the support and participation of the Returned Retiree.	The SE Region IT Supervisor; the Region's second Analyst-Programmer IV, and any designated users, or other support staff.	1/1/2009	As with all documentation which will be produced routinely by this Knowledge Transfer Plan, interface and fishery specific information will be available, at least in summary, for inspection on the DOA Confluence web site as they are released.
4.) Prepare a plan for the likely evolution of the Region 1 data system beyond June 30, 2009.	Returned Retiree: has the greatest cumulative knowledge of how these interfaces now work, and how they should work with upgraded technology to more fully meet the needs of each associated fishery in the years ahead. Job Aids. This knowledge can be	The SE Region IT Supervisor; the Region's second Analyst-Programmer IV, and any designated users, or other support staff. Members of the Data Supervision Board,	6/30/2009 Semi-annual regional meetings	Preparation of a Publication titled something like: Planning Guide to the future development of the Integrated Fisheries Database As with all documentation

	best utilized by those who will follow the retiree if they are involved in some fashion in a regular series of open discussions about the future evolution of the region's data system.	and other interested and designated members of ADFG staff	beginning in the Fall of 2007	which will be routinely produced by this Knowledge Transfer Plan, interface and fishery specific information will be available, at least in summary, for inspection on the DOA Confluence web site as they are released
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Attachment E – Department of Administration, statistics on retiree positions statewide

EMPL#	EMPLOYER NAME	# Active Waivers	# Termined Waivers	Knowledge Tranfer Plan Received	Fund	Active TRS	Active PERS
162	ALEUTIAN REGION SD	0	1	YES	P	0	0
758	ALEUTIAN REGION SD	0	1	YES	T	0	0
111	ANCHORAGE SD	1	3	YES	P	0	1
701	ANCHORAGE SD	11	34	YES	T	11	0
770	ANNETTE ISLAND SD	0	1	YES	T	0	0
219	BARTLETT REGIONAL HOSPITAL	1	0	YES	P	0	1
104	BERING STRAIT SD	0	2	YES	P	0	0
752	BERING STRAIT SD	7	1	YES	T	7	0
184	BRISTOL BAY BOROUGH SD	1	0	YES	P	0	1
768	CHATHAM SD	1	2	YES	T	1	0
129	CITY OF FAIRBANKS	0	1	YES	P	0	0
215	CITY OF HOMER	1	0	YES	P	0	1
134	CITY OF PALMER	1	0	YES	P	0	1
767	COPPER RIVER SD	1	0	YES	T	1	0
764	DENALI BOROUGH SD	0	2	YES	T	0	0
744	DILLINGHAM CITY SD	0	1	YES	T	0	0
116	FAIRBANKS NORTH STAR BOROUGH	0	1	YES	P	0	0
708	HOONAH CITY SD	1	0		T	1	0
124	IDITAROD AREA SD	1	0	YES	P	0	1
761	IDITAROD AREA SD	0	1	YES	T	0	0
108	JUNEAU BOROUGH SD	0	1	YES	P	0	0
710	JUNEAU BOROUGH SD	0	2	YES	T	0	0
122	KETCHIKAN GATEWAY BOROUGH	1	2	YES	P	0	1
177	KETCHIKAN GATEWAY BOROUGH SD	2	1	YES	P	0	2
714	KETCHIKAN GATEWAY BOROUGH SD	3	1	YES	T	3	0
717	KLAWOCK CITY SD	1	0	YES	T	1	0
718	KODIAK ISLAND BOROUGH SD	1	0		T	1	0
757	LAKE & PENINSULA BOROUGH SD	0	1	YES	T	0	0
754	LOWER KUSKOKWIM SD	36	7	YES	T	36	0
753	LOWER YUKON SD	1	1	YES	T	1	0
110	MATANUSKA-SUSITNA BOROUGH SD	2	0	YES	P	0	2
722	MATANUSKA-SUSITNA BOROUGH SD	3	4	YES	T	3	0
736	NORTH SLOPE BOROUGH SD	2	2	YES	T	2	0
751	NORTHWEST ARCTIC BOROUGH SD	0	2	YES	T	0	0
723	PELICAN CITY SD	1	0	YES	T	1	0
724	PETERSBURG CITY SD	0	2	YES	T	0	0
727	SITKA BOROUGH SD	1	0		T	1	0
769	SOUTHEAST ISLAND SD	0	1	YES	T	0	0
756	SOUTHWEST REGION SD	1	1	YES	T	1	0
779	SPECIAL EDUCATION SERVICE AGENCY	1	0	YES	T	1	0
101	STATE OF ALASKA	36	24	YES	P	0	*36
775	TANANA SD	1	0		T	1	0
730	VALDEZ CITY SD	1	0	YES	T	1	0
731	WRANGELL PUBLIC SD	1	0	YES	T	1	0
778	YUPIIAT SD	2	0		T	2	0
	TOTAL	124	103			77	47

State of Alaska Agencies		
	Law	3
	Health & Social Services	2
	Military & Veterans Affairs	1
	Natural Resources	1
	Fish & Game	10
	Public Safety	3
	Corrections	3
	Transportation & Public Facilities	6
	Court System	7
Total State Agencies		36

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES OFFICE OF THE COMMISSIONER

SARAH PALIN, GOVERNOR

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HB 157

Amending the State Personnel Act to place in the exempt service the chief economist and state comptroller in the Department of Revenue and certain professional positions concerning oil and gas within the Department of Natural Resources; relating to reemployment of and benefits for or on behalf of reemployed retired teachers and public employees.

Summary:

- Amends AS 39.25.110 by adding the State Geologist, State Comptroller, and the Chief Economist to the exempt service.
- Amends AS 39.25.110 by moving certain exempt positions in the Division of Oil and Gas (DO&G) from AS 39.25.110(9) (special inquiry, studies, and examinations) to subsection AS 39.25.110(14) which addresses oil and gas positions.
- Extends the sunset of the Retiree Return Program for public employees and teachers (PERS and TRS) from July 1, 2009 to July 1, 2013.

Background:

- HB 157 would allow the State to continue to hire qualified, experienced oil and gas professionals to manage the State's valuable oil and gas resources.
- The State of Alaska owns oil and gas resources worth billions of dollars. It is critical that the State employ qualified, experienced professional staff with specialized knowledge of the oil and gas industry, world markets, and petroleum science and engineering. Significant industry experience also provides access to the latest interpretation technology and techniques.
- Experienced professional staff allows the State to continue making informed decisions regarding the management of its oil and gas resources. These decisions can ultimately make a difference in millions of dollars to State revenues.
- In order to keep current staff and attract new staff, the Department of Natural Resources must be able to offer salaries somewhat competitive with Alaska's oil and gas industry. Failure to do so could lead to substantial future losses in oil and gas revenues.
- This bill would assist the State in attracting and hiring qualified, experienced oil and gas professionals to effectively manage the State's oil and gas resources. Failing to attract qualified staff would ultimately hurt the State.
- Since the State Geologist and the positions in DO&G (exempt under AS 39.25.110(9)) are already funded as exempt positions, there should be no fiscal impact to the state.

Sec. 39.25.110. Exempt service. Unless otherwise provided by law, the following positions in the state service constitute the exempt service and are exempt from the provisions of this chapter and the rules adopted under it:

- (1) persons elected to public office by popular vote or appointed to fill vacancies in elected offices;
- (2) justices, judges, magistrates, and employees of the judicial branch including employees of the judicial council;
- (3) employees of the state legislature and its agencies;
- (4) the head of each principal department in the executive branch;
- (5) officers and employees of the University of Alaska;
- (6) certificated teachers and noncertificated employees employed by a regional educational attendance area established and organized under AS 14.08.031 — 14.08.041 to teach in, administer, or operate schools under the control of a regional educational attendance area school board;
- (7) certificated teachers employed by the Department of Education and Early Development as correspondence teachers, teachers in skill centers operated by the Department of Education and Early Development or by the Department of Labor and Workforce Development, or in Mt. Edgecumbe School;
- (8) patients and inmates employed in state institutions;
- (9) persons employed in a professional capacity to make a temporary or special inquiry, study or examination as authorized by the governor;
- (10) members of boards, commissions, or authorities;
- (11) the officers and employees of the following boards, commissions, and authorities:
 - (A) *[Repealed, § 13 ch 43 SLA 1994.]*
 - (B) Alaska Permanent Fund Corporation;
 - (C) Alaska Industrial Development and Export Authority;
 - (D) Alaska Commercial Fisheries Entry Commission;
 - (E) Alaska Commission on Postsecondary Education;
 - (F) Alaska Aerospace Development Corporation;
 - (G) Alaska Natural Gas Development Authority;
- (12) the executive secretary and legal counsel of the Alaska Municipal Bond Bank Authority;
- (13) the state medical examiner, deputy medical examiner, and assistant medical examiners appointed under AS 12.65.015 and pharmacists and physicians licensed to practice in this state and employed by the Department of Health and Social Services or by the Department of Corrections;
- (14) petroleum engineers and petroleum geologists employed in a professional capacity by the Department of Natural Resources and by the Oil and Gas Conservation Commission, except for those employed in the division of geological and geophysical surveys in the Department of Natural Resources;
- (15) *[Repealed, § 1 ch 32 SLA 1999.]*
- (16) persons employed by the division of marine transportation as masters and members of the crews of vessels who operate the state ferry system and who are covered by a collective bargaining agreement provided in AS 23.40.040;
- (17) officers and employees of the state who reside in foreign countries;
- (18) employees of the Alaska Seafood Marketing Institute;
- (19) emergency fire-fighting personnel employed by the Department of Natural Resources for a fire emergency or for fire prevention and related activities conducted under AS 41.15.030;
- (20) employees of the Office of the Governor and the office of the lieutenant governor, including the staff of the governor's mansion;
- (21) *[Repealed, § 47 ch 99 SLA 2004.]*
- (22) youth employed by the Department of Natural Resources under the Youth Employment and Student Intern programs;

- (23) *[Repealed, § 6 ch 28 SLA 2003.]*
- (24) students employed by the state institutions in which the students are enrolled;
- (25) *[Repealed, § 8 ch 2 SLA 2004.]*
- (26) investment officers in the Department of Revenue;
- (27) *[Repealed, § 10 ch 29 SLA 1999.]*
- (28) persons engaged in employment or pre-employment training programs operated by the Department of Military and Veterans' Affairs;
- (29) *[Repealed, § 9 ch 115 SLA 1989.]*
- (30) a person employed as an actuary or assistant actuary by the division of insurance in the Department of Commerce, Community, and Economic Development;
- (31) *[Repealed, § 91 ch 163 SLA 2004.]*
- (32) a participant in the Alaska temporary assistance program under AS 47.27 who holds a temporary position with the state in order to obtain job training or experience;
- (33) a person employed as a convener under AS 44.62.730 or as a facilitator under AS 44.62.760 related to a negotiated regulation making process under AS 44.62.710 — 44.62.800;
- (34) the chief executive officer and employees of the Alaska Mental Health Trust Authority employed under AS 47.30.026(b);
- (35) the assistant adjutant general for space and missile defense appointed under AS 26.05.185;
- (36) the victims' advocate established under AS 24.65.010 and the advocate's staff;
- (37) employees of the Alaska mental health trust land unit established under AS 44.37.050;
- (38) the executive director and staff of the Council on Domestic Violence and Sexual Assault established under AS 18.66.010;
- (39) the executive director and employees of the Knik Arm Bridge and Toll Authority under AS 19.75.051 and 19.75.061;
- (40) the chair of the Workers' Compensation Appeals Commission (AS 23.30.007);
- (41) the Alaska Gasline Inducement Act coordinator appointed under AS 43.90.250;
- (42) oil and gas audit masters employed in a professional capacity by the Department of Revenue and the Department of Natural Resources to collect oil and gas revenue by developing policy, conducting studies, drafting proposed regulations, enforcing regulations, and directing audits by oil and gas revenue auditors. (§ 5 ch 144 SLA 1960; am § 1 ch 18 SLA 1961; am § 1 ch 133 SLA 1961; am § 3 ch 93 SLA 1962; am § 3 ch 24 SLA 1966; am § 31 ch 46 SLA 1970; am § 65 ch 69 SLA 1970; am § 13 ch 113 SLA 1970; am § 3 ch 78 SLA 1971; am § 18 ch 78 SLA 1974; am § 42 ch 127 SLA 1974; am § 2 ch 32 SLA 1975; am § 2 ch 79 SLA 1975; am § 37 ch 124 SLA 1975; am § 1 ch 157 SLA 1976; am § 3 ch 90 SLA 1978; am § 7 ch 18 SLA 1980; am § 43 ch 106 SLA 1980; am § 10 ch 131 SLA 1980; am § 4 ch 148 SLA 1980; am § 4 ch 106 SLA 1981; am §§ 2, 3 ch 37 SLA 1982; am § 7 ch 112 SLA 1982; am § 1 ch 11 SLA 1983; am § 1 ch 103 SLA 1984; am § 58 ch 21 SLA 1985; am § 1 ch 50 SLA 1985; am § 69 ch 14 SLA 1987; am § 1 ch 61 SLA 1987; am § 2 ch 37 SLA 1988; am § 2 ch 78 SLA 1988; am § 26 ch 141 SLA 1988; am E.O. No. 72 § 2 (1989) am § 11 ch 95 SLA 1989; am §§ 7, 9 ch 115 SLA 1989; am § 10 ch 88 SLA 1991; am § 1 ch 17 SLA 1992; am § 4 ch 47 SLA 1993; am § 13 ch 43 SLA 1994; am § 111 ch 62 SLA 1995; am § 17 ch 103 SLA 1996; am § 25 ch 107 SLA 1996; am § 6 ch 108 SLA 1996; am § 1 ch 121 SLA 1996; am § 4 ch 117 SLA 1996; am § 10 ch 29 SLA 1999; am § 1 ch 32 SLA 1999; am § 1 ch 15 SLA 2001; am § 2 ch 30 SLA 2001; am § 20 ch 92 SLA 2001; am § 1 ch 27 SLA 2002; am § 2 ch 91 SLA 2002; am § 3 2002 Ballot Measure No. 3; am § 6 ch 28 SLA 2003; am § 5 ch 49 SLA 2003; am § 3 ch 77 SLA 2003; am § 8 ch 2 SLA 2004; am § 91 ch 163 SLA 2004; am § 69 ch 10 FSSLA 2005; am § 1 ch 48 SLA 2006; am § 4 ch 22 SLA 2007; am § 10 ch 1 SSSLA 2007)

DOR Positions

04-5002 State Comptroller PX-non-bargaining

04-3255 Chief, Revenue Economic Research SS-bargaining

We may need to correct the actual title of the position in the bill. Or we can eliminate this position in our budget and create a new position call "Chief Economist" which is what we call the position anyway.

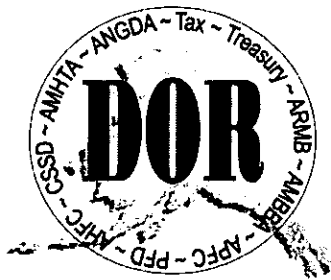
Ginger

DNR Oil & Gas

PCN	Position Title
10-0141	Commercial Analyst
10-0142	Commercial Analyst
10-0143	Petro Land Mgr
10-0144	Petro Land Mgr
10-4100	DOG Div Director
10-4105	Petro Mgr
10-4212	Petro Mkt Analyst
10-4214	Petro Invest Mgr
10-4216	Petro Land Mgr
10-4217	Commercial Analyst
10-4226	Commercial Analyst
10-4227	Dep Director

10-4228	State Geologist
10-T003	Petro Land Mgr
10-T006	Commercial Analyst
10-T007	Commercial Analyst
10-T010	Commercial Analyst
10-T011	Petro Geophysicist
10-T019	Commercial Analyst
10-T015	PSIO Engineer
10-T016	PSIO Engineer
10-T017	PSIO Coordinator

State of Alaska
Department of Revenue
Administrative Services Division



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March 13, 2009

The Honorable Bob Lynn
Chair, House State Affairs Committee
Alaska State Legislature
State Capitol, Room 104
Juneau, AK 99801-1182

SPONSOR STATEMENT
HB 157 Reemployment of Retirees; Exempt Service

HB 157 Reemployment of Retirees; Exempt Service contains three personnel topics regarding state employment. First, extending the sunset provision of the "retire/rehire" employment provision would allow state entities to hire retired employees into existing positions. Second, the Department of Revenue is requesting that two professional positions be made "exempt" for the purposes of allowing flexibility in recruitment and paying market value. Third, certain professional positions concerning oil and gas within the Department of Natural Resources are requested to be made "exempt" for flexibility in recruitment and paying market value.

Each of the portions of the bill are presented in order of the bill:

Department of Revenue – Exempt Positions

Two positions in the Department of Revenue have been difficult to fill and retain because the department cannot offer market pay. The state comptroller oversees billions of dollars and coordinates the state's accounts with national banking agencies. This position is currently partially-exempt, meaning that it is not governed by collective bargaining but that it must be paid within a state salary scale. This position has turned over every year for the past four years due to more appealing private-sector offers accepted by the incumbents. The chief economist position is a classified position and has been open for recruitment for approximately one year. Although one of the division's lead economists is filling this position in acting status, the department is seeking an economist who can speak with experience and authority on Alaska's global petroleum economics.

Department of Natural Resources – Exempt Positions

The division of oil and gas and the division of geological and geophysical survey of the Department of Natural Resources (DNR) are responsible for assessing the state's mineral resources, overseeing the assessment and collection of a large portion of the state's revenues related to oil and gas development, as well as management of the state's oil and gas resources. DNR, through these divisions, must maintain an experienced and professional staff as well as recruit new staff. Without exempt status the State cannot be competitive with industry in hiring the best and most experienced employees in areas where that experience can mean millions of dollars in revenue to the employer.

Retire/Rehire Sunset Extension

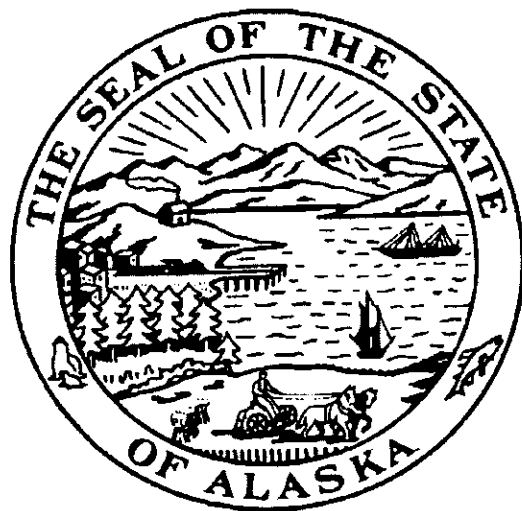
Legislation was passed in 2005 that allows for the rehire of certain PERS and TERS employees who retired with a normal retirement. These rehires can continue to receive normal retirement benefits by waiving further participation in the retirement systems. This legislation is scheduled to sunset on July 1, 2009.

In a report provided to the legislature on February 6, 2009, the number of waivers in the retire/rehire program in 2008 were 62 PERS and 85 TERS participants. While the number of participants are seemingly low, these individuals play a vital role in the communities where they are employed. Many rural communities and school districts have benefited from the retire/rehire program to retain retirement eligible individuals in these hard-to-fill positions.

Alaska Legislative Report

Results of the Retiree Return Program enacted by
House Bill 161 in 2005 on

The Public Employees'
and
Teachers' Retirement System



Submitted by
State of Alaska
Department of Administration
Division of Retirement and Benefits
Division of Personnel
February 6, 2009

STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION
ANNETTE KREITZER, COMMISSIONER

SARAH PALIN, GOVERNOR

P.O. BOX 110200
JUNEAU, ALASKA 99811-0200

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February 6, 2009

The Honorable Gary Stevens
Senate President
The Honorable Mike Chenault
House Speaker
25th Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

Dear Mr. President and Mr. Speaker:

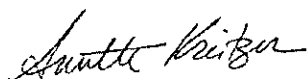
In 2005, the Twenty-Fourth Legislature enacted House Bill 161 relating to reemployment of retired members of the Teachers' (TRS) and Public Employees' Retirement Systems (PERS) to address a shortage of qualified applicants for teaching and public employment throughout the State of Alaska. Section 12 of this legislation will repeal the Retiree Return Program effective July 1, 2009, unless extended by the Legislature.

In accordance with Section 13 of this legislation, the Department of Administration has prepared this report on the effect of this Act, as amended, on the retirement systems. This report is divided into two separate sections as outlined below:

- Section 1 includes information from the Division of Retirement and Benefits collected from the PERS and TRS employers and retirees participating in HB 161.
- Section 2 includes information from the Division of Personnel regarding the efforts by the State of Alaska to address recruitment difficulties experienced by the executive branch in specific job classes.

Please let me know if you have any questions about this report.

Sincerely,



Annette Kreitzer
Commissioner
Department of Administration

Section 1

Division of Retirement and Benefits

HB 161 Background

Section 1 of this report was prepared by the Division of Retirement and Benefits. It includes information collected from the PERS and TRS employers and retirees participating in HB 161.

HB 161 was introduced April 5, 2005. This legislation allows the rehire of certain PERS and TRS employees who retired with a normal retirement. These rehires can continue to receive normal retirement benefits by waiving further participation in the retirement systems. During the period of reemployment, no contributions to PERS and TRS are required from the employee. HB 161 addressed concerns regarding the affect on rehiring retirees under this program on the funding of the retirement systems by requiring employers to make contributions toward their unfunded liability for each rehired retiree. Retirees that are rehired in a full-time position are also required to enroll in the employer's active health insurance plan. Retirees hired in full time positions under HB 161 have their retirement health insurance benefits suspended while reemployed. Prior to the passage of this legislation members who retired and then reemployed in a PERS or TRS participating position would have their retirement benefit stopped during the period of reemployment. The member would accrue an additional pension benefit for the second period of employment.

HB 161 also addressed retirees who reemployed under the prior Retiree Rehire Program enacted in 2001 by HB 242/SB149. An attorney general opinion issued in 2004 regarding the HB 242/SB 149, stating that retirees could not continue in employment without affecting their retirement benefits if they rehired prior to the sunset date. The Division notified all participants in the Retiree Rehire Program on November 3, 2004 of this interpretation. HB 161 provides retirees who reemployed prior to November 3, 2004 an extension of participation in the program to December 31, 2006. After that date, continued employment in the program would be contingent on meeting the requirements and conditions of HB 161.

Reporting

This report comprises a summary of the waiver activity for the Retiree Return program under HB 161 from January 1, 2008 to the last reporting period, December 31, 2008 for both the TRS and the PERS.

The information provided regarding participating employers for both the TRS and the PERS and the knowledge transfer plans received are a summary activity since the Retiree Return program became effective on July 1, 2005.

PERS Results

As of December 31, 2008, 30 out of 159 or (18%) of PERS employers have participated in the program with a total of 83 waivers filed with the Division of Retirement and Benefits. As of December 31, 2008, 25 out of 30 or 83% of participating employers have submitted a knowledge transfer plan.

The largest number of retirees rehired over 36 months from their termination and retirement. The second largest number of returned retirees were those who had been retired for 1-6 months. Positions filled with rehired retirees were varied.

Additional information regarding the PERS employers that have participated in the program and detailed information regarding the type of positions rehired is included in the statistical section of this report.

TRS Results

As of December 31, 2008, 34 out of 58 or (58.6%) of TRS employers have participated and 143 waivers were filed with the Division of Retirement and Benefits. As of December 31, 2008, 27 out of 34 or 79% of participating TRS employers have submitted a knowledge transfer plan. The largest number of returned retirees were those who had been retired for over 36 months. The second largest number of returned retirees were those who had been retired for 24-36 months. The largest number of positions rehired was general teachers with the second highest being Special Education teachers.

Additional information regarding the employers that have participated in the program and how they have participated is included in the statistical section of this report.

Financial Impact on the PERS and TRS Systems

HB 161 requires employers to make payments of employer contributions sufficient to cover any unfunded liability created by the program. Retirees who rehire under HB 161 in a full time position have their retiree medical benefits suspended for the period of reemployment.

Summary of Retiree Rehire Program - PERS (HB 161)

The following information summarizes the activity reported by employers to the Division of Retirement and Benefits from January 1, 2008 through December 31, 2008.

Total number of PERS employers	159
Total number of PERS employers participating in HB 161	30
Percentage of total PERS employers participating in HB 161	18%
Total number of PERS waivers active during 2008	62
Total number of employers submitting a knowledge transfer plan	25**

-
- Once an employer has submitted a resolution and policy to participate in the Retiree Rehire Program, the participation is valid until the program sunsets on June 30, 2009.
 - ** The State of Alaska is not required to submit a knowledge transfer plan and is not included in this total.

Job Classes Rehired Under PERS HB 161

ADMINISTRATIVE ASSISTANT I	STATE OF ALASKA
ADMINISTRATIVE ASST III	STATE OF ALASKA
ADMINISTRATIVE MANAGER IV	STATE OF ALASKA
ADMINISTRATIVE SERVICES DIRECTOR	STATE OF ALASKA
AIRPORT LAW ENFORCEMENT SUPERVISOR	KETCHIKAN GATEWAY BOROUGH
ANALYST PROGRAMMER IV	STATE OF ALASKA
ASSISTANT CMS PROJECT MANAGER	STATE OF ALASKA
ASSISTANT COMMISSIONER (2)	STATE OF ALASKA
ASSOCIATE COORDINATOR	STATE OF ALASKA
ASST SUPERVISOR/BUISNESS SERVICES	BERING STRAIT SD
ATTORNEY V	STATE OF ALASKA
ATTORNEY VI	STATE OF ALASKA
BIOMETRICIAN III (2)	STATE OF ALASKA
BOILER/HVAC MECHANIC	MATANUSKA-SUSITNA BOROUGH SD
CHILDREN SERVICES SPECIALIST II	STATE OF ALASKA
COMM FISHERIES ENTRY COMMISSION CHAIRMAN	STATE OF ALASKA
COMMISIONER	STATE OF ALASKA
CORRECTIONAL SUPERINTENDENT I	STATE OF ALASKA
CRIMINAL JUSTICE PLANNER	STATE OF ALASKA
CUSTODIAN	KETCHIKAN GATEWAY BOROUGH SD
DEPUTY ATTORNEY GENERAL	STATE OF ALASKA
DEPUTY CLERK III (2)	STATE OF ALASKA
DEPUTY CLERK IV	STATE OF ALASKA
DEPUTY COMMISSIONER (4)	STATE OF ALASKA
DIRECTOR, CONSTRUCTION AND OPERATIONS	STATE OF ALASKA
DIRECTOR, PROBATION/PAROLE	STATE OF ALASKA
DIVISION DIRECTOR	STATE OF ALASKA
ECONOMIST III	STATE OF ALASKA
ENGINEER I	STATE OF ALASKA
ENGINEER IV	STATE OF ALASKA
ENGINEERING ASSOCIATE (2)	STATE OF ALASKA
EQUIPMENT OPERATOR	STATE OF ALASKA
EXECUTIVE ADMINISTRATOR	STATE OF ALASKA
EXECUTIVE SECRETARY	STATE OF ALASKA
EXECUTIVE SECRETARY/SYSTEM COORDINATOR	STATE OF ALASKA
FACILITIES MANAGER	STATE OF ALASKA
FIRE CHIEF	KETCHIKAN GATEWAY BOROUGH
FISHERIES BIOLOGIST IV	STATE OF ALASKA
FISHERIES SCIENTIST	STATE OF ALASKA
FISHERY BIOLOGIST III (3)	STATE OF ALASKA
FISHERY BIOLOGIST IV	STATE OF ALASKA
GENERAL MAINTENENCE, JOURNEY	STATE OF ALASKA
ITINERANT FOOD SERVICE	BERING STRAIT SD
LANGUAGE TEACHER (2)	ANCHORAGE SD
LIEUTENANT	CITY OF FAIRBANKS
MAINT SPECIALIST BFC FOREMAN	STATE OF ALASKA
MAINTENANCE	ALEUTIAN REGION SD
MAINTENANCE DIRECTOR	IDITAROD AREA SD
MENTAL HEALTH CLINICIAN III	STATE OF ALASKA
PERSONNEL COORDINATOR	KETCHIKAN GATEWAY BOROUGH SD
POLICE OFFICER	CITY OF HOMER

POLICE OFFICER	KETCHIKAN GATEWAY BOROUGH
PROJECT ASSISTANT	STATE OF ALASKA
PROJECT MANAGER	FAIRBANKS NORTH STAR BOROUGH
QUALITY ASSURANCE COORDINATOR	BARTLETT REGIONAL HOSPITAL
REGIONAL SUPERVISOR	STATE OF ALASKA
RESEARCH ANALYST II	STATE OF ALASKA
RURAL COURT TRAINING ASST.	STATE OF ALASKA
SAFETY AND SECURITY COORDINATOR	MATANUSKA-SUSITNA BOROUGH SD
SE REGION DIRECTOR OF CM&O	STATE OF ALASKA
SPECIAL ASSISTANT TO COMMISSIONER	STATE OF ALASKA
SPECIAL ASSISTANT/LEGISLATIVE LIAISON	STATE OF ALASKA
SPECIAL ED PARAEDUCATOR	JUNEAU BOROUGH SD
SPECIAL EDUCATION AIDE	BRISTOL BAY BOROUGH SD
SPECIAL PROJECTS COORDINATOR	STATE OF ALASKA
SR ASSISTANT ATTORNEY GENERAL	STATE OF ALASKA
STATE TROOPER (2)	STATE OF ALASKA
STUDENT SERVICES DIRECTOR	CITY OF PALMER
SUPERVISOR BLDG/GROUNDS	KETCHIKAN GATEWAY BOROUGH SD
TLINGIT TEACHER (2)	ANCHORAGE SD
VESSEL SUPERVISOR	STATE OF ALASKA

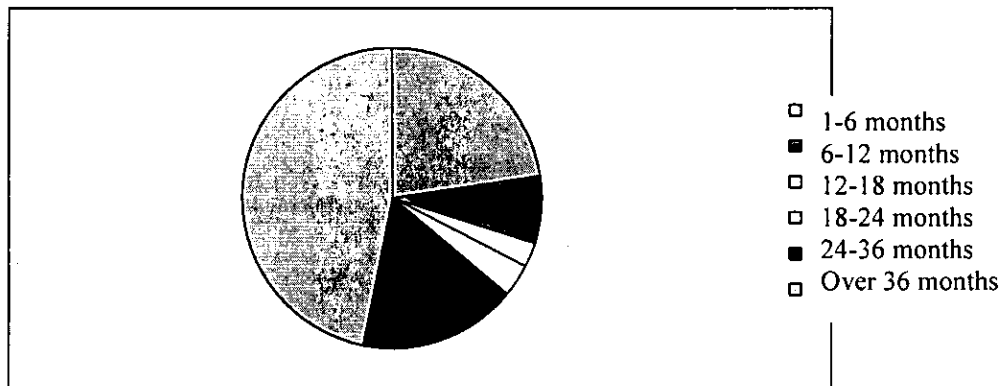
**Detail of number of Retirees participating in HB 161 between
January 1, 2008 and December 31, 2008 by Each Participating
PERS Employer**

Employer	Number of Waivers
ANCHORAGE SD	2
BARTLETT REGIONAL HOSPITAL	1
BERING STRAIT SD	1
BRISTOL BAY BOROUGH SD	1
CITY OF HOMER	1
CITY OF PALMER	1
FAIRBANKS NORTH STAR BOROUGH	1
IDITAROD AREA SD	1
JUNEAU BOROUGH SD	1
KETCHIKAN GATEWAY BOROUGH	3
KETCHIKAN GATEWAY BOROUGH SD	2
MATANUSKA-SUSITNA BOROUGH SD	2
STATE OF ALASKA	45
	62

PERS Rehired Retiree Employer Rate for Fiscal Year 2010 is 22%

Number of Months Retired Rehired under HB 161 for participating PERS employers

PERS Months Between Retirement and Return to Work



Employer	No. of Months Retired Before Rehire
State of Alaska	
16	1-6 months
4	6-12 months
2	12-18 months
2	18-24 months
10	24-36 months
26	Over 36 months
Bering Straight School District	
1	1-6 months
1	Over 36 months
Bartlett Regional Hospital-1	10 months
Bristol Bay Borough School District-1	38 months
Juneau Borough School District-1	57 months
Mat-Su Borough School District	
1	1-6 months
1	18-24 months
Anchorage School District-4	79/92/103/116 months (over 36 months)
Fairbanks North Star Borough-1	6 months
Ketchikan Gateway Borough	
1	24-36 months
2	Over 36 months
Ketchikan Gateway Borough School District	
1	1-6 months
1	24-36 months
1	Over 36 months

Iditarod Area School District-1	29 months
City of Fairbanks-1	67 months
City of Homer-1	102 months
City of Palmer-1	62 months
Aleutian Region School District-1	61 months

Summary of Retiree Rehire Program - TRS (HB 161)

The following information summarizes the activity reported by employers to the Division of Retirement and Benefits from January 1, 2008 through December 31, 2008.

Total number of TRS employers	58
Total number of TRS employers participating in HB 161	34*
Percentage of total TRS employers participating in HB 161	58%
Total number of TRS waivers received	85
Total number of employers submitting a knowledge transfer plan	27

* Once an employer has submitted a resolution and policy to participate in the Retiree Rehire Program, the participation is valid until the program sunsets on June 30, 2009.

Job Classes Rehired Under TRS HB 161

ASSISTANT SUPERINTENDENT/DIRECTOR	BERING STRAIT SD
BEHAVIOR SPECIALIST	KODIAK ISLAND BOROUGH SD
CERTIFIED DIRECTOR	MATANUSKA-SUSITNA BOROUGH SD
COUNSELOR	ANCHORAGE SD
COUNSELOR	LOWER KUSKOKWIM SD
COUNSELOR	NORTH SLOPE BOROUGH SD
COUSELOR	YUPIIT SD
CURRICULUM DIRECTOR	DENALI BOROUGH SD
DIRECTOR (2)	BERING STRAIT SD
DIRECTOR	LOWER KUSKOKWIM SD
DIRECTOR OF INSTRUCTIONAL PROGRAM	SOUTHWEST REGION SD
DIRECTOR OF PROGRAM SUPPORT	BERING STRAIT SD
EDUCATION SPECIALIST (2)	LOWER KUSKOKWIM SD
ELD TEACHER	LOWER KUSKOKWIM SD
ELEMENTARY LIBRARIAN	KETCHIKAN GATEWAY BOROUGH SD
ENGLISH TEACHER	KETCHIKAN GATEWAY BOROUGH SD
EXECUTIVE DIRECTOR	SPECIAL ED SERVICE AGENCY
HEALTH OCCUPATIONS TEACHER	ANCHORAGE SD
HEALTHY LIFESTYLE SPECIALIST	NORTHWEST ARCTIC BOROUGH SD
IND SAFETY/EMT INSTRUCTOR	MATANUSKA-SUSITNA BOROUGH SD
LIBRARIAN	ANCHORAGE SD
LIBRARIAN	PETERSBURG CITY SD
LIFE SKILLS TEACHER	ANCHORAGE SD
MATH/SCIENCE TEACHER	DENALI BOROUGH SD
PERSONNEL OFFICER	SOUTHWEST REGION SD
PRINCIPAL (2)	BERING STRAIT SD
PRINCIPAL	KETCHIKAN GATEWAY BOROUGH SD
PRINCIPAL (2)	NORTH SLOPE BOROUGH SD
PRINCIPAL	IDITAROD AREA SD
PSYCHOLOGIST (2)	ANCHORAGE SD
RESOURCE SPECIALIST	MATANUSKA-SUSITNA BOROUGH SD
RESOURCE TEACHER	MATANUSKA-SUSITNA BOROUGH SD
SCHOOL PSYCHOLOGIST (3)	ANCHORAGE SD
SEC CLSRM TEACHER	ANCHORAGE SD
SECONDARY PRINCIPAL	ANNETTE ISLAND SD
SITE ADMINISTRATOR (5)	LOWER KUSKOKWIM SD
SPANISH TEACHER	ANCHORAGE SD
SPECIAL EDUCATION DEPARTMENT CHAIR	ANCHORAGE SD
SPECIAL EDUCATION TEACHER (20)	ANCHORAGE SD
SPECIAL EDUCATION TEACHER	DILLINGHAM CITY SD
SPECIAL EDUCATION TEACHER	JUNEAU BOROUGH SD
SPECIAL EDUCATION TEACHER	LOWER KUSKOKWIM SD
SPECIAL EDUCATION TEACHER (2)	LOWER YUKON SD
SPECIAL EDUCATION TEACHER	NORTHWEST ARCTIC BOROUGH SD
SPECIAL EDUCATION TEACHER	WRANGELL PUBLIC SD
SPEECH LANGUAGE PATHOLOGIST (7)	ANCHORAGE SD
SPEECH THERAPIST	MATANUSKA-SUSITNA BOROUGH SD
STUDENT PSYCHOLOGIST	ANCHORAGE SD
STUDENT SERVICES DIRECTOR	JUNEAU BOROUGH SD
SUPERINDENDENT	TANANA SD
SUPERINTENDENT	BERING STRAIT SD

SUPERINTENDENT
SUPERINTENDENT
SUPERINTENDENT
SUPERINTENDENT
SUPERINTENDENT
SUPERINTENDENT OF SCHOOLS
SUPERINTENDENT/PRINCIPAL TEACHER
TEACHER (4)
TEACHER
TEACHER (2)
TEACHER (2)
TEACHER
TEACHER (28)
TEACHER
TEACHER
TEACHER
TEACHER
TEACHER
TEACHER SPEECH PATHOLOGIST
TEACHER VOC ED
TEACHER, VOCATIONAL EDUCATION
VOCATIONAL EDUCATION
VOC-ED TEACHER
YUPIK FIRST LANGUAGE ED SPECIALIST

CHATHAM SD
COPPER RIVER SD
HOONAH CITY SD
LOWER KUSKOKWIM SD
VALDEZ CITY SD
SOUTHEAST ISLAND SD
ALEUTIAN REGION SD
ANCHORAGE SD
BERING STRAIT SD
CHATHAM SD
KETCHIKAN GATEWAY BOROUGH SD
LAKE AND PENINSULA BOROUGH SD
LOWER KUSKOKWIM SD
MATANUSKA-SUSITNA BOROUGH SD
NORTH SLOPE BOROUGH SD
PELICAN CITY SD
PETERSBURG CITY SD
SITKA BOROUGH SD
YUPIIT SD
LOWER KUSKOKWIM SD
ANCHORAGE SD
KLAWOCK CITY SD
LOWER KUSKOKWIM SD

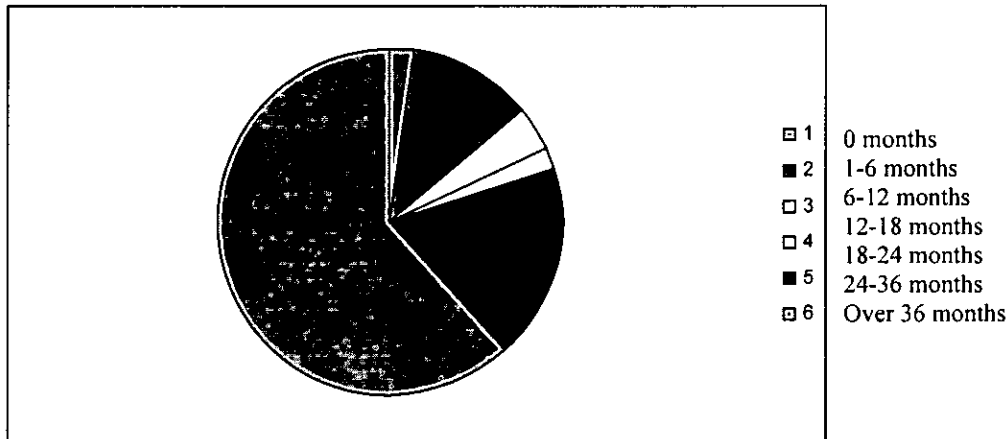
**Detail of number of Retirees participating in HB 161 between
January 1, 2008 and December 31, 2008 by Each Participating
TRS Employer**

Employer	No. of Waivers
ANCHORAGE SD	17
BERING STRAIT SD	1
CHATHAM SD	2
COPPER RIVER SD	1
DENALI BOROUGH SD	1
HOONAH CITY SD	1
KETCHIKAN GATEWAY BOROUGH SD	3
KLAWOCK CITY SD	1
KODIAK ISLAND BOROUGH SD	1
LOWER KUSKOKWIM SD	39
LOWER YUKON SD	2
MATANUSKA-SUSITNA BOROUGH SD	4
NORTH SLOPE BOROUGH SD	3
PELICAN CITY SD	1
SITKA BOROUGH SD	1
SOUTHWEST REGION SD	1
SPECIAL EDUCATION SERVICE AGENCY	1
TANANA SD	1
VALDEZ CITY SD	1
WRANGELL PUBLIC SD	1
YUPIIT SD	2
	85

TRS Rehired Retiree Employer Rate for Fiscal Year 2010 is 12.56%

Number of Months Retired Before Rehired under HB 161 for participating TRS employers

TRS Months Between Retirement and Return to Work



Employer	No. of Months Retired Before Rehire
ALEUTIAN REGION SD-1	Over 36 months
ANCHORAGE SD	
1	1-6 months
1	6-12 months
2	12-18 months
1	18-24 months
2	24-36 months
38	Over 36 months
ANNETTE ISLAND SD-1	60 months
BERING STRAIT SD	
1	12-18 months
6	24-36 months
2	Over 36 months
CHATHAM SD	
1	18-24 months
2	Over 36 months
COPPER RIVER SD-1	61 months
DENALI BOROUGH SD	
1	12-18 months
1	Over 36 months
DILLINGHAM CITY SD-1	13 months
HOONAH CITY SD-1	54 months
IDITAROD AREA SD-1	91 months
JUNEAU BOROUGH SD	
1	12-18 months
1	Over 36 months

KETCHIKAN GATEWAY BOROUGH SD	
1*	* 0 months
3	1-6 months
KLAWOCK CITY SD-1	68 months
KODIAK ISLAND BOROUGH SD-1	* 0 months
LAKE AND PENINSULA BOROUGH SD-1	Over 36 months
LOWER KUSKOKWIM SD	
1	0 months
9	1-6 months
1	6-12 months
1	18-24 months
10	24-36 months
20	Over 36 months
LOWER YUKON SD	
1	6-12 months
1	Over 36 months
MAT-SU BOROUGH SD	
1	1-6 months
3	24-36 months
3	Over 36 months
NORTH SLOPE BOROUGH SD-4	Over 36 months
NORTHWEST ARCTIC BOROUGH SD-2	Over 36 months
PELICAN CITY SD-1	150 months
PETERSBURG CITY SD	
1	24-36 months
1	Over 36 months
SITKA BOROUGH SD-1	Over 36 months
SOUTHEAST ISLAND SD-1	26 months
SOUTHWEST REGION SD-2	24-36 months
SPECIAL EDUCATION SERVICE AGENCY-1	1 month
TANANA SD-1	Over 36 months
VALDEZ CITY SD-1	36 months
WRANGELL PUBLIC SD-1	26 months
YUPIIT SD-2	Over 36 months

* Legislation does not require a 30-day break from termination prior to rehire for TRS.

Section 2

Division of Personnel

**Division of Personnel and Labor Relations
Retiree Rehire, HB 161 Legislative Report**

Section 2 of this report has been prepared by the Division of Personnel & Labor Relations. This Section of the report focuses on the State of Alaska as the largest employer of the PERS system. It includes information on program activity and the efforts of the executive branch to address the recruitment difficulties in job classes in which retired members have been rehired.

House Bill (HB) 161 went into effect on July 1, 2005 and established three sunset dates for re-employed retirees, based upon the date of rehire. In extending the sunset dates of the retiree program, the legislature intended to allow public employers the ability to continue to use this management tool while developing plans to address the knowledge, skills, and abilities that need to be transferred or developed to assure the work can be accomplished following the departure of the retiree.

The final of the three sunset dates established under HB 161 is July 1, 2009 and applies to retirees re-employed on or after July 1, 2005. This group of retirees is eligible to remain employed under a PERS waiver through June 30, 2009. The table below denotes the number of retirees currently employed in the executive branch by agency.

Department*	DMV A	DO C	DN R	F&G	H&S S	Law	DPS	DOT/ PF
Classified	1	1	0	9	2	0	1	5
Exempt/Partially Exempt	0	2	1	1	0	3	2	1

*The following departments do not currently employ retirees: Administration, Revenue, Labor & Workforce Development, Education & Early Development, Commerce, Community & Economic Development and Environmental Conservation

To ensure consistent application of the retiree program as intended by the Legislature and compliance with HB 161, the Department of Administration issued a Retiree Rehire Policy (Addendum A) which replaced Administrative Order 225. As with the Administrative Order, the Retiree Rehire Policy placed "side boards" on this program by providing certain criteria that must be met prior to the appointment of a retiree to a position within the classified service.

To make the most effective use of the retiree return program as a management tool, HB 161 requires the hiring authority to work with the Division of Personnel & Labor Relations to develop a plan that addresses efforts to reduce the recruitment difficulties in job classes in which retirees have been hired. The development plan addresses:

- the critical components of the position;

- the knowledge, skills, and abilities that need to be developed in the workplace to assure that the work can be accomplished when the rehired retiree leaves state service; and
- a development plan for accomplishing the transfer of knowledge.

The Division of Personnel & Labor Relations offers a presentation on developing knowledge transfer plans. The presentation addresses identifying the critical components of the job, the knowledge, skills and abilities required to perform the critical components of the job, conducting a skill gap analysis, and finally, developing the knowledge transfer plan. A knowledge transfer plan can be as simple as developing a desk manual for less complex positions, or as detailed as an intensive training program. The division's service centers are available to provide guidance throughout the process.

To date, the director of the Division of Personnel & Labor Relations has received and approved knowledge transfer plans for 16 of the 19 classified positions filled by an employee working under a PERS waiver in the retiree/return program. The remaining three have been notified of the requirement to complete.

In an effort to address issues concerning recruitment and retention Governor Palin signed Administrative Order 237 on August 24, 2007. This Administrative Order established an Executive Branch Working Group comprised of six Commissioners and the Director of the Office of Management and Budget to make recommendations regarding recruitment and retention of state employees in the executive branch and efficiencies that the State of Alaska will need to make to address the smaller workforce available to it. The recommendations of the Executive Working Group are attached (Addendum B) in addition to a status update (Addendum C).

The Division of Personnel & Labor Relations will continue to explore opportunities to increase retention and mitigate recruitment difficulties.

Memorandum

Department of Administration
Office of the Commissioner

To: All Commissioners

Date: September 11, 2006

From: Scott J. Nordstrand
Commissioner

Phone: 465-5671

Subject: Retiree Rehire Policy – HB 242 / 161

This memo is intended to respond to questions that have arisen regarding the guidelines for employees who were or are rehired in accordance with House Bills 242 and 161. You may be aware that the extension of HB 242 which was introduced last session as HB 161 (retiree return program) generated some angst with several legislators. In order to address the concerns raised by legislators so that agencies could continue to offer this program as a management tool, Governor Murkowski adopted Administrative Order 225 in March of 2005.

Administrative Order 225 acted to place "side boards" on this program by providing certain criteria that must be met with the appointment of rehired retirees to positions in the classified service under HB 242. However, with the sunset of HB 242 and the passage of HB 161, Administrative Order 225 is no longer operative. Therefore, to ensure consistent application of the retiree rehire program as intended by the legislature and compliance with HB 161, this memo has been hereby formalized into policy as outlined below.

A retiree who intends to seek a PERS waiver may be appointed to a position in the classified service if:

- an open competitive recruitment process is conducted for at least 30 days and results in an applicant pool of fewer than five qualified, eligible, and available applicants;
- all qualified, eligible and available applicants are considered;
- the hiring authority demonstrates why no other applicant will have the knowledge, skills, or ability to perform the duties of the position after serving the full probationary period; and
- the retiree has served a thirty-day separation with the PERS. If the employee currently is covered under HB 242, a second thirty-day separation will not be required if the employee is later appointed under HB 161. However, if the employee has not been rehired under HB 242 and has not served the initial thirty-day separation, a thirty-day separation will be required.

Approval to hire a retiree who intends to seek a PERS waiver must be secured in writing from the Director of the Division of Personnel prior to an offer of employment. Within 60 days after receipt of the Director's approval and acceptance of the position by the retiree, the hiring authority shall work with the Division of Personnel to develop a plan that addresses:

- the critical components of the position;
- the knowledge, skills, and abilities that need to be developed in the workplace to assure that the work can be accomplished when the rehired retiree leaves state service; and
- a development plan for accomplishing the transfer of knowledge.

Completed plans shall be submitted to the Director of the Division of Personnel for approval.

Questions regarding this policy may be addressed to your department's Division of Personnel, Management Services Consultant. Additional information on the application of this policy and HB 161 is available on the Division of Personnel's website.

cc: Traci Carpenter, Director
Division of Retirement and Benefits

Administrative Services Directors

Division of Personnel Staff

**Executive Working Group
FINAL Report to Governor Sarah Palin
Administrative Order No. 237
Recruitment and Retention of State Employees**

I. INTRODUCTION:

Governor Sarah Palin signed Administrative Order No. 237 (AO 237) August 24, 2007. The order established an Executive Branch Working Group to address issues concerning recruitment and retention of State employees in the executive branch. The Working Group was tasked with researching and addressing the issue and providing the Governor with recommendations concerning the findings of the order.

A. The Working Group:

A Working Group, composed of seven members appointed by the commissioner of the Department of Administration was assembled to address recruitment and retention issues. The Working Group members included:

- Department of Administration, Commissioner Annette Kreitzer, chairman;
- Office of Management and Budget, Director Karen Rehfeld;
- Department of Health and Social Services, Commissioner Karleen Jackson;
- Department of Public Safety, Commissioner Walt Monegan;
- Department of Environmental Conservation, Commissioner Larry Hartig;
- Department of Labor and Workforce Development, Commissioner Click Bishop;
- Department of Transportation and Public Facilities, Commissioner Leo von Scheben.

The members' combined experience and accumulated knowledge from 75 plus years working in government service and over 75 years in the private sector ensured a broad-based approach to examining the recruitment and retention situation.

Meetings:

The Working Group held a total of four meetings during September and October. In the short time the Group met, we reviewed current State employee turnover rates that were at 16% in 2006, representing the mid-range for states responding to our request for information. As with other states and the private sector, more troubling is the number of State

employees eligible to retire now and in the next five years, and what that might portend for the State's ability to retain experienced, professional employees to balance and mentor less senior employees.

B. Input:

The Working Group polled the Commissioners from each State department for their views on the current status of recruitment and retention of State employees. Each labor union business manager was contacted and requested to give input. Hiring managers throughout State government, who are on the front lines of hiring decisions and frustrations with the current system of employee recruitment, were canvassed for their ideas and comments. The information gathered from the responses was compiled into a spread sheet which organized the data into categories.

The Working Group specifically requested suggestions without a monetary component, but recognizes there are some solutions that are in the monetary category. The State is faced with employee retention issues on both ends of the spectrum from recruitment to retaining knowledgeable, professional employees. The Working Group identified suggestions to quickly impact a majority of problems brought on by a tight salary schedule and personnel rules. Negotiating fair labor contracts is one piece of the financial puzzle, removing an outdated "longevity" step concept is another. These details are included under, "E. Financial Incentives".

C. Supplemental Data:

Appendices include Administrative Order No. 237, State Employee Unions summary sheet and statistics about State employees excluding the University of Alaska, the Legislature and the Court System. Our efforts were focused only on the Executive Branch departments represented at the Cabinet level.

II. IDENTIFY ISSUES AND PROPOSALS:

AO No. 237 charged the Working Group with identifying the recruitment and retention situation, the costs involved in training, changes that will allow the State to effectively serve its citizens while limiting expansion, opportunities for partnering and cross-training and cost neutral or low-cost solutions to increase worker satisfaction.

A. Costs of training new State employees:

Training costs are a significant expenditure for State agencies.

- A recent federal Department of Labor Study shows that turnover costs one-third to one-half times the annual salary of the employee, not including productivity loss.
- The State must clearly define a training/education track tied to proficiency and advancement in a job series. Some level of mandatory supervisory or other training might be necessary.
- The State may need to provide education incentives and professional development in an effort to provide career-long learning opportunities. The practice of providing education incentives among state agencies is currently inconsistent. The Working Group requested and is awaiting a survey of all departments showing what training and education the State currently pays for and what departments believe would be reasonable for the State to undertake.
- We recommend analyzing the cost of a tuition reimbursement and student loan forgiveness program with payback obligations tied to time on the job, based on a sliding percentage from zero to five years.
- Many departments have commented that the State has become a training ground for other prospective employers. By retaining employees longer with fair contracts and other potential financial considerations, we will lower our total cost of training.

B. Changes that restrain growth of government:

Even with significantly higher oil prices, today's production is only about one-third of what it used to be.

- The State must focus on the highest priorities by division and department to live within our means.
- Contracting some work out where appropriate, should be considered. This currently requires a feasibility study and could require revision to labor contract language.
- The State spends hundreds of millions of dollars on technology to improve and make public documents more accessible. Some of this technology will automate processes meaning that fewer employees will be needed to manually enter data like timesheets. The State needs to plan with these employees an exit strategy to other available State jobs.

C. Opportunities to cross-train within and encourage efficiencies:

The State cannot continue to heavily rely on retirees to return to work as a stop-gap measure to training new employees.

- Develop and implement knowledge transfer plans for soon to be retiring employees.
- High turnover positions must have a “desk manual” to ensure that the most basic information of the position is available when a new employee is hired. Documenting a high turnover position’s responsibilities cuts down on the amount of time spent explaining the duties.
- From hiring managers on up, there must be a frank understanding that many entry level jobs will have high turnover. Accepting this and planning for it, while encouraging entry level employees to move up on a State career ladder, will help retention overall.

D. Cost-neutral or low-cost solutions to increase workplace satisfaction:

The State should continue to encourage work/life scheduling flexibility. Hiring managers particularly noted these suggestions related to flexible work schedules and recruitment efforts:

- Broader use of alternate work weeks (4-10’s, 9-80’s). Some departments are using flexible work schedules but this could be done on a more consistent basis.
- Encourage consideration of broader use of telecommuting and job sharing agreements. An approach could require employees to complete one year on the job in the office location, and be in the office several days a week as part of a telecommuting plan.
- Establish employee recognition and appreciation programs as part of a statewide culture. Department programs should complement the Governor’s Statewide Denali Peak Performance Program. Many Commissioners commented that they look for opportunities to recognize excellent customer service or project work by employees.
- Initiate a health and fitness program as part of the State health benefit package. This could pay for itself over time through healthier employees, less sick leave usage, etc. We will need to work with and coordinate with union health trusts on this issue.
- Provide sabbaticals without a break in service or interruption of health benefits. For example, one month after 10 years, three months after 20 years. These could be used in conjunction with

annual leave for continuing education, travel, or just "recharging their batteries".

III. EVALUATE AND RECOMMEND:

The Working Group was charged with evaluating the hiring criteria and practices, education requirements and minimum qualifications, recruitment tools and whether there are ways to improve upon the merit principle to provide better incentives and retain quality employees.

A. Current hiring criteria and practices:

It will take time to inculcate the ideas we believe will result in efficiencies in the State's hiring practices. The processes in place have resulted from years of patchwork attempts to incrementally fix personnel system deficiencies.

- Revamp the classification process and review adequacy of classification resources in the Division of Personnel and Labor Relations to get through all current and backlogged requests and to be more responsive and proactive to workforce changes.
- Conduct a review of the classification system. Review all job classes, update and consolidate with more generic job classes. Minimize or eliminate single-position job classifications.
- Solicit input from younger workers on what it takes to attract, retain, and satisfy the new generation of workers.
- Encourage a broader use of flexibly classed positions, with easier movement between levels in a job series (i.e. I-II-III). (Current list is included in appendices.)
- Review the effectiveness of the HR integration. This should be scheduled in 2008. There continues to be some concern about the impact of the Human Resources integration and its impact on some departments.

B. Current education requirements and minimum qualifications for state employment:

The State needs to be more flexible in its efforts to attract qualified job candidates. The Working Group acknowledges that not every location in the State is having the same challenges drawing applicants.

- Change minimum qualifications to broaden applicant pools. This is not a "dumbing down" of the applicant pools as suggested by some, but a more strategic approach to actual job requirements.

Some examples include removal of a specific degree requirement (i.e. accounting, biology), and replacing with a general degree with a certain number of field-specific credit hours. Specific degree requirements could also be replaced by technical certification or demonstrated expertise. Several departments requested a minimum qualification waiver process.

C. Recruitment tools:

The Workplace Alaska recruitment portal needs to be changed to be more comparable to and competitive with links like monster.com and dice.com – this old technology is not attractive and does not present the State as a progressive, interesting employer. This change will require more planning as it will impact the Online Public Notice system.

- In the short term, we should enable applicants to post resumes on Workplace Alaska similar to other employment websites.
- Each department should have a web link to jobs available on its main website.
- Formalize employee surveys; upon initial hire, after one month, and/or at a minimum an exit survey upon termination. Some suggested making exit interviews mandatory.
- Encourage broader use of internship program. Partner with the University of Alaska on an apprenticeship program. Streamline internship classification with greater flexibility in I-IV levels.

D. Improvements to Merit System:

Efforts should be made to recognize exceptional work and eliminate barriers to employment and promotional opportunities.

- Provide more discretion for increased pay based on performance. Base performance incentives and service steps on the performance evaluations. Use steps (b) through (f) for performance incentives and steps beyond (f) for service steps. This recommendation cannot work if there is not a concomitant effort to prepare proper evaluations.
- Eliminate pay barriers that discourage employees from taking promotions, i.e. not enough pay for the added work and responsibility, loss of over-time pay, if applicable, etc.
- Expand our ability to promote existing employees. In some cases it is easier to hire a new State employee at an advanced step (based on recruitment difficulty or exceptional qualifications).

- Analyze the effectiveness of continued use of market-based pay adjustments. This process addresses specific pay issues but disrupts internal alignment and creates supervisor differentials.

E. Financial Incentives:

In certain areas, the State has become a training ground for the federal government. There is a 24% Alaska cost of living differential between the Federal and State governments that exacerbates this problem.

State labor contracts recently concluded will mean:

1. The 7,920 members of the General Government Unit (GGU) of Alaska State Employees Association will receive a 4% retroactive pay increase contingent on legislative appropriation. The 4% is retroactive to July 1, 2007, followed by 3% increases in FY08 and FY09.
2. The Teachers' Education Association of Mt. Edgecumbe ratified an agreement of a 3% retroactive raise in FY07, followed by 3% in FY08 and 3% in FY09.
3. Labor, Trades and Crafts, Local 71, has ratified an agreement for a two-year contract which includes a 5% increase in FY08 and 2% increase in FY 09. (about 1600 members)
4. Alaska Public Employees Association, bargaining on behalf of the Confidential Employees Association (195 members) ratified an agreement with the State on a three-year contract beginning July 1, 2007 which includes a 4% wage increase on that date, followed by a 3% increase beginning July 1, 2008 and a 3% increase beginning July 1, 2009.

In addition to the monetary components of union contracts the State is a party to, the State makes annual contributions on behalf of each employee to the Public Employee's Retirement System and the Teacher's Retirement System. In the FY09 budget, the State's share of this responsibility for all State employees (union and nonunion) is about \$340 million.

The Working Group agrees that we cannot solve, in this fiscal year, all of the inequities that may have built up over time to make the State a less competitive employer. There are concrete steps that can be taken however, some of which will have long lasting effects:

- Eliminate the outmoded longevity steps where employees go years without a pay adjustment. What was meant as an inducement to retain employees has become a barrier to hiring and promoting professional employees. Removing the barrier can be accomplished in some labor contracts, but the statute (AS 39.27.022) must be updated as employees hired at an advanced step are often frozen at that pay range for up to seven years since the system does not recognize private or other government experience. The removal of this barrier would allow the State to recognize experience and provide merit increments in shorter spans of time. Currently, some employees must wait four, nine and 13 years for a pay increase.
- Salaries for the so-called "non-covereds" or non-union State employees will be impacted by the above action in addition to any changes made to the statutory salary schedule to reflect changes negotiated with union employees.
- HB 98 (CHAPTER 53 SLA 05) increased salaries of commissioners among others, but neglected to include deputy commissioner salaries. For a supervisory track beginning with a new single job classification of Administrative Services Manager, which could lead to promotion to a Deputy Division Director and then to Division Director, the Working Group recommends the following structure. We also recognize that professional job classifications within each agency also provide career tracks to director and other management positions. Any changes to existing positions resulting in increases will be absorbed by existing budgets.

Position	Previous	Current	Proposed	Comment
Commissioner	28E	28-30	No change	AS 39.20.080(a)
Deputy Commissioner		28 A-F	28-29	AS 39.20.080(b) requires legislation to increase
Assistant Commissioner		27	27-28	Not widely used, but can be helpful for very large agencies (e.g., HSS)
Division Director	26	27	No change	Increased Nov. 2006
Deputy Director		23	24 or 25	Implement in FY08-no legislation required
Assistant Director		22	23	Not widely used
Admin. Services Manager/Admin Operations Mgr I-III		22-24	23	Make a single job class to progress to deputy director
Administrative Manager I-IV		15-21	No change	

F. Healthy Work Environment:

We know by surveys and studies that employees value a healthy work environment: One where they are encouraged to be proactive about their own health and if a manager, to model good health habits to their co-workers and subordinates.

This cannot be a mandate. Employees must believe this is also important to their abilities in their jobs. This effort is to support those

who willingly want to maintain or make a change in their lifestyles to a healthier one.

As the provider of health insurance coverage for active and retired State employees, the State has incentive to look for ways to encourage both populations to be proactive about fitness and good health.

Through the Alaska Retirement Management Board and the Health Benefits Evaluation Committee (created in the Supervisory Union's labor contract, specific to the 5,500 State of Alaska employees and dependents covered by the Select Benefits health plan) recommendations are coming to the Commissioner of the Department of Administration to make changes to the health plans to entice employees to use preventive health and fitness measures, to provide coverage for colorectal cancer screening for retirees, and for well baby coverage for active employees. This work will continue in conjunction with the Governor's Health Care Strategies Planning Council.

IV. Conclusion:

The State can do better as an employer. We've started down a path to improving our stature as an employer with fair union contracts and a culture of high ethical standards.

The Working Group recognizes that the State must have a plan for implementing further change and intends to continue to meet to provide a roadmap to reach our ultimate goal of regaining and maintaining our status as a competitive employer.

There are many ways the State has constrained itself as an employer through our methods of recruitment. Changes will take time, effort and a commitment from State employees to implement. We can change the current situation and do more to provide a healthy work environment for our employees.

The Working Group evaluated suggestions and comments submitted by various groups throughout the State workforce. The many responses touched on in this report serve as a starting point for State action for current employees as well as those who will work here in the future.

Some have suggested that we should immediately initiate a salary survey. It is our recommendation that we focus on changes encompassed in this report over the next one to two years, and initiate a

salary survey in 2009-10 to help analyze the effectiveness of the changes and identify additional areas needing adjustment.

We encourage all commissioners to carefully review the data available for each department to plan for pending retirements and the knowledge transfer necessary for the State to successfully continue to provide services. The Division of Personnel and Labor Relations will work to streamline this process for departments and provide guidance and tips on successful implementation.

It is imperative that we continue to engage in an open conversation about ways we can improve and continue to meet our recruitment and retention needs.

Action Plan for Administrative Order No. 237

Near Term Actions:

- Continue negotiating and settling labor contracts which are fair and sustainable.
- Prepare legislation to repeal longevity step impediments and replace with a fair alternative.
- Prepare legislation to provide greater flexibility for deputy commissioner's pay.
- Implement deputy director pay increase in FY08.
- Review the training, education and certification survey of all departments and make recommendations for FY09 or FY10.
- There continues to be some concern about the impact of the Human Resources integration and its impact on some departments. A review of the effectiveness of the HR integration should be scheduled in 2008.
- Streamline the intern program process so it is easier for students to come back to work for the State in between college sessions, and it is less cumbersome for those wanting to hire interns.
- Analyze the effectiveness of continued use of market-based pay adjustments.
- Look for opportunities to promote effective healthy living habits that employees can maintain.

Within two years:

- Request funding in the FY09 budget to perform a geographic differential study in accordance with AS 39.27.030.

- Review the history of tuition reimbursement and student loan forgiveness programs and work with the Legislature to determine a flexible plan with payback obligations tied to time on the job, based on a sliding percentage from zero to five years.
- Every department must develop and implement knowledge transfer plans for soon to be retiring employees.
- Every department must continue to audit its use of flexible work schedules (using information already provided by DOA) to determine if broader use of flexible schedules would be welcomed by employees and still accomplish State priorities.
- Revamp the classification process and review adequacy of classification resources in the Division of Personnel and Labor Relations.
- Conduct a review of the classification system. Review all job classes, update and consolidate with more generic job classes. Minimize, eliminate single-position job classifications.

Within three years:

- Conduct a salary survey.
- Replace the Work Place Alaska portal (and the Online Public Notice System).
- Consider legislation to implement a 40-hour work week.

Ongoing Efforts:

- Continue efforts between the DOA and other departments to write less restrictive minimum qualifications for positions, which allow departments more discretion in hiring the most qualified, best person for the position.
- Continue to encourage a broader use of flexibly classed positions, with easier movement between levels in a job series (i.e. I-II-III). (Current list is included in appendices.)

**Administrative Order No. 237
Executive Working Group
Status Report of Recommendations**

The Executive Working Group on Recruitment and Retention set out a list of action items in the November 2007 report to the Governor. These items and their current status are listed below.

Action Items – Near Term

Action Item	Status	Details
Labor Contracts: ASEA-GGU, APEA-SU, APEA-CEA, PSEA, AVTECTA and IBU	Completed	Salary adjustments resulting from HB 417 and labor negotiations have had a cumulative impact of \$150 million over three years (FY08-\$56.4 million, FY09-\$49.8 million, FY10-\$44.2 million). See attached cost summary.
LTC, TEAME, ACOA	Upcoming	Contracts expire 6/30/09
MM&P, MEBA	In Negotiations	Contracts expired 6/30/08
Longevity Step Repeal and replacement with fair alternative	Completed	HB 417 repealed longevity steps and implemented pay increments for non-covered employees. PSEA negotiated similar provisions and Letters of Agreement have been signed with GGU, CEA and SU (pending) effective January 1, 2009. Cost to implement estimated at \$2.3 million in FY09 and \$1.5 million in FY10.
Flexibility for Deputy Commissioner Pay	Completed	HB 417 provides for appointment within range 28.
Deputy Director Pay Increase	Completed	Division Operations Manager, range 24 Deputy Director, range 25 (partially exempt only)
Training/Certification/ Education Survey Status	No Action	Will be put into New Work Plan
HR Integration Study	Upcoming	Development of the RFP will begin by October 1, 2008. RFP will be vetted through Working Group before release.
Streamline Intern Process	Completed	Levels were consolidated and flex staffing was implemented. Intern openings are now advertised through Workplace Alaska. This allows all interested parties to view/post internships in one central location.
Market-Based Pay	On Hold	A contractor will be hired to conduct a salary survey in 2009 to provide a more holistic approach.
Healthy Living Habits	Ongoing	Web Portal has been developed and usage is still in discovery stage. The database will be developed in 2009. Incentives for participation are under development.

Action Items – Within Two Years

Action Item	Status	Details
Geographic Differential Study	In Progress	\$400.0 for study appropriated. The contractor began work on September 16, 2008. The report is planned to be completed by January 31, 2009. The budget impact of implementation will be presented to the 2009 Legislature.
Tuition Reimbursement & Student Loan forgiveness	In Progress	Many departments currently reimburse employees for tuition for job-related classes. Departments will be advised of available options. Review of student loan forgiveness will be put into new work plan.
Knowledge Transfer Plans	In Progress	DOPLR has a presentation available to assist agencies in the development of these plans.

**Administrative Order No. 237
Executive Working Group
Status Report of Recommendations**

Flexible Work Schedules (Alternate Workweeks)	In Progress	The number of agreements statewide has increased from 1,508 in 2007 to 1,941 in 2008. Effort is continuing to inform departments of available options.
Revamp Classification Process and Review of Resources	In progress	Classification studies are being limited to those in class series which have experienced a significant change in duties. A parallel process to address salaries will be explored in conjunction with comprehensive salary survey.
Classification System Review	In progress	When appropriate, job classifications are being consolidated and single position job classifications are being eliminated.

Action Items – Within Three Years

Action Item	Status	Details
Salary Survey	In Progress	Plan to award contract to begin study in January 2009 with expected completion by October 2009.
Workplace Alaska Portal Replacement	In Progress	Task Order has been released for the development of system requirements.
Legislation for 40 hour Workweek	No Action	Consideration will be given to implement for select groups of employees.

Ongoing Efforts

Action Item	Status	Details
Less Restrictive Minimum Qualifications	In Progress	21 job class specifications involving over 350 state jobs have been reviewed and updated to ensure MQs reflect current job requirements.
Broader Use of Flexibly Classed Positions	Completed	The use of flexibly classed positions has been broadened for use within any series so long as the work exists at the requested levels.
Administrative Clerk Study	In Progress	This comprehensive study of 1,150 clerical positions is scheduled for completion by June 30, 2009. The study will examine the changes in clerical work since the classes were last studied (in 1996) and will provide a benchmark for aligning other clerical, paraprofessional and entry-level job classes.
Revamp Employee Evaluation Process	In Progress	Newly established pay increments require completion of an evaluation. The evaluation process is being reviewed and streamlined to ensure that employees are evaluated in a meaningful and timely manner.

Discussion Items

Item	Details
Sabbaticals	Explore concept for state employees with extensive service – 15 yrs and up.
Telecommuting	Explore concept for working from home up to three days a week. Policy is under review and development.

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 157
(H) Publish Date: 2/27/09

Identifier (file name): 0035-DOA-DRB-2-13-09 Dept. Affected: Administration
Title: An Act amending the State Personnel Act to place in the RDU: Centralized Administrative Services
exempt service the chief economist and state comptroller.... Component: Retirement and Benefits
Sponsor: Governor
Requester: Governor's Office Component Number: 64

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: 0.0

POSITIONS

Full-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

This bill extends the sunset of the Retiree Return Program for Public Employees' (PERS) and Teachers' (TRS) Retirement System retirees from July 1, 2009 to July 1, 2013. This program allows public employers and school districts experiencing a shortage of qualified applicants to rehire a PERS or TRS retiree and allow the retiree to continuing receiving retirement benefit by waiving participation in the PERS or TRS during the period of reemployment. This bill represents a continuation of an existing program and therefore has no fiscal impact on the division.

Prepared by: Patrick Shier, Director
Division: Retirement and Benefits
Approved by: Rachael Petro, Deputy Commissioner
Department of Administration

Phone 465-4817
Date/Time 2/13/09 11:23 AM
Date 2/13/2009

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: HB 157
(H) Publish Date: 2/27/09

Identifier (file name): 0035-DNR-COM-02-12-09 Dept. Affected: Natural Resources
Title: Exempt Service RDU: Resource Development
Component: Commissioners Office
Sponsor: Rules Committee
Requester: Governor Component Number: 423

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other Interagency Receipts						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: _____

POSITIONS

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would move certain exempt DNR positions in the Division of Oil and Gas and the Division of Geological and Geophysical Surveys from AS 39.25.110(9) (special inquiry, studies, and examinations) to subsection AS 39.25.110(14) which addresses certain professional oil and gas positions.

No fiscal impact is anticipated. These positions are already funded as exempt positions and in most cases, filled.

Prepared by: Leta Simons, Director
Division: Support Services
Approved by: Tom Irwin, Commissioner
Natural Resources

Phone 465-3379
Date/Time February 12, 2009
Date February 12, 2009

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: HB 157
 (H) Publish Date: 2/27/09

Identifier (file name): 0035-DOR-TRE-2-6-09 Dept. Affected: Revenue
 Title: Retire-Rehire-Exempt Service RDU: Taxation and Treasury
 Component: Tax/ Treasury
 Sponsor: Rules Committee
 Requester: Governor Palin Component Number: 2476 / 121

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2009) cost: _____

POSITIONS

Full-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Part-time	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

This bill moves two Department of Revenue positions, the State Comptroller in the Treasury Division and the Chief Economist in the Tax Division into the Exempt Service. The State Comptroller is currently a partially exempt position, range 27 with a budgeted annual salary of \$111,000 and total cost of \$162,250, of which \$30,660 is GF. The most comparable positions in state corporations such as the Permanent Fund and Alaska Housing Finance are paid in the range from \$130,000-\$160,000. To be competitive and able to attract and retain staff we would expect to pay this position somewhere in that range. The Chief Economist is currently a classified position, range 26 with a budgeted annual salary of \$90,000 and a total cost of \$130,500, all of which is GF. Competitive salaries for this position would be in the range of \$125,000-\$175,000. The Department would fund these increases costs through adjustments within each division's budget.

Prepared by: Jerry Burnett, Deputy Commissioner Phone 465-2300
 Division: Treasury Division Date/Time 2/6/09 12:00 AM
 Approved by: Ginger Blaisdell Date 2/6/2009
Department of Revenue

State of Alaska

Department of Revenue
Administrative Services Division



SARAH PALIN, GOVERNOR

333 Willoughby Avenue, 11th Floor
P.O. Box 110400
Juneau, Alaska 99811-0405
Phone: (907) 465-2300
Fax: (907) 465-2394

March 3, 2009

The Honorable Bob Lynn
Chair, House State Affairs Committee
Alaska State Legislature
State Capitol, Room 104
Juneau, AK 99801-1182

Dear Representative Lynn:

House Bill 157 was read across the floor on February 27, 2009 and transmitted to the House State Affairs Committee for consideration.

HB 157 Reemployment of Retirees; Exempt Service contains three personnel topics regarding state employment. First, extending the sunset provision of the "retire/rehire" employment provision would allow state entities to hire retired employees into existing positions. Second, the Department of Revenue is requesting that two professional positions be made "exempt" for the purposes of allowing flexibility in recruitment and paying market value. Third, certain professional positions concerning oil and gas within the Department of Natural Resources are requested to be made "exempt" for flexibility in recruitment and paying market value.

While three departments are specifically affected by this legislation, I will be the primary contact for scheduling and questions. Testimony for each provision of the bill will be provided by the respective departments and contacts:

- Retire/Rehire, Kevin Brooks, Deputy Commissioner, Department of Administration
- Oil and gas positions, Melanie Lesh, Legislative Liaison, Department of Natural Resources
- Comptroller and chief economist, Ginger Blaisdell, Director, Administrative Services, Department of Revenue

I respectfully request that HB 157 be scheduled for hearing in the House State Affairs Committee as early as possible.

If the Committee requires any additional information, please contact me.

Sincerely,

Ginger Blaisdell
Director

Nancy Manly

From: Blaisdell, Ginger (DOR) [ginger.blaisdell@alaska.gov]
Sent: Monday, March 16, 2009 12:19 PM
To: Nancy Manly
Cc: Lesh, Melanie G (DNR); Brooks, Kevin A (DOA)
Subject: RE: HB 157

DOR Positions

04-5002 State Comptroller PX-non-bargaining

04-3255 Chief, Revenue Economic Research SS-bargaining

We may need to correct the actual title of the position in the bill. Or we can eliminate this position in our budget and create a new position call "Chief Economist" which is what we call the position anyway.

Ginger

DNR Oil & Gas

PCN	Position Title
10-0141	Commercial Analyst
10-0142	Commercial Analyst
10-0143	Petro Land Mgr
10-0144	Petro Land Mgr
10-4100	DOG Div Director
10-4105	Petro Mgr
10-4212	Petro Mkt Analyst
10-4214	Petro Invest Mgr
10-4216	Petro Land Mgr
10-4217	Commercial Analyst
10-4226	Commercial Analyst
10-4227	Dep Director
10-	

4228	State Geologist
10-T003	Petro Land Mgr
10-T006	Commercial Analyst
10-T007	Commercial Analyst
10-T010	Commercial Analyst
10-T011	Petro Geophysicist
10-T019	Commercial Analyst
10-T015	PSIO Engineer
10-T016	PSIO Engineer
10-T017	PSIO Coordinator

From: Nancy Manly [mailto:Nancy_Manly@legis.state.ak.us]

Sent: Monday, March 16, 2009 11:08 AM

To: Blaisdell, Ginger (DOR)

Subject: HB 157

Hi Ginger:

Will you provide the committee with the PCN numbers of the positions that are impacted by this legislation? Can you send them over to me this afternoon so I have them before the meeting tomorrow? Thanks.

Nancy Manly, Chief of Staff and
House State Affairs Committee Aide *for*
Representative Bob Lynn
House District 31
907-465-2794 Fax: 907-465-4316