

LEG. FINANCE - BILLS 1979 - 1980 1039

Special Session Salary Increase cont. thru CSHB 94 1039

1 tingent upon that unit's ratification of the collective bargaining agree-  
2 ment for fiscal year 1980 prior to the effective date of this Act.

3 \* Sec. 7. The sum of \$6,391,700 is appropriated from the general fund  
4 to the Office of the Governor for fiscal year 1980 for additional salaries  
5 and benefits for state employees not covered by collective bargaining, to  
6 be allocated as follows:

7	Executive branch	\$1,143,600
8	Legislative branch	300,900
9	Judicial branch	696,000
10	University of Alaska	4,251,200

11 \* Sec. 8. The sum of \$123,300 is appropriated from the general fund to  
12 the Office of the Governor for fiscal year 1980 for additional costs of  
13 salaries and benefits for Alaska Skill Center instructors.

14 \* Sec. 9. The sum of \$256,000 is appropriated from the general fund to  
15 the Office of the Governor for additional fiscal year 1979 costs of salaries  
16 and benefits for judicial officers, legislators, and public officers.

17 \* Sec. 10. The sum of \$620,000 is appropriated from the general fund to  
18 the Office of the Governor for additional fiscal year 1980 costs of salaries  
19 and benefits for judicial officers, legislators, and public officers.

20 \* Sec. 11. The sum of \$432,000 is appropriated from the general fund to  
21 the Office of the Governor for additional fiscal year 1979 costs of salaries  
22 and benefits for the inland boatmen's unit.

23 \* Sec. 12. The sum of \$1,293,400 is appropriated from the general fund  
24 to the Office of the Governor for additional fiscal year 1980 costs of  
25 salaries and benefits for the inland boatmen's unit.

26 \* Sec. 13. This Act takes effect immediately in accordance with AS 01.-  
27 10.070(c).

## FISCAL YEAR 1979

## FISCAL YEAR 1980

BARGAINING UNIT	FISCAL YEAR 1979		FISCAL YEAR 1980			
	SUPPLEMENTAL APPROPRIATION	TOTAL FUNDS	GENERAL FUNDS	GOVERNOR'S BUDGET AMENDMENT OR DRAFT BILL	TOTAL FUNDS	GENERAL FUNDS
Supervisory	HB 93	\$ 550,800	\$ 492,400	GBA 3/3-A, Bill	\$2,072,500	\$1,852,800
Labor Trades & Crafts	HE 367	1,388,200	998,300	GBA 23, Bill	1,418,800	1,020,300
General Government	HB 368	6,128,400	4,912,600	GBA 23, Bill	6,277,800	5,032,300
Public Safety	HE 368	719,800	719,800	GBA 23, Bill	737,388	737,388
Confidential	HB 368	114,000	114,000	GBA 23, Bill	227,964	227,964
Marine Engineers	HE 385	86,000	86,000	GBA 23, Bill	350,600	350,600
Masters, Mates & Pilots	HE 385	90,263	90,263	GBA 23, Bill	270,900	270,900
Inland Boatmen	Draft Gov's. Bill	432,000	432,000	Bill	1,293,400	1,293,400
Non-covered Executive Court Legislative U of A	HE 381	3,183,300 (571,800) (340,000) (145,900) (2,125,600)	3,183,300	GBA 36, Bill	6,391,700 (1,143,600) (696,000) (300,900) (4,251,200)	6,391,700
Salary Commission Recommend. Executive Court Legislative	No legislation was introduced to fund FY 79 costs, although recommendations are retroactive to 1/1/79.	253,400 (81,000) (100,200) (72,200)	253,400	GBA 36	613,300 * (227,900) (281,200) (104,200)	613,300 *
Alaska Skill Center	No FY 79 costs	-0-	-0-	Bill	123,300	123,300
Cabudsman	Salary equal to that of Superior Court Judge; no legislation introduced.	2,600	2,600	Salary equal to that of Superior Court Judge; no vehicle introduced.	6,700	6,700
		<u>\$12,948,763</u>	<u>\$11,284,663</u>		<u>\$19,784,352</u>	<u>\$17,920,652</u>
			<u>GRAND TOTAL</u>	<u>\$32,733,115</u>		
			General Fund	29,205,315		
			Other Funds	3,527,800		

\* Revised Fiscal note prepared by Legislative Affairs Agency would increase this amount by \$6,000.

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

FISCAL YEAR 1979

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 General Fund 29,205,315  
 Other Funds 3,527,800

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STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

July 20, 1979

The Honorable Terry Gardiner  
Box 6092  
Ketchikan, Alaska 99901

Dear Representative Gardiner:

Enclosed are copies of the measures referred to in the Governor's call for a special session of the Eleventh State Legislature on August 6, 1979. Six of the measures are still pending, and HCR 2, which died at the adjournment of the first session, has been before you. Two are new. I will briefly describe the latter.

The first is a supplemental appropriation bill to fund the several adjustments in salaries not covered by the pending legislation. There is a separate section for each bargaining unit and for each fiscal year. There are two additional sections, one for each fiscal year, for all officers and employees not covered by collective bargaining agreements. The amounts of some of the appropriations are left open until final figures become available. The total amounts will be within our expenditure ceiling.

The second bill makes eight changes to the existing collective bargaining and personnel laws for public employees. Each is discussed in turn below:

(1) AS 23.40.215 is amended to make the monetary terms of collective bargaining agreements effective as of the beginning of the fiscal year following the appropriation to fund them. No one can question the soundness of this change from a budgetary standpoint.

(2) AS 23.40.215 is also amended to provide that when the legislature, by an appropriation made by law, approves the monetary terms of a multi-year agreement -- and those terms are not subject to renegotiation during the life of the agreement -- the initial appropriation will constitute a continuing one for the entire life of the agreement. Had this provision been in effect when the current multi-year contracts were made, the first appropriation -- even though facially for less money than the amount required over three years -- would have constituted an appropriation of the amount required under the contract not only for the first year but also for the second and third years. No additional appropriation would have been required. That is what the term "continuing appropriation" means.

(3) AS 23.40.250(5) is amended to add ferry system crew members expressly -- they have already been deemed to be included by the Alaska Supreme Court -- and to exclude deputy and assistant directors of divisions from collective bargaining. Commissioners, deputy and assistant commissioners, and division directors are already excluded as "officers" under AS 23.40.250(5).

(4) AS 23.40.250(7) is amended to exclude retirement, social security, and health benefits from the subjects of collective bargaining. The need for equality and uniformity as to all public employees on these subjects and to keep them as matters of public policy for legislative determination lies behind this proposal.

(5) AS 39.20, which covers travel allowances, is amended to exclude employees who are covered by collective bargaining. Either this subject should not be covered by collective bargaining or the statute on it should not apply to persons who are covered. It cannot work both ways.

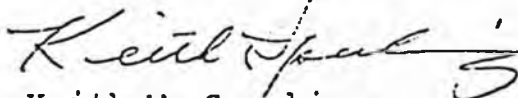
(6) AS 39.25.170 is amended to exclude covered employees from the provisions of the statute which provide for an appeal to the State Personnel Board on disciplinary matters. That is a subject covered by collective bargaining agreements, and it cannot work when both apply.

(7) AS 39.27, which covers salaries, is amended to exclude covered employees. Again, the collective bargaining agreements cover the subject.

(8) AS 23.40.040, a remnant of the old statute on collective bargaining for the ferry system, has been superseded by the Public Employment Relations Act and is repealed.

These two bills are drafts, and they have been completed only as this letter is being written. Technical changes may, and probably will, be made prior to their transmittal for introduction. No substantive changes are expected. If any occur, you will be informed as soon as is practicable.

Sincerely yours,



Keith W. Specking  
Legislative Assistant  
to the Governor



Jay Barton  
President

JUL 27 1979  
GOVERNOR'S OFFICE

UNIVERSITY OF ALASKA

FAIRBANKS ALASKA 99701

July 24, 1979

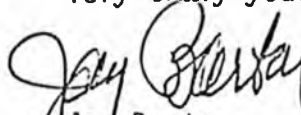
The Honorable Jay Hammond  
and  
Members of the Legislature  
State of Alaska  
Juneau, Alaska

Dear Governor Hammond and Members of the Legislature:

On behalf of the Board of Regents and the University of Alaska, I wish to address HB 381, "An Act making supplemental appropriations to cover salary increases for State employees not covered by a collective bargaining agreement; providing for an effective date", which is included in the formal call to convene a Special Session of the Alaska Legislature, August 6, 1979.

At its meeting of July 20, 1979, the Board of Regents approved a statement requesting the Legislature, while in this Special Session, to consider the funding of a cost-of-living adjustment for University employees who are not represented by a bargaining agent. The Board's intent is that if the Legislature is to consider cost-of-living adjustments for State employees, that University employees be treated in a similar manner and included with any legislation.

Very truly yours,

  
Jay Barton  
President

JB:dm

cc: Members of the Board of Regents

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION  
POUCH W—ALASKA OFFICE BUILDING

FINANCE DIVISION  
POUCH WF—STATE CAPITOL

JUNEAU, ALASKA 99811

### MEMORANDUM

DATE: July 26, 1979

TO: Honorable Russ Meekins  
Chairman  
House Finance Committee

FROM: Milt Barker, <sup>MB</sup> Fiscal Analyst  
Legislative Finance Division

SUBJ: State Salary Increases

The attached tables and charts provide a history of state salaries and wages for the past decade. This decade saw the enactment of a collective bargaining statute which became effective on September 5, 1972. Prior to that, only the marine transportation workers were organized.

As Table 1 and Chart I illustrate, non-covered and confidential employees were receiving the same pay increases as general government until the FY 79 proposals were made. Public Safety was part of the general government unit until FY 77.

Comparing the decade-long increases with inflation, it is apparent that all categories have done better than match the rise in cost of living. However, since 1972 when collective bargaining began, only public safety and the marine workers have held comfortable margins above the cost of living.

Referring to columns 1 and 2 in Table 2 and to Chart II, it is apparent that real wages for state workers have increased by a third over the course of the decade. For state workers there have also been increases in real wages since collective bargaining was enacted, although the latest two years (1977 and 1978) show salaries have flattened at \$1004 per month, and a drop would likely be registered in 1979 in the presence of increased inflation and absence of a salary increase. In comparison, average wages for all employees in Alaska rose far above state workers during the pipeline years, and have since plummeted to an average that is below state workers for the first time this decade. Of course, many of the higher pipeline wages went to non-residents.

July 26, 1979

Columns 3 - 7 in Table 2 and Chart III seem to indicate, at least for these bargaining units for which data is available, that real wages had already begun, in general, a slight downward trend in 1977. In the case of supervisors the trend is markedly downward.

The data by bargaining unit is more current and thus shows a greater decrease in wages because of continued inflation and no pay increase. If the 1979 July cost of living figure were available for use instead of May, the recent downward movement for 1979 would be even greater.

A major question is raised by comparing the two tables. How in column 1 of Table 2 can real wages increase 21.4% from 1972 to 1978 when the 1972-1979 compound percentage increases show salary schedules running barely ahead of inflation? Part of the answer is that the salary schedules for the largest units are 6% ahead of inflation, and a couple of other units are much farther ahead. Also, dropping back to 1978 to put the salary schedules on the same time period as the latest payroll data puts even the lagging schedules 6.7% ahead of inflation, while public safety would be 40.1% ahead.

Another part of the answer is a phenomenon labeled "grade creep" by personnel officials. This can come about in two ways. One is for turnover to slow down in state government as a whole or differentially in the higher paying jobs. When this occurs, merit increases, which are in practice based largely on longevity in a position, boost the average payroll. The other source, of more concern, is the reclassification of existing positions or the addition of new positions at higher than average ranges.

"Grade creep" was evident during the first part of the period in question:

<u>Date</u>	<u>Average Pay Range</u>
December 31, 1973	13.4
December 31, 1974	14.0
August 31, 1975	14.2

Since August 31, 1975 the average range has varied no more than one-tenth, i.e. it has been  $14.2 \pm .1$ .

Unfortunately, the Division of Personnel has no series of turnover figures for the state as a whole, or by range of position, to determine how much of "grade creep" is due to decreases in turnover rather than general upgrading of positions. The only figure the division had was that, in 1977, 25% of all General Government bargaining unit employees left state government employment.

July 26, 1979

Another reason one might suspect for actual pay outstripping scheduled salary increases -- increased overtime -- does not seem to be the case. The Division of Personnel indicates that overtime as a percent of total wages and salaries has been as follows:

	<u>Overtime</u>
June 1977	5.7%
June 1978	5.2%
June 1979	4.1%

The Division claims the June figures are representative for the year. Earlier figures are not available. The trend in overtime should partially account for the recent decline in real wages.

It seems that "grade creep" and salary increases in excess of inflation explain the increase in wages in the earlier part of the 1972-1979 period and maybe for the period as a whole. The most troublesome year here is 1977. Column 1 of Table 2 shows an increase of 6.9% in average wages while the other columns show small decreases for individual bargaining units. The scheduled salary increases from Table 1 are seen to be actually running behind inflation, except for a large boost for public safety.

The bargaining unit wages would reflect any scheduled salary increases or "grade creep" since those figures are based on the salary or wage rate authorized on an individual's personnel form. Besides, the figures on "grade creep" do not indicate it was significant after 1975. The bargaining unit data would not include overtime, while the statewide wages which are taken from actual payroll would. This may be part of the explanation, but we do not have a 1976 overtime figure to compare with 1977 to see if there was an increase.

enclosures

MB:bf

Table 1

STATE OF ALASKA  
SALARY INCREASES BY BARGAINING UNIT

<u>Fiscal Year</u>	<u>General Gov't.</u>	<u>Non-Covered Employees</u>	<u>Confidential</u>	<u>Public Safety</u>	<u>Labor, Trades &amp; Crafts</u>	<u>Supervisory</u>	<u>Marine Transportation**</u>	<u>Anchorage Consumer Price Index Increase***</u>
1969	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	4.9%	3.7%
1970	6.5	6.5	6.5	6.5	6.5	6.5	16.1	4.1
1971	7.0	7.0	7.0	7.0	7.0	7.0	5.9	3.4
1972	--	--	--	--	--	--	5.9	2.3
1973	--	--	--	--	--	--	5.9	1.9
1974	18.5	18.5	18.5	18.5	22.5	36.3	16.0	7.9
1975	15.6	15.6	15.6	15.6	14.5	9.0	21.7	13.8
1976	9.0	9.0	9.0	9.0	7.0	0.4	8.5	11.1
1977	5.0	5.0	5.0	17.9	5.5	5.0	2.3	6.7
1978	5.0	5.0	5.0	5.0	5.0	5.0	4.0	5.8
1979 Paid	5.0	--	--	5.0	4.5	--	--	10.1
1979 Not Paid	5.0	7.0*	7.0	5.0	4.0	7.1	9.0	
<u>Compounded Percentage Increase</u>								
1969-1979	131.6	124.8	124.8	160.1	130.6	124.8	156.9	97.3
1972-1979	81.5	76.1	76.1	103.8	80.7	76.1	99.2	76.8

\*\$50,000 ceiling on salary proposed.

\*\*Union bargaining predates collective bargaining act.

\*\*\*Based on January to January changes in the Anchorage Consumer Price Index, except for 1969 which is the October 1967 to January 1969 percentage increase. Urban and clerical workers index used for 1979.

Sources: "State Salary Survey" and Division of Personnel for salaries.  
U. S. Bureau of Labor Statistics for price index.

Prepared by:  
Legislative Finance Division  
July 26, 1979

Table 2

STATE OF ALASKA  
AVERAGE REAL EARNINGS PER MONTH  
(1967 Dollars)

Calendar Year	(1) All Non-University State Government Workers	(2) All Alaskan Non-Agricultural Employment	(3) General Government	(4) Labor Trades & Crafts	(5) Supervisors	(6) Confidential	(7) Public Safety
1969	746	805					
1970	792	822					
1971	826	827					
1972	837	838					
1973	827	838					
1974	893	912					
1975	884	1080	831	818	1588	731	
1976	939	1181	885	922	1585	834	
1977	1004	1022	868	920	1527	881	
1978	1004	906	858	924	1523	849	1295
1979	Not Available	Not Available	845	901	1424	797	1290

**Sources & Methodology:** Columns 1 and 2 based on average wages published in "Statistical Quarterly" by Alaska Department of Labor, Research and Analysis Division, adjusted for inflation using the average Anchorage consumer price index for the year.

Columns 3 - 7 based on average wages on or about July 1 of each year for these bargaining units taken from computer runs of the Department of Administration's Division of Personnel (data on marine units not available) adjusted for inflation using the Anchorage consumer price index for July, except for 1979 where May is the latest figure. Urban and clerical workers price index used for 1978 and 1979.

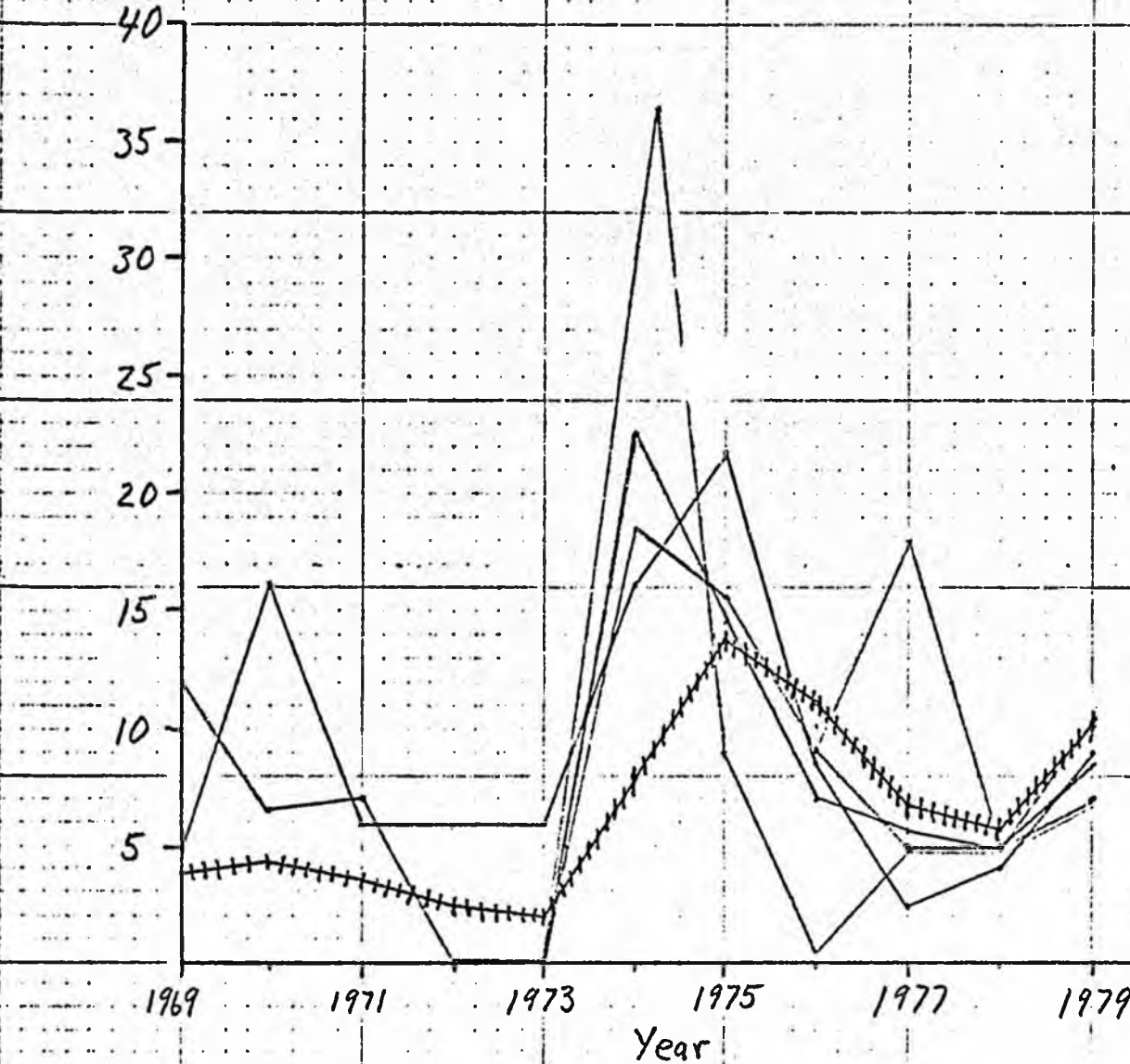
**Differences in Data:** "Statistical Quarterly" figures based on payroll data while Division of Personnel figures are derived from employee wages and salaries authorized on the personnel action form. Thus, the bargaining unit figures from the Division of Personnel do not reflect overtime, shift differential, leave without pay, and part-time employment, while the "Statistical Quarterly" figures do.

Prepared by:  
Legislative Finance Division  
July 26, 1979

# Chart I

## Salary Increases by Bargaining Unit

%  
Increase



Key

- ##### Anchorage Consumer Price Index
- To 1974: All State Workers except Marine
- 1974 on: General Government Unit
- Marine Transportation Confidential and Non-covered Workers (same as Gen Govt) (except for 1979)
- Public Safety (same as Gen Govt) (except for 1977)
- Labor Trades + Crafts
- Supervisors

Chart II  
Average Real Monthly Earnings  
State + Total Employment

Average  
Wage

\$ 1200

1100

1000

900

800

700

All Alaskan  
Non-agricultural  
Employment

Non-university  
State Government  
Workers

1969

1970

1971

1972

1973

1974

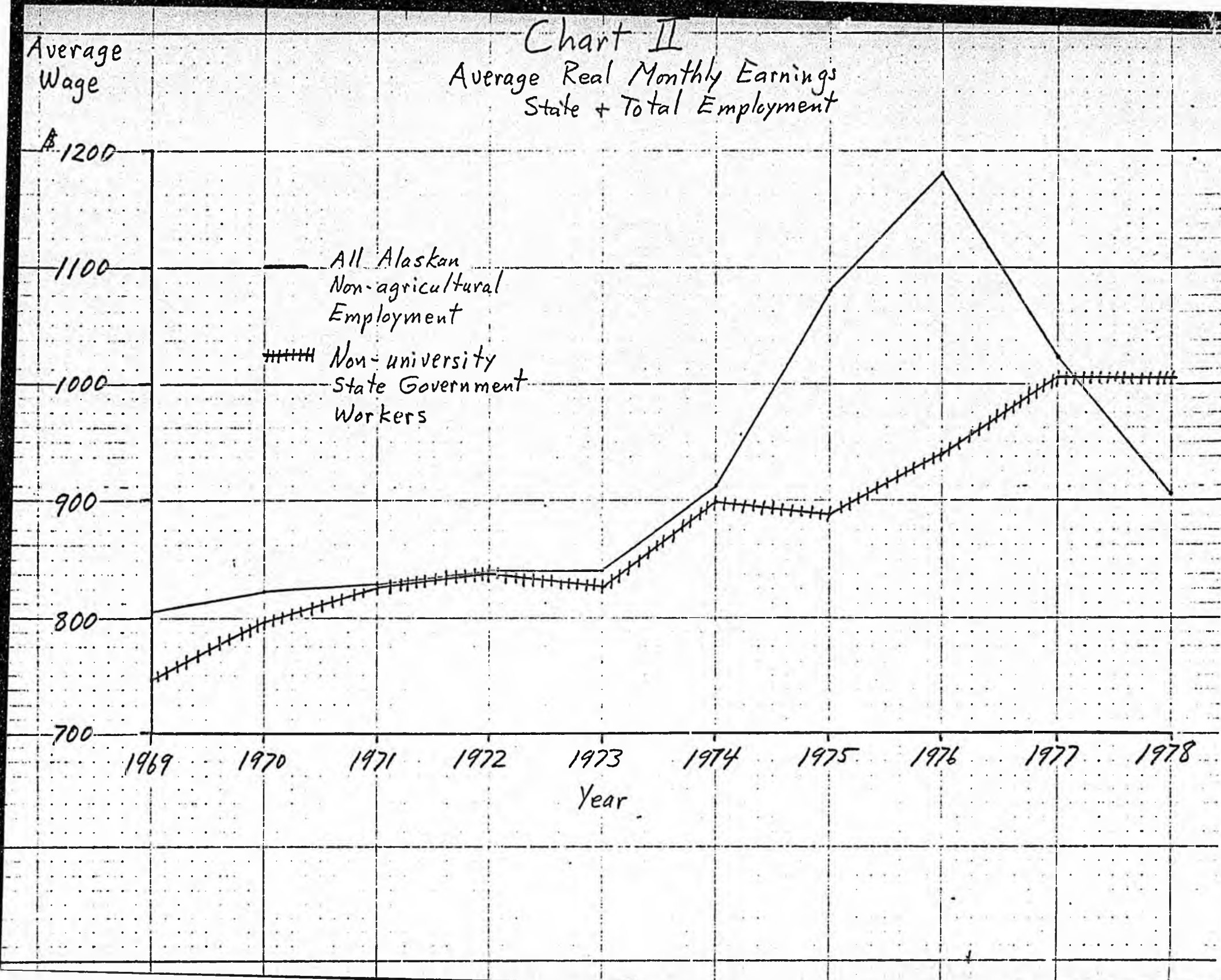
1975

1976

1977

1978

Year



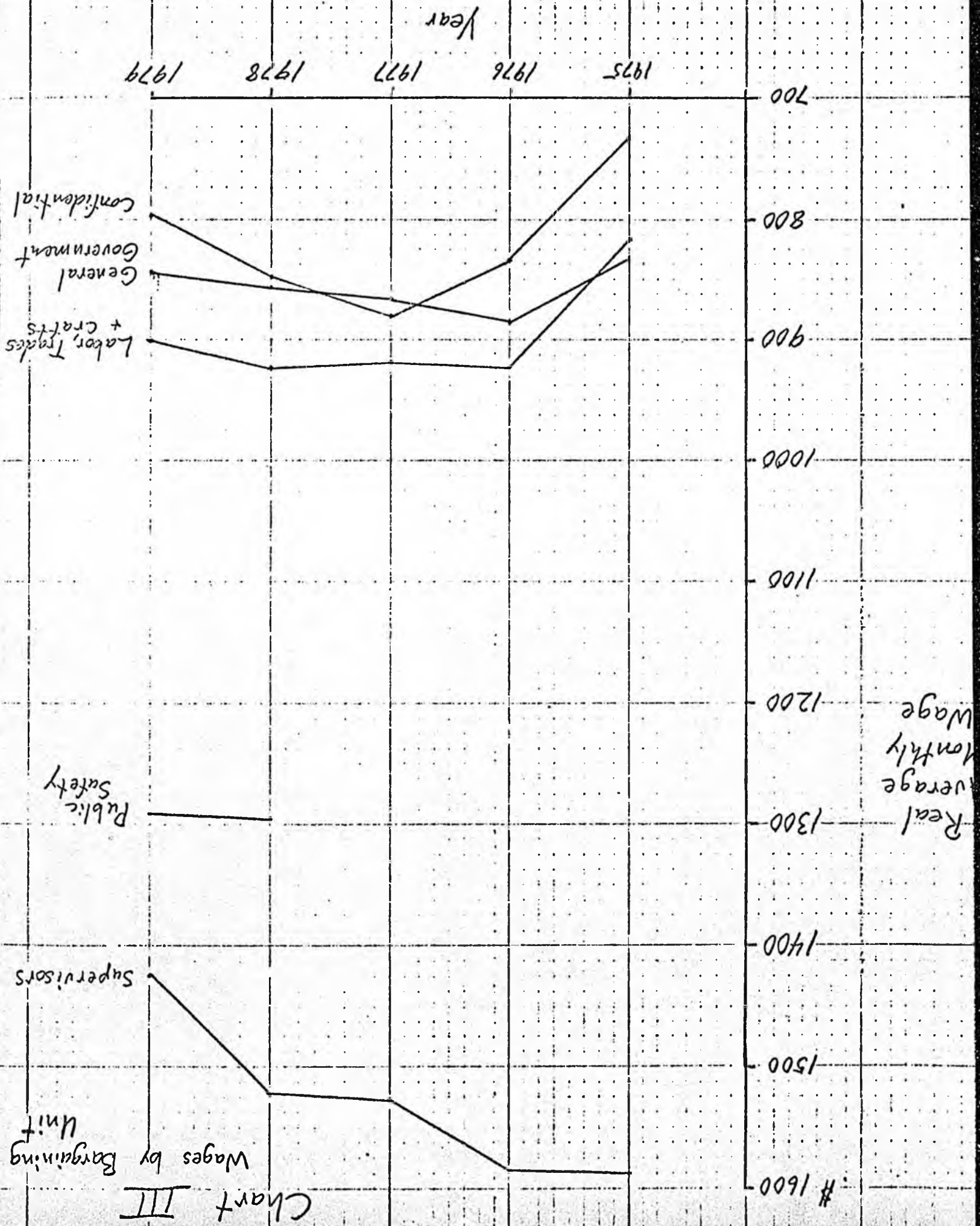


Chart III

Anchorage Daily News

8-1-79

## State pay: the burgeoning public trough

(Editor's note: The legislature convenes in a special session next week to consider adding some \$30. million more to Alaska's biggest payroll. In this special series, The Daily News examines what's at stake for 12,500 state employees and thousands of other taxpayers.)

By JOHN GREELY

Our Juneau bureau  
(First of a series)

JUNEAU — Silently, 50 people marched through the halls of the state capitol, carrying signs with such messages as "Help Stamp Out Poverty." Armed state troopers stood watch.

The year was 1969 and the legislature was in session.

It would be several months yet before the state received the biggest windfall in its history — \$900 million in bonuses from the Prudhoe Bay oil lease sale. And it would be several years yet before state employees received their biggest windfall — the right to bargain collectively for wages and to strike.

Now, 10 years later, it looks like history is playing sumner reruns:

- The legislature, called into special session starting next Monday, will be lobbied hard by state employees carrying, if not protest signs, signed contracts for wage increases denied by lawmakers in May;

- The second biggest windfall in state history — an estimated \$600 million in unexpected revenue from Prudhoe Bay production during



the next year — has upped the ante again, and how that money is spent depends a lot on the rate of government growth;

- Collective bargaining for public employees is under attack again, even as the state sits down at the negotiating table for "good faith" contract talks with eight labor associations.

In the past 10 years, of course, a few things have changed:

- The state payroll, a relatively small \$70 million in 1969, has ballooned to more than \$400 million, the biggest of any employer in Alaska;

- Following a decade of nationwide protest by public employees demanding union rights in the 1960s, the temper of the '70s is more in tune with Proposition 13; and,

- A legislator who voted against the Public Employee Relations Act of 1972 is now governor, and his best friend is president of the Senate.

That Gov. Jay S. Hammond would call the legislature into special session at all suggests the changes in his views. "My initial concerns (about collective bargaining) have abated somewhat," the governor told The Daily News last week.

"If I was governor," says Senate President Clem Tillion. "I'd be calling a special session, too. His word is on the line (for negotiated contracts the legislature refused to fund) ... But the legislature, I believe, feels the current system is an invitation to bankruptcy, and we're not going to buy it any more."

Over their protest, the 1972 law was enacted when Hammond himself was president of the Senate and Tillion was minority leader of the House. Ironically, one of the chief attractions for their peers that year was the notion that collective bargaining would take some political heat off the legislature.

The heat was applied originally in 1956, when framers of the state constitution decided that "the legislature shall establish a system under which the merit principle will govern the employment of persons by the state."

That decision was by no means easy.

As delegate Victor Fischer recalls in his book on the convention, there was "spirited debate" over that and other sections of the so-called "miscellaneous article," Article XII. At one

See Back Page, PAYROLL

# Payroll

Continued

point, delegates decided to allow the legislature to continue the spoils system under which the territory was operating, but finally voted 40 to 13 for a mandatory merit system.

The backbone of that system was the idea that individual ability — not personal connections, party affiliation, race, color or creed — should be the basis of state employment.

A year after statehood, then-Gov. William A. Egan fleshed out that skeleton with the state's first uniform pay plan, which included actual job descriptions and 14 salary ranges. Executive Order No. 13, said Egan, would guarantee "like pay for like work."

Like what, you ask? At the time, the comparison mainly was with the federal government, against which an impoverished new state had to compete at wages roughly 30 per cent below federal salaries. It was a big job, but in 1960 there were only 1,200 state jobs and a total payroll of just \$16 million.

Wages that year ranged between \$265 and \$1,405 a month. Each of the 14 salary ranges included six "steps" providing annual merit raises of about \$25 a month as workers climbed up their respective classification ladders.

By most accounts, the pay plan worked fairly smoothly until later in the decade, when an estimated 20 per cent of the state work force was reported to be on the top rung of their salary ladders and holding

But, by this time, the number of state employees had grown to the point where they could do something about it.

In 1969, the Alaska Public Employees Association, with about 3,000 members, or a third of the state workforce, began pressuring the legislature to expand from six to 10 the number of merit steps in the pay schedule. Patterned after the federal pay schedule, the 10-step plan would allow workers to receive merit raises beyond their fifth year of employment without the legislature passing a general pay hike.

Not that the legislature had been all that stingy — in fact, general wage increases of between 5 per cent and 12.4 per cent were enacted every two years from 1967 to 1971.

Finally, in 1972, Alaska became one of the first 10 states to give public employees the right to bargain collectively and strike for higher wages. Several important ringers were into the law, however.

For example, some employees — such as police and firemen — weren't allowed to strike at all. Others could only walk off their jobs after mediation had broken down. Teachers were left out of the act completely.

Likewise, municipal workers were brought under the act, but local governments were given the power to vote themselves out, no questions asked.

And, most importantly, a much-debated floor amendment declared

that all monetary terms of collective bargaining contracts were "subject to appropriation by the legislature."

Thus, the product was a real anomaly. On one hand, the executive branch was empowered to sign binding wage contracts for the state, while on the other the legislature retained its power to unbind them. To make matters even more complex, the new system was simply attached to the merit pay schedule, which by then had been expanded to the full 10 steps sought by state workers.

Nobody was sure what this hybrid animal would turn out to be, but it had a lot of arms. Within a year, however, it sprouted legs and took off running.

Fearful of possible statewide strike, the Egan administration carved the eligible workforce into eight different bargaining units. This dispersal didn't sit well with labor associations, but it did give them all a piece of the action.

At the same time, it set off a chain reaction.

Because competition between unions for members was fierce, the administration no sooner signed a contract with one bargaining unit than it would be faced with another demanding a better settlement.

This "whipsaw," as state negotiators called it, wasn't confined to unionized workers.

In order to keep other employees, particularly senior college teachers at the University of Alas-

ka, from organizing, the executive branch routinely requested that any pay raises won at the bargaining table be passed on to all state workers. In fact, because the principle of merit steps still remained in the law, the legislature was bound to keep exempt and other employees at a par with their unionized colleagues.

On the picket lines, meanwhile, the situation was confused, at best.

In early 1974, the Egan administration won a court order keeping some 5,000 general government workers on the job until a settlement could be reached. But later that year — on general election day, to be precise — about 850 supervisory personnel staged the first strike in state history.

The three-day affair, which ended with the supervisors accepting essentially the same offer they struck over, had a decidedly political overtone. That is, union leaders believed they would get a better deal from Jay Hammond than from Bill Egan.

Less than a year after Hammond won a 287-vote victory, however, the governor shocked state workers by calling for a repeal of collective bargaining. Appearing before a receptive Alaska Municipal League convention in 1975, Hammond noted that three years' worth of bargaining had produced \$142 million in raises and bulged the state payroll to nearly \$250 million.

"Make no mistake," Hammond

said, "it's not that I'm so opposed to collective bargaining. What I oppose is the fiscal irresponsibility which has attended it."

Hammond figured the repealer could ride a wave of sentiment building to roll back higher salary and retirement benefits which legislators voted for themselves in 1975. But his initiative never got enough signatures to make it on the ballot in 1976, when voters overwhelmingly repealed the legislature's pay hike.

So, the battle over wages shifted back to the legislature.

But every year, state employees presented signed contracts, and every year, state employees presented signed contracts, and every year they were funded. By the end of 1978, the average state worker had seen his salary leap about 65 per cent in six years.

And only once did the legislature exert its authority over the purse strings. In approving more than \$30 million in pay raises four years ago, lawmakers vetoed \$65,000 to pave and fence an Anchorage parking lot used by community college teachers. It was, as the moonwalkers would say, "one small step."

But, it was a sign of things to come in 1979, when another \$30-million raise would call the legislature into special session for the fourth time in state history.

**NEXT: Are state employees overpaid?**

# Anchorage Daily News

2 August 1979

## Are Alaska's state employees overpaid?

(Editor's note: The legislature convenes in a special session next week to consider adding some \$30 million to Alaska's biggest payroll. In this special series, The Daily News examines what's at stake for 12,500 state employees and thousands of other taxpayers.)

By JOHN GREELY  
Our Juneau bureau  
(Second of a series)

**JUNEAU** — Are state employees overpaid? The best answer to that question is the punchline of an old husband-wife joke: "Compared to what?"

Compared to the janitor who sweeps out the state capital at

night for \$15,000 a year, the guy who pushes a broom at Anchorage City Hall is well off. He makes 8 percent more. The federal janitor is even better off. He makes 32 percent more. But pity the poor private fellow. He makes 17 percent less.

Compared to the starting secretary for a state executive, earning about \$15,600 a year, her counterpart in the Anchorage business community is well off. She makes 11 percent more. Last is the federal secretary, who makes 4 percent less.

When the state and the Municipi-

pality of Anchorage compiled these and other numbers for an annual salary survey last fall, the state janitor and secretary came out on the short end of the stick. That is, compared to the combined average salary of the other three jobs.

How short? About 5 percent each.

If that number sounds familiar, perhaps it's because the legislature convenes in special session next Monday to consider pay raises of about 5 percent for the janitor and secretary.

Of course, if rank-and-file raises were the only items on the agenda,



there probably wouldn't be a special session at all; they would have been approved by the legislature in May. Instead, the janitor and the secretary have been caught in the system.

The system, a hodge-podge of civil service and collective bargaining laws, forces the lowest-paid

state worker to stand in line with the highest-paid for salary increases from the legislature. Generally, when one gets a raise, all get a raise, whether the extra money will go to buy bread and butter or champagne and caviar.

But the legislature put its foot down this spring. Although all state employees got stepped on, legislators were far less reluctant to give the janitor an extra \$500 a year for bread and butter than they were to give the lawyer \$2,000 more for champagne and caviar.

The average lawyer in state

See Back Page, PAYROLL

# Payroll

Continued

government earns nearly \$39,000 a year, more than double the median salary of \$18,000 and roughly in the range of wages paid to dozens of upper-echelon employees throughout the bureaucracy.

Are these employees overpaid? Here, the comparison with private and other public jobs is tougher to make.

For example, the Alaska Bar Association reports that 55 percent of its members earned less than \$40,000 in 1977. The median, or most common, salary was about \$38,000. No average salary figures are available, chiefly because they would represent a tortured compromise between the middle-income wages paid starting lawyers and the six-figure sums hauled down by partners in the most prestigious firms.

Other high-paid state employees, who generally don't require the schooling of a lawyer or face the lure of tripling their wages in private practice, can be even harder to compare.

For example, many of the estimated 250 state employees who earn between \$40,000 and \$50,000 a year design and build roads or operate the ferry system — jobs unique to the state.

To be sure, more state employees enjoy better fringe benefits than others in the Alaska workforce. Free and complete medical and dental coverage, life and accident insurance for all year-round workers and their dependents costs the state about \$100 a month per employee.

To the common wage-earner, of course, much of the recent debate over state employee salaries may stretch beyond the bounds of reality. Is a \$40,000 lawyer a bargain? In an era of double-digit inflation, what's a 5 percent raise worth?

Those and other questions have diverted attention from what many state leaders believe is the more central problem attending the growing cost of government. That is, it's not how much we pay our state employees, but how many state employees we pay.

In general, wages for state workers have barely kept pace with inflation since 1970. The consumer price index for Anchorage is up about 75 percent over those nine years, while wages are up about 70 percent.

However, the number of state employees per hundred population has leaped from 2.0 to 3.2 in the same time.

Some of the growth is attributa-

ble to the state taking over functions formerly handled by the federal government — among them health programs, safety inspections and rural firefighting. But most of it has been caused by a swirl of increasingly sophisticated events overtaking the state — among them the biggest private construction project and the largest redistribution of land ownership ever attempted in the United States.

The legislature has tried to reverse this growth trend at times, enacting "sunset laws" for government agencies and fiddling with "zero-base budgeting." As late as this week, Gov. Jay S. Hammond announced he was converting the state's budgeting process to a system called "management by objective," which "is designed to improve delivery of government services ... without increasing costs."

But so far, nothing's really worked.

Alaska, it seems, can't take much solace in the fact that the problem is shared by others.

Last October, President Carter pledged to cut the size of federal government's 2.9 million-worker job force. But between October and May, the Associated Press reports, 27,000 more employees were hired nationwide.

What separates the state from the federal government, however, is Alaska's heavy reliance on oil revenues. If Prudhoe Bay blew up tomorrow, state government couldn't even meet its \$400 million payroll from non-petroleum taxes, to say nothing of educating the schoolchildren, paving the streets or piping in live TV via satellite.

Thus, barring an unlikely massive cut in government pay or services, the only real hope for keeping state costs under control is to improve the quality of the government worker.

From the numbers, at least, it appears there are plenty of bodies to choose from. The Division of Personnel was flooded with 60,000 applications for jobs in 1978, officials say.

Within the bureaucracy intramural warfare over hiring and firing state workers is common. The most publicized case involved Kevin Waring, the Division of Personnel and the State Ombudsman.

Waring, a division director in the Department of Community and Regional Affairs, was hauled into Juneau Superior Court on a grand jury indictment charging him with wilfully violating rules set down by the Division of Personnel in hiring two planners. He was acquitted of the misdemeanor charge after Judge Thomas B. Stewart found that, although he had bent the rules, Waring was only trying to "hire the best person qualified."

With that case still fresh in his mind, the man who's in charge of the Division of Personnel says it's clear "the system just isn't flexible enough to capture the talent we need."

Commissioner of Administration Bill Hudson adds, "It seems that the cost of services keeps going up, but sadly we haven't seen a rise in productivity" by state workers.

That lament has been heard from many state leaders before, even though 98 out of 100 of their employees annually qualify for merit system raises for "satisfactory service of a progressively greater value to the state."

Hudson, the state's chief wage negotiator, says he hopes to change the standard for granting merit raises from "satisfactory" to "superior" performance by employees.

A week before the special session, and barely a month before he launches a new round of negotiations with 70 percent of the state workforce, Hudson was hopeful of that and other changes, but not overly optimistic.

"In collective bargaining," he says, "it's very difficult to correct the sins of the past, and it's damn near impossible to go backwards."

NEXT: What's the legislature to do?

Original sponsor: Rules/Governor

Offered: 8/6/79  
For Today's Calendar

Funding Information

General Fund \$19,099,252  
Other Funds 1,863,700  
\$20,962,952

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 143

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the  
7 Office of the Governor to pay additional costs of  
8 salaries and benefits for the 1979 and 1980 fiscal  
9 years; and providing for an effective date."

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

11 \* Section 1. The sum of \$6,277,800 is appropriated to the Office of the  
12 Governor for fiscal year 1980 for additional costs of salaries and benefits  
13 for the general government unit contract from the following sources:

14	General Fund	\$5,032,300
15	Federal Receipts	772,100
16	Highway Working Capital Fund	15,100
17	International Airport	
18	Revenue Fund	253,000
19	Teacher's Retirement System	8,200
20	Public Employees' Retirement	
21	System	9,400
22	Second Injury Fund	6,900
23	Fishermen's Fund	6,900
24	Fish and Game Fund	104,800
25	Agricultural Loan Fund	11,300
26	Veterans Revolving Loan Fund	32,000
27	FICA Administration Account	1,300
28	Surplus Property Revolving Fund	23,200
29	Donated Commodity Handling	



1 tingent upon that unit's ratification of the collective bargaining agreement  
2 for fiscal year 1980 before the effective date of this Act.

3 \* Sec. 7. The sum of \$6,391,700 is appropriated from the general fund to  
4 the Office of the Governor for fiscal year 1980 for additional salaries and  
5 benefits for state employees not covered by collective bargaining, to be  
6 allocated as follows:

7	Executive branch	\$1,143,600
8	Legislative branch	300,900
9	Judicial branch	596,000
10	University of Alaska	4,251,200

11 \* Sec. 8. The sum of \$123,300 is appropriated from the general fund to  
12 the Office of the Governor for fiscal year 1980 for additional costs of  
13 salaries and benefits for Alaska Skill Center instructors.

14 \* Sec. 9. The sum of \$256,000 is appropriated from the general fund to  
15 the Office of the Governor for additional fiscal year 1979 costs of salaries  
16 and benefits for judicial officers, legislators, and public officers.

17 \* Sec. 10. The sum of \$834,600 is appropriated from the general fund to  
18 the Office of the Governor for additional fiscal year 1980 costs of salaries  
19 and benefits for judicial officers, legislators, and public officers.

20 \* Sec. 11. The sum of \$432,000 is appropriated from the general fund to  
21 the Office of the Governor for additional fiscal year 1979 costs of salaries  
22 and benefits for the inland boatmen's unit.

23 \* Sec. 12. The sum of \$1,293,400 is appropriated from the general fund to  
24 the Office of the Governor for additional fiscal year 1980 costs of salaries  
25 and benefits for the inland boatmen's unit.

26 \* Sec. 13. The sum of \$276,000 is appropriated from the general fund to  
27 the Office of the Governor for additional fiscal year 1979 costs of salaries  
28 and benefits for University of Alaska research employees not covered by a  
29 collective bargaining contract.

1 \* Sec. 14. This Act takes effect immediately in accordance with AS 01.-  
2 10.070(c).  
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Original sponsors: Colletta, Hackney,  
Hohman, et al

Offered: 8/6/79  
For Today's Calendar

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 182

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the compensation of judicial offi-  
7 cers, public officers, and legislators, and the payment  
8 of legislative travel and per diem and allowances; and  
9 providing for an effective date."

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

11 \* Section 1. SALARIES OF JUDICIAL OFFICERS, PUBLIC OFFICERS, AND LEGIS-  
12 LATORS. (a) Notwithstanding the provisions of AS 39.23, AS 39.20.010,  
13 39.20.030, 39.20.080, AS 42.05.091, AS 42.06.090, AS 16.43.060, AS 22.05.-  
14 140(a), AS 22.10.190(a), AS 22.15.220(a), and AS 24.15.020, the salaries set  
15 out in this section shall be paid to the listed judicial officers, public  
16 officers, and legislators until the effective date of the next recommenda-  
17 tions of the Alaska Salary Commission which are approved by the legislature.  
18 The salaries set out in (b) of this section are retroactive to January 1,  
19 1979.

20 (b) The following salaries shall be paid to the listed officers in  
21 accordance with (a) of this section:

	<u>Position</u>	<u>Salary</u>
22		
23	(1) Governor	\$57,231
24	(2) Lieutenant Governor	51,088
25	(3) Commissioners, principal executive departments	51,088
26	(4) Deputy commissioners, principal executive	
27	departments	45,762
28	(5) Members, Alaska Public Utilities Commission	44,353
29	(6) Chairman, Alaska Public Utilities Commission	44,853

1	(7) Members, Alaska Commercial Fisheries Entry	
2	Commission	44,353
3	(8) Chairman, Alaska Commercial Fisheries Entry	
4	Commission	44,853
5	(9) Members, Alaska Pipeline Commission	44,353
6	(10) Chairman, Alaska Pipeline Commission	44,853
7	(11) Supreme Court justice	57,231
8	(12) Superior Court judge	52,462
9	(13) District Court judge	44,353
10	(14) State legislator	12,690
11	(15) President of Senate	13,190
12	(16) Speaker of House of Representatives	13,190

13 (c) Effective January 1, 1980, and each January 1 thereafter, the  
14 annual salary for each public officer described in (b) of this section shall  
15 be adjusted by applying to the then current salary the percentage increase,  
16 if any, in the United States Department of Labor, Bureau of Labor Statistics  
17 Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska,  
18 between January 1 and December 31 of the immediately preceding year. This  
19 subsection does not apply to salaries of the directors of divisions of prin-  
20 cipal executive departments. The provisions of this subsection are subject  
21 to legislative appropriation.

22 (d) Notwithstanding (b)(4) of this section, a state employee whose  
23 salary exceeds \$45,762 who accepts appointment as a deputy commissioner shall  
24 continue to receive the higher salary.

25 (e) This Act does not change the salary level of division directors of  
26 the principal executive departments and those directors shall be paid on the  
27 state salary schedule in AS 39.27.011 up to a maximum annual salary of  
28 \$50,000. A division director whose salary exceeded \$50,000 annually on  
29 December 31, 1978, shall remain at that salary without further increases.

1 Promotions from deputy director to director of a division may necessitate  
2 that the person receiving the promotion move into a step other than "A" on  
3 the salary schedule in order to be assured a salary increase; in such a case  
4 the person receiving the promotion should enter at the lowest step necessary  
5 to receive a salary increase. A director whose salary is frozen as of  
6 December 31, 1978, shall, as of January 1, 1979, be placed on the state  
7 salary schedule in AS 39.27.011 at the appropriate range which is closest to,  
8 but not less than, his current salary and his salary progress shall follow  
9 the steps outlined in the salary schedule to a maximum of \$50,000 annually.  
10 A state employee who, without a break in continuous service, is appointed to  
11 a position of division director after December 31, 1978, shall be placed, on  
12 appointment, on the state salary schedule in AS 39.27.011 at the appropriate  
13 range and step which is closest to, but not less than, his current salary,  
14 and his salary progress shall follow the steps outlined in the salary  
15 schedule to a maximum of \$50,000 annually.

16 \* Sec. 2. LEGISLATIVE TRAVEL AND PER DIEM. (a) Upon presentation of  
17 proof, each legislator shall be reimbursed for one round trip to his home  
18 district during each regular session.

19 (b) Notwithstanding AS 24.15.010, each legislator shall receive per  
20 diem at the same rate as a state employee, including applicable regional  
21 variations in per diem. A legislator who does not live in his city of resi-  
22 dence during a regular or special session shall be paid per diem at the  
23 short-term rate. Per diem for interim committee work shall be paid at the  
24 short-term rate, except that per diem shall be paid at the long-term (lower)  
25 rate to a legislator who stays in his city of residence while on legislative  
26 business.

27 (c) Notwithstanding AS 24.15.030, each legislator is entitled to an  
28 annual allowance of \$5,000.

29 \* Sec. 3. EFFECT OF ACT. This Act may not be applied to reduce the

1 compensation of any person.

2 \* Sec. 4. RETROACTIVITY. This Act is retroactive to January 1, 1979.

3 \* Sec. 5. TERMINATION OF SECTION 1(e). Unless earlier terminated under  
4 sec. 6 of this Act, sec. 1(c) of this Act terminates on December 31, 1984.

5 \* Sec. 6. TERMINATION OF ACT. This Act terminates on the effective date  
6 of the next recommendations of the Alaska Salary Commission (AS 39.13) which  
7 are approved by the legislature in accordance with AS 39.23.080(c).

8 \* Sec. 7. EFFECTIVE DATE. This Act takes effect immediately in accor-  
9 dance with AS 01.10.070(c).

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# STATE OF ALASKA



pursuant to the authority vested in me by Section 9 of Article II of the Constitution of the State of Alaska, I call the Eleventh Legislature of the State of Alaska into special session at Juneau at 10:00 a.m. on August 6, 1979, to consider the following subjects:

- (1) HB 93: A bill for an act entitled: "An act making a supplemental appropriation to the Office of the Governor, for supervisory bargaining unit contract; and providing for an effective date."
- (2) SB 367: A bill for an act entitled: "An act making a supplemental appropriation to the Office of the Governor for labor, trades, and crafts employees' negotiated salaries; and providing for an effective date."
- (3) HB 368: A bill for an act entitled: "An act making supplemental appropriations to the Office of the Governor for general government, public safety, and confidential employees' salaries; and providing for an effective date."
- (4) HB 381: A bill for an act entitled: "An act making supplemental appropriations to cover salary increases for state employees not covered by a collective bargaining agreement; and providing for an effective date."
- (5) HB 385: A bill for an act entitled: "An act making supplemental appropriations to the Governor's Office, for salary and benefit increases for marine engineers and masters, and pilots; and providing for an effective date."
- (6) Supplemental appropriations to the Office of the Governor to pay additional costs of salaries and benefits for the 1979 and 1980 fiscal years.
- (7) The compensation of all officers and employees not covered by collective bargaining. Some are included under CSB 220 am. Others were included under HCR 2, which died at the end of the first session. CSB 220 am, which has already passed the House can be used as a vehicle for this subject.
- (8) Amendments to the state personnel and public employees collective bargaining laws relating the effective date of monetary terms of collective bargaining agreements; to the approval of the monetary terms for agreements for more than one year; to the exclusion of certain classes of employees from the coverage of agreements; to the exclusion of certain subjects from the coverage of agreements; and to the exclusion of covered employees from certain provisions of the personnel laws.

Dated at Juneau, Alaska, this 19th day of July, 1979.

RAY S. HAMMOND  
GOVERNOR

Original sponsor: State Affairs Committee

Offered: 2/14/79  
Referred: Rules

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 2

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 Approving certain recommendations of  
6 the Salary Commission.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS AS 39.23 establishes the Alaska Salary Commission; and

9 WHEREAS the Salary Commission is granted the responsibility of con-  
10 ducting an on-going review of compensation and retirement benefits for mem-  
11 bers of the legislature, the governor and lieutenant governor, commissioners,  
12 deputy commissioners and directors of executive departments, members of the  
13 Alaska Public Utilities Commission, the Alaska Pipeline Commission, the  
14 Alaska Commercial Fisheries Entry Commission, and members of the judiciary;  
15 and

16 WHEREAS the recommendations of the Salary Commission as to compensation  
17 become effective, retroactive to January 1, 1979, only if approved by con-  
18 current resolution of the legislature before the end of the first session of  
19 the legislature; and

20 WHEREAS the Salary Commission has submitted its recommendations to the  
21 legislature regarding the compensation of the officers covered under AS 39.23  
22 and the legislature has considered them; and

23 WHEREAS Recommendation Number (1)(A) of the Salary Commission proposes  
24 to set the annual salary of the governor of Alaska at \$57,231; and

25 WHEREAS Recommendation Number (2)(A) of the Salary Commission proposes  
26 to set the annual salary of the lieutenant governor of Alaska at \$51,088; and

27 WHEREAS Recommendation Number (3)(A) of the Salary Commission proposes  
28 to set the annual salary of commissioners of principal executive departments  
29 at \$51,088; and

1 WHEREAS Recommendation Number (4)(A) proposes to set the annual salary  
2 of deputy department commissioners at \$45,762, except that a state employee  
3 accepting an appointment as deputy commissioner whose salary exceeds \$45,762  
4 shall continue to receive the higher salary; and

5 WHEREAS Recommendation Number (5)(A) proposes that there be no change in  
6 the salary level of division directors; and that the entry level of new  
7 directors continue to be the "A" step of the salary range at which they are  
8 hired; the Salary Commission recognizes that promotions to director of a  
9 division may sometimes necessitate that those receiving a promotion move into  
10 a step other than "A" in order to be assured a salary increase; in such  
11 cases, that person receiving the promotion should enter at the lowest step  
12 necessary to receive a salary increase; and

13 WHEREAS Recommendation Number (5)(B) proposes that the salary progres-  
14 sion for directors follow the steps outlined in the state salary schedule in  
15 AS 39.27.011 to a maximum of \$50,000 annually; and directors whose salaries  
16 exceeded \$50,000 annually on December 31, 1978, remain at that salary without  
17 further increases; and

18 WHEREAS Recommendation Number (5)(C) proposes that directors who, as of  
19 December 31, 1978, are on frozen salary shall, as of January 1, 1979, be  
20 placed within the state salary schedule in AS 39.27.011 at the appropriate  
21 range closest to, but not less than, their current salary and their salary  
22 progression shall follow the steps outlined in the salary schedule to a  
23 maximum of \$50,000 annually; and

24 WHEREAS Recommendation Number (5)(D) of the Salary Commission proposes  
25 that a state employee who, without a break in continuous service, is appointed  
26 to a position of division director after December 31, 1978, be placed, at the  
27 time of appointment, within the state salary schedule in AS 39.27.011 at the  
28 appropriate range and step closest to, but not less than, his current salary,  
29 and his salary progress shall follow the steps outlined in the salary schedule

1 to a maximum of \$50,000 annually; and

2 WHEREAS Recommendation Number (6)(A) proposes that members of the Alaska  
3 Public Utilities Commission be paid \$44,353 annually; and

4 WHEREAS Recommendation Number (6)(B) proposes that the chairman of the  
5 Alaska Public Utilities Commission be paid an additional \$500 annually,  
6 prorated as part of the regular salary; and

7 WHEREAS Recommendation Number (7)(A) proposes that members of the Alaska  
8 Commercial Fisheries Entry Commission be paid \$44,353 annually; and

9 WHEREAS Recommendation Number (7)(B) proposes that the chairman of the  
10 Alaska Commercial Fisheries Entry Commission be paid an additional \$500  
11 annually, prorated as part of the regular salary; and

12 WHEREAS Recommendation Number (8)(A) proposes that members of the Alaska  
13 Pipeline Commission be paid \$44,353 annually; and

14 WHEREAS Recommendation Number (8)(B) proposes that the chairman of the  
15 Alaska Pipeline Commission be paid an additional \$500 annually, prorated as  
16 part of the regular salary; and

17 WHEREAS Recommendation Number (9)(A) of the Salary Commission proposes  
18 that the annual salary of supreme court justices be \$57,231; and

19 WHEREAS Recommendation Number (10)(A) of the Salary Commission proposes  
20 that the annual salary of the superior court judges be \$52,462; and

21 WHEREAS Recommendation Number (11)(A) of the Salary Commission proposes  
22 that the annual salary of district court judges be \$44,353; and

23 WHEREAS Recommendation Number (12)(A) proposes that state legislators be  
24 paid an annual salary of \$12,690; and

25 WHEREAS Recommendation Number (12)(B) proposes that the president of the  
26 senate and the speaker of the house each receive an additional \$500 per year  
27 payable on the opening day of each regular session of the legislature or upon  
28 confirmation by the House or Senate after the opening of a regular session of  
29 the legislature; and

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EXCLUDED

1 WHEREAS Recommendation Number (12)(D) proposes that legislators receive  
2 an annual allowance of \$4,320; and

3 WHEREAS Recommendation Number (12)(F) proposes that legislators receive  
4 per diem at the same rate as state employees, including regional variations  
5 where applicable; legislators who do not live in their city of residence  
6 during regular or special legislative sessions will receive per diem at the  
7 short-term rate; interim committee work should be paid at the short-term per  
8 diem rate; however, per diem is to be paid at the long-term (lower) rate if  
9 legislators are able to stay in their city of residence while on legislative  
10 business; and

11 WHEREAS Recommendations Numbers (1)(B), (2)(B), (3)(B), (4)(B), (6)(C),  
12 (7)(C), (8)(C), (9)(B), (10)(B), (11)(B), and (12)(B) propose that the  
13 salaries of the governor, lieutenant governor, commissioners of principal  
14 executive departments, deputy department commissioners, members of the Alaska  
15 Public Utilities Commission, Alaska Commercial Fisheries Entry Commission,  
16 Alaska Pipeline Commission, supreme court justices, superior court judges,  
17 district court judges, and legislators, respectively, be increased, beginning  
18 January 1, 1980, by an amount equal to the increase, expressed in terms of  
19 percentage, in the United States Department of Labor Consumer Price Index  
20 (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to  
21 January, 1980; and that any such increase be calculated to the nearest tenth  
22 of a percentage point increase in the Consumer Price Index;

23 BE IT RESOLVED that the Alaska State Legislature approves the listed  
24 Recommendations in the language and form stated in this resolution.

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EXCLUDED

For an Act entitled: "An Act making supplemental appropriations to the Office of the Governor to pay additional costs of salaries and benefits for the 1979 and 1980 fiscal years; and providing for an effective date."

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

\* Section 1. The sum of \$6,277,600 is appropriated to the Office of the Governor for additional FY 80 costs of salaries and benefits for the general government unit contract, from the following sources:

General Fund	\$5,032,300
Federal Funds	772,100
Highway Working Capital Fund	15,100
International Airport	
Revenue Fund	253,000
Teachers' Retirement System	8,200
Public Employees' Retirement	
System	9,400
Second Injury Fund	6,900
Fishermen's Fund	6,900
Fish and Game Fund	104,800
Agriculture Revenue Fund	11,300
Veterans Revenue Fund	32,000
FICA Reserve Account	1,300
Surplus Property	23,000
Donated Commodities	1,300

\* Sec. 2. The sum of \$2,072,500 is appropriated to the Office of the Governor for additional FY 80 costs of salaries and benefits for the supervisors unit contract, from the following sources:

General Fund	\$1,852,800
Highway Working Capital Fund	45,600
International Airport Revenue Fund	29,000
Federal Funds	145,100

\* Sec. 3. The sum of \$737,388 is appropriated from the general fund to the Office of the Governor for additional FY 80 costs of salaries and benefits for the public safety employees unit contract.

\* Sec. 4. The sum of \$227,964 is appropriated from the general fund to the Office of the Governor for additional FY 80 costs of salaries and benefits for the confidential unit contract.

\* Sec. 5. The sum of \$1,418,800 is appropriated to the Office of the Governor for additional FY 80 costs of salaries and benefits for the labor, trades, and crafts unit contract, from the following sources:

General Fund	\$1,020,300
Federal Funds	7,800
International Airport Revenue Fund	223,700
Highway Working Capital Fund	167,000

\* Sec. 6. The sum of \$515,300 is appropriated from the general fund to the Office of the Governor for additional FY 80 costs of salaries and benefits, to be allocated as follows:

Masters, mates, and pilots unit	\$ 227,700
Marine engineer's unit	290,600

\* Sec. 7. The sum of \$6,391,700 is appropriated from the general fund to the Office of the Governor for additional FY 80 salaries and benefits

for state employees not covered by collective bargaining, to be allocated as follows:

Executive branch	\$1,143,600
Legislative branch	300,900
Judicial branch	696,000
University of Alaska	4,251,200

\* Sec. 8. The sum of \$123,300 is appropriated from the general fund to the Office of the Governor for additional FY 80 costs of salaries and benefits for Alaska Skill Center instructors.

\* Sec. 9. The sum of \_\_\_\_\_ is appropriated from the general fund to the Office of the Governor for additional FY 80 costs of salaries and benefits for community college teachers.

\* Sec. 10. The sum of \_\_\_\_\_ is appropriated from the general fund to the office of the Governor for additional FY 79 costs of salaries and benefits for judicial officers, legislators, and public officers and employees.

\* Sec. 11. The sum of \_\_\_\_\_ is appropriated from the general fund to the Office of the Governor for additional FY 80 costs of salaries and benefits for judicial officers, legislators, and public officers and employees.

\* Sec. 12. The sum of \_\_\_\_\_ is appropriated from the general fund to the Office of the Governor for additional FY 79 costs of salaries and benefits for the inland boatmen's unit.

\* Sec. 13. The sum of \_\_\_\_\_ is appropriated from the general fund to the Office of the Governor for additional FY 80 costs of salaries and benefits for the inland boatmen's unit.

\* Sec. 14. This Act takes effect immediately in accordance with AS 01.10.070(c).

For an Act entitled: "An Act relating to public employment and collective bargaining; to the effective date of the monetary terms of collective bargaining agreements; to the approval of the monetary terms for agreements for more than one year; to the coverage and exclusion of certain classes of employees from the agreements; to the exclusion of covered employees from certain provisions of the personnel laws; and providing effective dates."

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

\* Section 1. AS 23.40.215 is amended to read:

Sec. 23.40.215. FUNDING. (a) The monetary terms of any agreement entered into under the Public Employment Relations Act are subject to funding through legislative appropriation and become effective at the beginning of the fiscal year following the appropriation.

(b) When the money terms of an agreement for more than one year are approved by an appropriation and the agreement makes no provision for reopening and negotiating adjustments in those monetary terms during the life of the agreement, the appropriation is a continuing appropriation for the life of the agreement.

\* Sec. 2. AS 23.40.250(5) is amended to read:

(5) "public employee" means any employee of a public employer, including a crew member of a vessel of the marine transportation system, whether or not in the classified service of the public employer, except elected or appointed officials, deputy or assistant

directors of divisions, or teachers or noncertificated employees of school districts;

\* Sec. 3. AS 23.40.250(7) is amended to read:

(7) "terms and conditions of employment" means the hours of employment, the compensation and fringe benefits, and the employer's personnel policies affecting the working conditions of the employees; but does not mean the general policies describing the function and purposes of a public employer or the provisions for retirement, social security, or health plans prescribed by AS 39.30 and AS 39.35.

\* Sec. 4. AS 39.20 is amended to add a new section to read:

Sec. 39.20.005. COVERAGE OF CHAPTER. This chapter applies to persons whose terms of employment with the state are not covered by the Public Employment Relations Act (AS 23.40).

\* Sec. 5. AS 39.25.170 is amended to add a new subsection to read:

(c) Subsection (a) of this section does not apply to persons whose terms of employment are covered by the Public Employment Relations Act (AS 23.40).

\* Sec. 6. AS 39.27 is amended to add a new section to read:

Sec. 39.27.005. COVERAGE OF CHAPTER. This chapter applies to persons whose terms of employment with the state are not covered by the Public Employment Relations Act (AS 23.40).

\* Sec. 7. AS 23.40.040 is repealed.

\* Sec. 8. Secs. 1, 3, 5, and 7 of this Act take effect immediately in accordance with AS 01.10.070(c).

\* Sec. 9. Secs. 2, 4, and 6 of this Act take effect July 1, 1980.

ALASKA SALARY COMMISSION

FINAL REPORT

1979

COMMISSION MEMBERS:

KATHLEEN DIEBELS, CHAIRMAN  
WILLIAM FELL  
CLIFFORD HARTMAN  
KARL JOHNSTONE

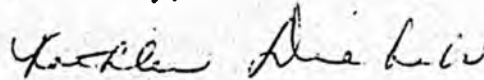
January 23, 1979

President of the Senate of the State of Alaska

Speaker of the House of the State of Alaska

In accordance with AS 39.23, the Alaska Salary Commission is submitting this report to you. Copies may be obtained from the Division of Personnel and Labor Relations, Department of Administration.

Sincerely,



Kathleen (Kay) Diebels  
Chairman  
Alaska Salary Commission

KD/mlh

## PURPOSE OF THE SALARY COMMISSION

The written policy as expressed in House and Senate Committee Substitute for Senate Bill #499, "An Act relating to compensation, benefits and classifications of public officers and employees; creating the Alaska Salary Commission; and providing for an effective date" states that the Commission is to determine salary and retirement benefits for public officers based upon equitable relationships being maintained among various positions.

Employees covered by Salary Commission recommendations are the Governor, Lieutenant Governor, Department Commissioners, Deputy Commissioners, Directors, the Judiciary, Legislature and three of the four Regulatory Commissions (the Alaska Transportation Commission was removed from review by the Legislature in 1978.)

from the Department of Administration, comparative data from the "1975 Citizens' Conference on State Legislators," returns from research requested by the Commission of certain salaries and benefits from selected states, position paper and analysis provided by the Judicial System. The "Survey of Salaries and Benefits" compiled and published in December, 1977, by the Division of Personnel and Labor Relations also provided valuable aid for the Commission.

A combination of factors was considered in arriving at salary recommendations; among them were: inflation and its affect on cost-of-living, salaries and benefits paid in other states, salary relationships to other State employees and the fact that recommended salaries would prevail for two years without further review. Additionally, on October 13, 1978, President Carter's Council on Wage and Price Stability issued guidelines which established maximum wage levels allowable for both private and public sector employees.

The Commission made a conscious compromise decision in 1976 to bring salaries only to 1977 levels, even though they would be in effect for two (2) years. This was done because the significant raises voted in 1975 by the Legislature were nullified by the August, 1976 referendum and the mood of the taxpayer about those raises was perceived to continue to prevail after the referendum.

The Salary Commission also reviewed substantial public input on its preliminary recommendations received in the form of written comments addressed to the Commission.

Giving due regard to the public input, considering the factors outlined above, and following regulations established by the President's Council on Wage and Price Stability, the Commission recommends salary adjustments listed on the following pages of this report.

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

## PURPOSE OF THE SALARY COMMISSION

The written policy as expressed in House and Senate Committee Substitute for Senate Bill #499, "An Act relating to compensation, benefits and classifications of public officers and employees; creating the Alaska Salary Commission; and providing for an effective date" states that the Commission is to determine salary and retirement benefits for public officers based upon equitable relationships being maintained among various positions.

Employees covered by Salary Commission recommendations are the Governor, Lieutenant Governor, Department Commissioners, Deputy Commissioners, Directors, the Judiciary, Legislature and three of the four Regulatory Commissions (the Alaska Transportation Commission was removed from review by the Legislature in 1978.)

## FOREWARD

The Act establishing the Salary Commission calls for a biennial report, with submission of a preliminary report by November 15, and the necessity for soliciting public comments prior to submission of final recommendations within 10 days of the opening of the Legislature.

The Salary Commission met in January and March 1978, to elect a Chairman and reach agreement on a schedule of meetings to develop salary and benefit recommendations for submission to the Legislature in January 1979. The agenda also included a policy question as to whether the Salary Commission should consider submission of 1978 amendments to its recommendations issued January 18, 1977, (as amended on March 2, 1977) in response to Administration and Court System requests for clarification of certain recommendations, and revision of others. By majority vote, the Salary Commission decided not to issue amendments, but limit itself to developing recommendations for 1979, which would include any clarification or revision of the 1977 recommendations deemed necessary.

During 1978, and 1979, the Commission met a total of 13 days.

As provided in AS 39.23, the Division of Personnel and Labor Relations, Department of Administration, provided staff assistance, and the Commission wishes to thank those men and women for their support. Also, as provided by the enabling legislation, the Commissioner of Administration did provide the Commission with recommendations regarding compensation and retirement benefits.

During its organizational meeting, the Commission immediately established:

1. An overall plan for achieving its objective;
2. A timetable consistent with provisions of the Act;
3. Staff liaison and support personnel and facilities;
4. A method of gathering data necessary to meet Commission requirements;
5. Meeting dates.

Again, as provided by the AS 39.23, the Commission called upon various State agencies for information, and the information was provided in a prompt manner. The Salary Commission, therefore, wishes to acknowledge the valuable assistance of numerous individuals and divisions within State government.

The Commission made time available for those who wished to present information to the Commission.

Some of the resource materials utilized include Department of Labor Cost of Living Statistics, comparative data from "The Book of the States," comparative data from the Council of State Governments, statistical data

from the Department of Administration, comparative data from the "1975 Citizens' Conference on State Legislators," returns from research requested by the Commission of certain salaries and benefits from selected states, position paper and analysis provided by the Judicial System. The "Survey of Salaries and Benefits" compiled and published in December, 1977, by the Division of Personnel and Labor Relations also provided valuable aid for the Commission.

A combination of factors was considered in arriving at salary recommendations; among them were: inflation and its affect on cost-of-living, salaries and benefits paid in other states, salary relationships to other State employees and the fact that recommended salaries would prevail for two years without further review. Additionally, on October 13, 1978, President Carter's Council on Wage and Price Stability issued guidelines which established maximum wage levels allowable for both private and public sector employees.

The Commission made a conscious compromise decision in 1976 to bring salaries only to 1977 levels, even though they would be in effect for two (2) years. This was done because the significant raises voted in 1975 by the Legislature were nullified by the August, 1976 referendum and the mood of the taxpayer about those raises was perceived to continue to prevail after the referendum.

The Salary Commission also reviewed substantial public input on its preliminary recommendations received in the form of written comments addressed to the Commission.

Giving due regard to the public input, considering the factors outlined above, and following regulations established by the President's Council on Wage and Price Stability, the Commission recommends salary adjustments listed on the following pages of this report.

## RECOMMENDATIONS

### 1) GOVERNOR

The Salary Commission recommends:

- A. A salary of \$57,231 annually for the Governor of Alaska.
- B. Beginning January 1, 1980, the above salary of the Governor shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.
- C. The Governor remain in the Public Employees Retirement System.

### 2) LIEUTENANT GOVERNOR

The Salary Commission recommends:

- A. The salary of \$51,088 annually for the Lieutenant Governor of Alaska.
- B. Beginning January 1, 1980, the above salary of the Lieutenant Governor shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.
- C. The Lieutenant Governor remain in the Public Employees Retirement System.

### 3) DEPARTMENT COMMISSIONERS

The Salary Commission recommends:

- A. A salary of \$51,088 annually for Department Commissioners.
- B. Beginning January 1, 1980, the above salary for Department Commissioners shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.

C. The Department Commissioners remain in the Public Employees Retirement System.

4) DEPUTY COMMISSIONERS

The Salary Commission recommends:

A. A salary of \$45,762 annually except that those State employees who accept appointment as Deputy Commissioner whose annual salary exceeds \$45,762 shall continue to receive that higher salary.

B. Beginning January 1, 1980, the above salary for Deputy Commissioners shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.

C. The Deputy Commissioners remain in the Public Employees Retirement System.

5) DIRECTORS

The Salary Commission recommends:

A. Directors remain on State pay plan (AS 39.27.011). We continue to recommend entry level of new Directors be in the 'A' step of the salary range at which they are hired. We recognize that promotions to Director may sometimes necessitate that those receiving the promotion move into a step other than 'A' in order to be assured a salary increase. In such cases, that person receiving the promotion should enter at the lowest step necessary to insure a salary increase.

B. Salary progression follow the steps outlined in the State salary schedule in AS 39.27.011 to a maximum of \$50,000 annually. Directors whose salaries exceed \$50,000 annually on December 31, 1978, remain at that salary without further increases.

C. All Division Directors who, as of December 31, 1978, are on frozen salary shall, as of January 1, 1979, be placed within the salary schedule at the appropriate range closest to but not less than their current salary and shall progress in step according to the schedule within that salary range, provided that their salary shall not exceed a maximum of \$50,000/year.

D. Any State employee who, without a break in continuous service, is appointed to a position of Division Director after December 31, 1978, shall be placed at the time of appointment within the salary schedule at the appropriate range and step closest to but not less than his current salary, and shall progress in step according to

schedule within that salary range, provided his salary shall not exceed \$50,000/year.

E. Directors remain in the Public Employees Retirement System.

F. These recommendations apply to base salaries, exclusive of geographic differential payments.

6) ALASKA PUBLIC UTILITIES COMMISSION

The Salary Commission recommends:

A. That members of the Commission be paid \$44,353 annually.

B. The Chairman of the Commission be paid an additional \$500 annually, prorated as part of the regular salary.

C. Beginning January 1, 1980, the above salary of each Alaska Public Utilities Commissioner shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.

D. Alaska Public Utilities Commission members remain in the Public Employees Retirement System.

7) ALASKA COMMERCIAL FISHERIES ENTRY COMMISSION

The Salary Commission recommends:

A. A salary of \$44,353 annually for members of the Alaska Commercial Fisheries Entry Commission.

B. The Chairman of the Commission be paid an additional \$500 annually, prorated as part of the regular salary.

C. Beginning January 1, 1980, the above salary of each Alaska Commercial Fisheries Entry Commissioner shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.

D. Commissioners remain in the Public Employees Retirement System.

8) ALASKA PIPELINE COMMISSION

The Salary Commission recommends:

- A. A salary of \$44,353 annually for members of the Pipeline Commission.
- B. The Chairman of the Commission be paid an additional \$500 annually, prorated as part of the regular salary.
- C. Beginning January 1, 1980, the above salary of each Alaska Pipeline Commissioner shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.
- D. Commissioners remain in the Public Employees Retirement System.

9) SUPREME COURT JUSTICES

The Salary Commission recommends:

- A. Annual salary of \$57,231 for Supreme Court Justices.
- B. Beginning January 1, 1980, the above salary of each Supreme Court Justice shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.
- C. No change in the retirement benefits now applicable to Supreme Court Justices.

10) SUPERIOR COURT JUDGES

The Salary Commission recommends:

- A. Annual salary of \$52,462 for Superior Court Judges.
- B. Beginning January 1, 1980, the above salary of each Superior Court Judge shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.

C. No change in retirement benefits now applicable to Superior Court Judges.

11) DISTRICT COURT JUDGES

The Salary Commission recommends:

A. Annual salary of \$44,353 for District Court Judges.

B. Beginning January 1, 1980, the above salary of each District Court Judge shall be increased in an amount equal to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.

C. No change in retirement benefits now applicable to District Court Judges.

12) LEGISLATORS

The Salary Commission recommends:

A. A salary of \$12,690 annually for State Legislators.

B. The Senate President and House Speaker each receive an additional \$500 per year payable on the opening day of each regular session of the Legislature or upon confirmation by the House or Senate after the opening of a regular session of the Legislature.

C. Legislators receive an annual allowance to a maximum of \$4,320.

D. Beginning January 1, 1980, the above salary of each Legislator shall be increased in an amount equal to the to the increase, expressed in terms of percentage, in the United States Department of Labor Consumer Price Index (Urban and Clerical Workers) for Anchorage, Alaska from January, 1979, to January, 1980. Any salary adjustment shall be made in an amount calculated to the nearest tenth of a percentage point increase in the Consumer Price Index.

E. Participation in the Public Employees Retirement System remain voluntary for Legislators.

F. Legislators receive per diem at the same rate as State employees, including regional variations where applicable. (See per diem rate schedule for administrative State employees. Appendix II.) Legislators who do not live in their city of residence during regular or special legislative sessions will receive per diem at the short-term rate; interim committee work should be paid at the short-term per diem rate; however, per diem is to be paid at

the long-term (lower) rate if Legislators are able to stay in their city of residence while on legislative business.

G. We concur with action by 1978 legislative session adopting a 1977 Salary Commission recommendation that each Legislator shall be reimbursed at cost, and upon presentation of proof, for one round-trip to his home district during each regular session.

APPENDIX I

<u>POSITION</u>	<u>SALARIES EFFECTIVE JANUARY 1, 1977</u>	<u>SALARIES RECOMMENDED FOR JANUARY 1, 1979</u>
Governor	\$52,992.00	\$57,231.00
Lieutenant Governor	47,304.00	51,088.00
Chief Justice	52,992.00	57,231.00
Associate Justice	52,992.00	57,231.00
Superior Court Judge	48,576.00	52,462.00
District Court Judge	41,068.00	44,353.00
House Speaker	12,250.00	13,190.00
Representative	11,750.00	12,690.00
Senate President	12,250.00	13,190.00
Senator	11,750.00	12,690.00
Commissioner	47,304.00	51,088.00
Deputy Commissioner	42,372.00	45,762.00
Chairman, ACFEC	39,372.00	44,853.00
Commissioner, ACFEC	39,372.00	44,353.00
Chairman, APUC	39,872.00	44,853.00
Commissioner, APUC	39,372.00	44,353.00
Chairman, APC	39,872.00	44,853.00
Commissioner, APC	39,372.00	44,353.00
Division Director	38,868.00 (min.)	50,000.00 (max.)*

\* Directors to remain on the State Pay Plan to a maximum of \$50,000.00.

APPENDIX II

PER DIEM RATES

(In Effect November, 1978)

<u>LOCATION</u>	<u>HOUSE ELECTION DISTRICT</u>	<u>SHORT-TERM PER DIEM RATE</u>	<u>LONG-TERM PER DIEM RATE</u>
Outside Alaska - U.S. & Canada	0	\$50.00	\$35.00
Ketchikan - Prince of Wales	1	50.00	35.00
Wrangell - Petersburg	2	52.00	35.00
Sitka	3	52.00	35.00
Juneau	4	55.00	35.00
Lynn Canal - Icy Straits	5	54.00	35.00
Cordova - Valdez	6	58.00	35.00
Palmer - Wasilla - Talkeetna	7	52.00	35.00
Anchorage	8	55.00	35.00
Seward	9	54.00	35.00
Kenai - Cook Inlet	10	54.00	35.00
Kodiak	11	54.00	35.00
Aleutian Islands	12	63.00	38.00
Bristol Bay	13	63.00	38.00
Bethel	14	65.00	39.00
Yukon - Kuskokwim	15	67.00	40.00
Fairbanks - Fort Yukon (South of Arctic Circle)	16-S	58.00	35.00
Fairbanks - Fort Yukon (North of Arctic Circle)	16-N	67.00	40.00
Barrow - Kobuk	17	96.00	58.00
Kotzebue	17	84.00	50.00
Nome	18	82.00	49.00
Wade Hampton	19	65.00	39.00
*Pipeline Corridor (South of Arctic Circle)	PC-S	58.00	35.00
*Pipeline Corridor (North of Arctic Circle)	PC-N	67.00	40.00
City of New York	----	65.00	39.00
City of Washington, D.C.	----	65.00	39.00

\* In all communities along the Pipeline Corridor from Valdez to Prudhoe Bay, except the communities of Valdez and Fairbanks, the State will pay either the established per diem or actual costs for lodging and meals. Actual costs must be supported by paid receipts or billings.

Judicial System put together for  
Administration:

✓ Book of the States: DOA - Personnel & Labor Relations  
Ken Certz

Council of the States : Kentucky  
1978-79

get  
Rule 5

Original sponsor: Rules/Governor

Offered: 2/9/79  
Referred: Rules

Funding Information

General Fund	\$1,647,247
Other Funds	8,000
	<u>\$1,655,247</u>

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BY THE FINANCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 94 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making supplemental appropriations to the Departments of Education, Labor, Health and Social Services, University of Alaska and Legislative Agencies; and providing for an effective date."

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

\*Section 1. The sum of \$150,000 is appropriated from the general fund to the Department of Education, division of vocational rehabilitation, to provide funds for continued current levels of operations.

\*Sec. 2. The sum of \$48,242 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to be paid as a grant to the Anchorage Child Abuse Board, Inc.

\*Sec. 3. The sum of \$85,170 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to be paid as a grant to the Studio Club.

\*Sec. 4. The sum of \$29,400 is appropriated from the general fund to the Department of Health and Social Services, division of social services, for the purpose of placing five social worker II positions and one social worker IV position in the South Central Region to be used as child protection workers.

\*Sec. 5. The sum of \$27,210 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to be paid as a grant to the Fairbanks Child Protection Task Force.

\*Sec. 6. The sum of \$70,000 is appropriated from the general fund to the Department of Health and Social Services, division of social services to be paid

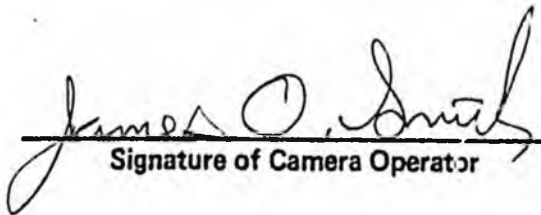
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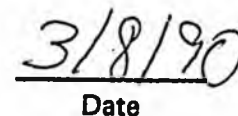


# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
Signature of Camera Operator

  
Date

Original sponsor: Rules/Governor

Offered: 2/9/79  
Referred: Rules

Funding Information

General Fund	\$1,647,247
Other Funds	8,000
	<u>81,655,247</u>

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BY THE FINANCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 94 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making supplemental appropriations to the Departments of Education, Labor, Health and Social Services, University of Alaska and Legislative Agencies; and providing for an effective date."

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\*Section 1. The sum of \$150,000 is appropriated from the general fund to the Department of Education, division of vocational rehabilitation, to provide funds for continued current levels of operations.

\*Sec. 2. The sum of \$48,242 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to be paid as a grant to the Anchorage Child Abuse Board, Inc.

\*Sec. 3. The sum of \$85,170 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to be paid as a grant to the Studio Club.

\*Sec. 4. The sum of \$29,400 is appropriated from the general fund to the Department of Health and Social Services, division of social services, for the purpose of placing five social worker II positions and one social worker IV position in the South Central Region to be used as child protection workers.

\*Sec. 5. The sum of \$27,210 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to be paid as a grant to the Fairbanks Child Protection Task Force.

\*Sec. 6. The sum of \$70,000 is appropriated from the general fund to the Department of Health and Social Services, division of social services to be paid

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1 as a grant to The Fairbanks Rehabilitation Association, Inc. for the Hope Industries  
2 Division.

3 \*Sec. 7. The sum of \$8,000 is appropriated from the Training and Building fund  
4 to the Department of Labor, Division of Employment Security for rent and utilities  
5 for an Employment Center at Tok.

6 \*Sec. 8. The sum of \$320,000 is appropriated from the general fund to the  
7 Legislative Council to be allocated as follows:

8 Rural Energy Committee - instate use of Royalty Gas evaluation	\$75,000
9 Rural Energy Committee - Low cost Energy Consumer Conference	\$60,000
10 Election Reform Committee	\$100,000
11 Agriculture Policy Task Force	\$10,000
12 Transportation Committee	\$44,000
13 House Subcommittee on Elections	\$15,000
14 House Permanent Fund Committee	\$16,000

15 \*Sec. 9. The sum of \$277,500 is appropriated from the general fund to the  
16 Legislative Council, Legislative Affairs Agency, to fund unbudgeted expenses and  
17 costs of the 1979 legislative session.

18 \*Sec. 10. The sum of \$180,125 is appropriated from the general fund to the  
19 Legislative Budget and Audit Committee to be allocated as follows:

20 Legislative Finance - unbudgeted expenses and costs of the 1979 legislative	
21 session	\$130,125
22 Committee - increased FY 79 operating expenses	\$50,000

23 \*Sec. 11. The sum of \$86,100 is appropriated from the general fund to the  
24 Administrative Regulation Review Committee for operating expenses.

25 \*Sec. 12. The sum of \$56,000 is appropriated from the general fund to the  
26 University of Alaska - Anchorage for sponsorship of the national basketball  
27 tournament "The Great Alaskan Shoot Out."

28 \*Sec. 13. The sum of \$120,000 is appropriated from the general fund to the  
29

1 Department of Education to begin construction of school facilities in Allakaket.  
2 Insurance proceeds received as a result of the school fire on January 25, 1979,  
3 will lapse into the general fund upon receipt.

4 \*Sec. 14. The sum of \$197,500 is to be appropriated from the general fund to  
5 the Department of Education for the Public Broadcasting Commission to be used for  
6 community television as follows:

7 Unalaklett - transmitter and cable	\$12,500
8 Sleetmute - transmitter and cable	\$12,500
9 Skagway - translator and transmitter	\$22,500
10 * Hydaburg - transportation and installation of earth	
11 station and transmitter	\$22,500
12 Koliganek - transmitter and cable	\$12,500
13 Selawik - transmitter and cable	\$12,500
14 Grayling - transmitter and cable	\$12,500
15 * Seward - transportation and installation of earth	
16 station and transmitter	\$22,500
17 Kiana - cable connection and equipment	\$12,500
18 Kivalina - cable connection	\$2,500
19 Noorvik - cable connection	\$2,500
20 Nuigsut - cable connection	\$2,500
21 St. George - cable connection	\$2,500
22 Unalaska - cable connection	\$2,500
23 Fort Yukon - cable connection	\$2,500
24 Dillingham - transmitter, cable connection	\$7,500
25 Togiak - transmitter, cable connection	\$12,500
26 Sand Point - cable connection	<u>\$5,000</u>
	\$182,500
27 contingency fund to insure project completion	<u>\$15,000</u>
28	
29	

1 \* earth stations currently owned by the State of Alaska and in storage are  
2 expected to be used in these communities.

3 \*Sec. 15. The unexpended portion of the appropriation made in sec. 1 of this  
4 Act shall lapse into the general fund upon receipt by the division of vocational  
5 rehabilitation of amounts in excess of the appropriation for fiscal year 1979  
6 made under section 110 of the Vocational Rehabilitation Act of 1973 (P.L. 95-602)  
7 before June 30, 1979.

8 \*Sec. 16. The unexpended and unobligated portion of the appropriations made  
9 in secs. 2 - 6, 9 and 10 of this Act shall lapse into the general fund on  
10 June 30, 1979.

11 \*Sec. 17. The unexpended and unobligated portion of the appropriation made  
12 in sec. 7 of this Act shall lapse into the Training and Building fund on  
13 June 30, 1980.

14 \*Sec. 18. The unexpended and unobligated portion of the appropriation made  
15 in sec. 12 of this Act shall lapse into the general fund on June 30, 1980.

16 \*Sec. 19. The appropriations contained in Secs. 8 and 11 of this Act are  
17 allocated to various interim committees of the Legislature, each lasting the  
18 duration of this Legislature. The unexpended and unobligated portion of the  
19 appropriations made in secs. 8 and 11 shall lapse into the general fund on  
20 December 31, 1980.

21 \*Sec. 20. The appropriations contained in secs. 13 and 14 made by this Act  
22 are for capital projects and are subject to the provision of AS 37.25.020.

23 \*Sec. 21. This Act takes effect immediately in accordance with AS 01.10.-  
24 C70(c).

SECTION I

\$150,000

DEPARTMENT OF EDUCATION

STATE  
of ALASKA

# MEMORANDUM

HB 94

TO:

Art Peterson  
Assistant Attorney General  
Department of Law

DATE: January 22, 1979

FILE NO:

TELEPHONE NO:

FROM:

*ew*  
Ron Lind, Director  
Division of Budget & Management  
Office of the Governor

SUBJECT: Supplemental Appropriation  
Transmittal Memo

Please prepare a bill for the Governor's introduction making a supplemental appropriation in the amount of \$150,000 to the Division of Vocational Rehabilitation, for the purpose of providing funds to continue current levels of operations. These funds are needed due to higher than anticipated inflation costs for FY 79.

This \$150,000 should be appropriated from the general fund.

This act should take effect immediately and include a lapse date of June 30, 1979.

1/17

V. c. Rehat  
Supplemental

Row,

1. No word yet on additional FY79 funds. Morgan is going back to Wash. DC next week for more meetings. Estimated 50-50% that states will get FY79 funds. If they do, obviously they will not need the supplemental. No idea about how soon this will be resolved.
2. The 150.0 will cover expenses for remainder of FY79 for current level of services, for March through June.
3. The FY80 budget request contains sufficient funds to cover the increased costs as detailed in Pat's memo.
4. Roughly 800-900 new cases are processed each year, so 400 new ones for the latter part of FY79 is an accurate estimate (slight contradiction in terms).

F.

Should I go ahead + process it w/ law, etc?

STATE  
of ALASKA

## MEMORANDUM

RECEIVED

TO: Ron Lind, Director  
Budget & Management  
Office of the Governor

DATE: January 4, 1979

JAN 15 1979

FILE NO. 202.1

Budget And Management

FROM: Frank Spargo  
Budget Analyst

TELEPHONE NO.

FROM: F. Pat Young *3*  
Deputy Director  
Division of Vocational Rehabilitation  
Department of EducationSUBJECT: Supplemental Budget  
Request for FY '79

This FY '79 supplemental budget request for the Division of Vocational Rehabilitation is in the amount of \$150,000.00. These monies would be for budget component 02 -Services to Clients, object code -700 Grants. These funds are the funds the Division of Vocational Rehabilitation expends in providing services for eligible handicapped individuals in the State of Alaska. The explanations for this request follows.

In preparing the FY '79 budget almost a year and a half ago, the Division of Vocational Rehabilitation followed the budget instructions of the six (6) percent allowable increase for most areas, with the exception of medical-related costs. In that area, the agency did request a twenty (20) percent increase and was granted this. At that time, we projected that about thirty-eight (38) percent of our case service expenditures were medical-related expenditures, and now our records indicate, based on the first three months, that we will expend forty-four (44) percent of our case service funds to medical services. Therefore, this has increased our expenditures greater than we had anticipated.

The Division of Vocational Rehabilitation receives from the Social Security Administration Trust Fund program (Title II) a minimal amount of funds, \$150,000, of which \$89,400 goes to services to clients. The remaining balance is applied to the salary of the counselor handling these specialized funds. Additionally, the Division receives \$125,000 of SSI (Supplemental Security Income, Title XVI) funds which is very similar to those of Title II listed above. Funds from both programs can only be used for individuals who not only meet the eligibility criteria for Vocational Rehabilitation but also the additional criteria laid down by Social Security Administration rules and regulations. The Alaska Division of Vocational Rehabilitation receives a minimum allotment as mentioned above or maximum depending on how you look at it based on a funding formula derived through the Rehabilitation Act and Social Security Administration. This agency in preparing its budget is unable to include a six (6) percent inflation factor as the maximum federal funds allowed have already been reached. This situation is having a direct impact on our case service funds because when these specialized funds run out and we can no longer serve individuals who would normally be eligible not only for Vocational Rehabilitation but for the utilization of specialized trust funds, we continue to serve those individuals under our regular section 110 case service funds. In other words, we are

forced to absorb the increase under the General Program, further depleting those funds. This current fiscal year we have already encumbered the entire \$89,400 of Title II funds in the first three (3) months of operation and it appears right now that we will be encumbering in the next month the remaining balance of the Title XVI funds. When these funds are gone these individuals are still being served by our regular section to services to client's funds. At the end of FY '78 there were 118 clients who were eligible for Social Security benefits under the Trust Fund program, but due to lack of these funds these individual clients were served from Section 110, General Program funds. This situation has impacted on our "Service to Client" funds very heavily.

Training is a large expenditure category in Vocational Rehabilitation as that is one of our major functions, and we have just been projecting increases of six (6) percent inflationary factors on this; we are now finding out that these expenditures have been rising much faster than has been indicated. Our most recent information for FY '79 indicates that our training costs are running thirty-two (32) percent ahead of last year. Costs for Vocational Rehabilitation training, for example, are those fees which we pay to vocational schools, private schools such as business colleges, beauty schools, barber colleges, etc. Additionally, we help finance some individuals to college as well as on-the-job training. On-the-job training is where we will arrange for a training situation and pay the trainer a fee that helps offset his time that it takes to train a handicapped individual in a specific job duty. Again, salaries, training fees have increased in the private sector at a much greater rate than the allowable inflationary factor.

The Rehabilitation Act of 1973 as amended in 1974, with program instructions coming out since its adaptation, specifies that Vocational Rehabilitation agencies will provide not only preliminary diagnostic services, but also comprehensive diagnostic services. Historically, Vocational Rehabilitation agencies have always provided preliminary diagnostic services to determine eligibility. Now, with the requirement of comprehensive diagnostic services which could include psychiatric, psychological, orthopedic, or any other speciality examination that may be required to determine eligibility and/or the rehab potential of an individual, our expenditures have increased drastically. The most recent information available for this first part of FY '79 indicates that our diagnostic services will increase approximately seventy-five (75) percent of those over the FY '77 planning year. In FY '78, we showed some increase, but not to the extent that is now surfacing. We are aware that, even though the Rehabilitation Act mentioned above was instigated back in 1975, it does take time for policies and regulations to be issued. The effect of this requirement of comprehensive diagnostic services is just now coming to light in our agency.

We have been addressing primarily three major areas of increased costs that were not anticipated on the base year of preparation of this budget. It should be brought to light at this time that we provide many other services to handicapped individuals. In fact, the services we provide

209

January 4, 1979

can be described as almost any service needed for that individual to become rehabilitated. With this thought in mind, one must then take into consideration that we have only been allowed a six (6) percent inflation factor for these other costs, and these costs have gone up at a far greater rate than the six (6) percent; for example, bringing individual handicapped persons into, say, Fairbanks, Anchorage, or even sending some of the more severely handicapped to Seattle. Transportation, maintenance, and other related costs have increased greatly. The purchase of prosthetic devices such as artificial legs, limbs, glasses, etc., have increased at about an eighteen (18) percent rate; maintenance was up by twenty-eight (28) percent, and transportation by seventy-two (72) percent.

Two other factors are also surfacing, which creates additional expense on the Division's behalf; those being the emphasis placed by the Secretary of HEW that services be rendered to the more severely handicapped individuals. Alaska is one of the top states in the nation in providing services to the more severely handicapped individuals and, for the most part, providing services to the more severely handicapped individuals costs more than working with the so-called "not-so-severely handicapped". The other point of contention is that two or two and a half years ago, Alaska rehab's agency involvement with the blind vending stands was ranked about 49th or 48th in the nation. Last year, this state was number one in per capita income for blind vendors because we opened three new additional blind vending stands, and these individuals are functioning outstandingly in their occupation. These stands, along with equipping and supplying them, and training a blind vendor, cost additional case service funds.

Based on the most current information available, as of January 1st we will have to amend the State Plan, which will establish an order of selection list of handicapped individuals that will be served. The first to be served will be those who are most severely handicapped. Next to be served will be all other handicaps, based on date of application and eligibility.

In summation of the above problems that we have tried to identify, it should be addressed that, if this agency is not granted this supplemental, then we anticipate that at least 400 persons would not be served during the remainder of this year. Not only would we not be able to accept new clients as indicated above, we would also have an increased number of clients closed not rehabilitated who otherwise would be rehabilitated. Currently they are in a system, but they need continuing support financially for specific and specialized services. Presently we anticipate not being able to accept any new clients as of January 31, 1979. Should counselors be unable to authorize for services of new or continuing clients, then the handicapped citizens of Alaska will be adversely affected.

It is hopeful that immediate attention will be given to this request.

gk

cc: Marshall Lind  
Bill Thompson  
Paula Smith  
Gary Ames

113 97

15 911

FY 79 SUPPLEMENTAL REQUEST ANALYSIS

	FY 77 ACTUAL	FY 78 FINAL AUTH.	FY 78 ACTUAL	FY 79 GOV. BUDGET	FY 79 INITIAL AUTH.	FY 79 CURRENT AUTH.	EXPENDITURES + ENCUMBRANCES 7/1/-11/30	OTHER OBLIGATION: 7/1/-11/30	PROJECTED EXPENDITURES + ENCUMBRANCES 12/1/-11/30	FY 79 (DEFICIT) OR EXCESS	FY 80 CONTINUATION
PERSONAL SERVICES											
TRAVEL											
CONTRACTUAL SERVICES											
COMMODITIES											
EQUIPMENT											
LEASES - BLDG. ...											
GRANTS - PLANS	1,391.9	1,795.9	1,729.4	1,799.9	1,799.9	1,764.9	629.2	906.8	378.9	(150.0)	1,977.8
MISCELLANEOUS											
TOTAL	1,391.9	1,795.9	1,729.4	1,799.9	1,799.9	1,764.9	629.2	906.8	378.9	(150.0)	1,977.8
FEDERAL RECEIPTS	946.8	1,046.1	1,178.0	1,008.6	1,008.6	973.6	342.2	404.3	11.0	-	984.8
REQUIRED OF MATCHING	194.2	254.0	250.4	155.0	155.0	155.0	55.2	78.6	2.0	-	147.0
OTHER GENERAL FUND	200.9	405.8	226.5	546.3	546.3	546.3	194.8	227.4	221.0	151.0	756.0
INTER-AGENCY RECEIPTS	50.0	50.0	74.5	90.0	90.0	90.0	32.0	56.5	0.0	-	90.0

RECEIVED

AGENCY: Educ. & Secondary Education

BRU: Vocational Rehabilitation

JAN 1 - 1979

COMPONENT:

Services to Clients

REVISIONS: 12-26-78

Budget And Management

SECTION 2.

\$48,242

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

ANCHORAGE CHILD ABUSE BOARD, INC.

2/19/79  
LHP

Anchorage Child Abuse Board

Monthly Expenditures per attached budget \$10,426

Months Covered by Supplemental            X 5

Amount Requested

\$ 52,130  
48,242

ANCHORAGE CHILD ABUSE BOARD, INC.

EMERGENCY CUT-BACK OPERATION      Beginning January 1, 1979

Minimum Possible Monthly Expenditures	\$ 9,942.00
Anticipated Monthly Income (DSS, HUD, U/Way)	6,675.00
	<hr/>
DEFICIT	\$ 3,267.00

ANTICIPATED ANNUAL INCOME FROM NORMAL OPERATION      7/1/79 - 6/30/80

Division of Social Services	\$ 15,000.00
United Way of Anchorage	19,900.00
HUD Community Block Grant (Final 6 Months Only)	23,500.00
Client Payments	4,800.00
Contracts	2,000.00
Contributions	5,000.00
	<hr/>
TOTAL	\$ 70,200.00

ANTICIPATED ANNUAL EXPENDITURES FOR NORMAL OPERATION

Salaries and Benefits	\$141,048.00
Office Expenses	20,094.00
Other Operating Expenses	16,721.00
Training	9,767.00
Contracted Services	7,693.00
	<hr/>
TOTAL	\$195,323.00

ANTICIPATED ANNUAL DEFICIT FOR NORMAL OPERATION

Anticipated Annual Expenditures	\$195,323.00
Anticipated Annual Income	70,200.00
	<hr/>

Sec. 2

0105 123 00 - 12 = 10 470

ANCHORAGE CHILD ABUSE BOARD, INC.

ANNUAL BUDGET

Salaries and Benefits

Clinical Director: Full-time	\$ 32,940
-Program Director: Full-time	26,460
Family Therapists (a) 60%	15,876
(b) 50%	12,250
Home Visitor: 50%	10,000
Community Education Specialist: 50%	10,000
Administrative Assistant: Full-time	19,000
Workmen's Compensation	557
F.I.C.A.	6,125
E.S.C.	3,220
Health Insurance	4,620

Office Expenses

Rent	12,200
Telephone	2,164
Liability Insurance	600
Supplies and Postage	1,100
Printing & Copying	1,612
Equipment	1,530
Equipment Maintenance	260
Food	625

Other Operating Expenses

Travel: (a) 33 parent aides @15M/wk @15¢/M	3,861
(b) Other staff travel	1,000
Advertizing: (a) Parent aide & client recruiting	360
(b) Community Ed: T.V. spots	1,000
Recognition of Volunteers (a) Gifts: 16 @ \$30	480
(b) Recognition Dinner	200
(c) ACTION grant dinner	800
Audit/Bookeeping	5,120
Child Care: 15 parent aides @ 5hrs/wk @ \$1/hr	3,900

Training

Conferences: tuition, travel & per diem	3,600
Staff In-Service Training	1,000
Technical Assistance	1,000
Films and Filmstrips	1,740
Books, Journals, Subscriptions, Training Manuals, and Community Education Brochures	1,859
Training Equipment	568

Contracted Services

Community Education Specialist	1,000
Child Care Worker: 2 sessions/40 wks @ \$15	1,800
- Psychiatric Consultant: 50 @ \$50	2,500
Medical Evaluations: 29 @ \$35	1,015
Grant Writing	600
Agency & Staff Liability Insurance	778
TOTAL	\$195,320

SECTION 3

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

STUDIO CLUB

\$85,170

STUDIO CLUB

PROPOSED BUDGET - 1/15-6/30/79

Prepared By	
Approved By	

		Monthly Budget	5 1/2 months Total Budget	
1	Executive Director	2400-		
2	Deputy Director	2000-		
3	House Supervisor	1000-		
4	Outreach Worker	200-		
5	Cook	1000-		
6	1) TOTAL SALARIES:	6600-	36300-	
7				
8	Fringes: FICA 6.13%	435-		
9	ESC 4.0%	284-		
10	Medical & Dental Ins.	365-		
11	Vacation Pay	491-		
12	2) TOTAL FRINGES: @ 24%	1575-	8662.50	
13				
14	3) Workmen's Comp & Liab. Ins. & Bonding.	678-	3729-	
15				
16				
17	4) Accounting	1600-	8800-	
18				
19	5) Rent	3589-	19739.50	
20				
21	6) Food	1800-	9900-	
22				
23	7) Communication	240-	1320-	
24				
25	8) Utilities	500-	2750-	
26				
27	9) Travel	200-	1100-	
28				
29	10) Office Supplies (includes postage, copy & printing)	153.50	844-	
30				
31				
32	11) Repairs (to equip. etc.)	50-	275-	
33				
34				
35				
36	TOTAL BUDGET	16985.45 @	93420-	
37				
38				
39				
40				

1500 per month  
income

9000 - INCOME  
78420

John: ?

Garrey.

We need a supplemental totalling \$115,770.00 to the Program Services BRU for Adult Protection in the Division of Social Services. The money is for Studio Club, an alcohol rehabilitation program in Anchorage. Studio Club was inadvertently "left out" of the FY 79 budget and \$30,000 was borrowed from the Governor's Contingency Fund during the interim (the Municipality also granted \$40,000 to Studio Club on an emergency basis). The \$115,770.00 will repay the Governor's contingency fund and will also fund Studio Club for the remaining fiscal year.

Senator Sackett is aware of the situation and circumstances. Give me a call with any questions you have. Bill would like this to be included in the first appropriate supplemental coming to the committee.

Cheryl Frasca  
Senator Sumner's Office  
1.22.79

Garrey - need this for 1<sup>st</sup> Supp  
that comes to Jan.

SECTION 4

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

SOCIAL WORKERS IN SOUTH CENTRAL REGION

\$29,400

TO: John Sackett  
FROM: Garrey Peska  
DATE: February 19, 1979  
SUBJECT: Dept. Health & Social Services  
Social Workers

\$29,400 covers two months salaries in FY 79 for five Social Worker II positions and one Social Worker IV position.

SECTION 5

\$27,210

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

FAIRBANKS CHILD PROTECTON TASK FORCE

TO: ERJAN ROGERS AND SALLY SMITH:



**FAIRBANKS CHILD PROTECTION TASK FORCE**

800 Airport Hwy  
Fairbanks, Alaska 99701  
(907) 452-1776

February 7, 1979

The Fairbanks Child Protection Task Force proposes to initiate and staff an office for the purpose of co-ordinating community education efforts related to the abuse and neglect of children, particularly in the Fairbanks area. Included in the planning would be a two-day Professional Workshop for the entire Northern Region, with media presentations, speakers, and small work sessions in special interest areas.

This revised budget pertains to the period March 1 - June 30, 1979. The starred items are one-time expenses and would not be necessitated in an additional request for year-long funding.

Co-ordinator, full time	\$10,000.00
Secretary, half time	2,500.00
Office rent, including utilities	2,000.00
Phone	367.20
Long distance calls	100.00
Janitorial service	120.00
*Office supplies	5,000.00
Communications, including advertising	200.00
Community education materials	500.00
*Workshop	5,000.00
Fringe benefits for staff	1,000.00
Total	\$27,207.20

N.B. On the phone item, \$140.00 of that figure is a one-time line and phone installation fee.

The Workshop would be co-ordinated through the University of Alaska's Office on Conferences and Planning.

Prevention, education and resources for parents and children

Contact: Carol Brice, 479-2849; Len Hart, 456-5235 or 452-3267; Dick Baker, 452-2131; or Ruthanne Berrian, Fairbanks Health Center 452-1776.

SECTION 6

\$70,000

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

THE FAIRBANKS REHABILITATION ASSOCIATION, INC

FOR

THE HOPE INDUSTRIES DIVISION