

LEG. FINANCE - BILLS 1979 - 1980 1218

HCR 2 thru HCR 2 1218



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

3/20/90
Date

COMMITTEE REPORT

HOUSE

2/21/79

FURTHER:

Date: 2/23/79

Mr. Speaker: (Taken from Rules and further referred to Finance 2/21/79)

The Committee on FINANCE has had HCR 2

Approving certain recommendations of the Salary Commission.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^{State Affairs} CS for HCR 2 same title
 new title
- and recommends that it do not pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

J. Duncan

Joe McKinnon

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Meekins DO NOT PASS

Freeman DO NOT PASS

Montgomery DO NOT PASS

Hughes do not pass

of - no rec

Moss Do not pass

Steffy - no REC

Rogers DO NOT PASS

Meekins

CHAIRMAN

COMMITTEE REPORT HOUSE

2/21/79

FURTHER:

Date: 2/23/79

Mr. Speaker: (Taken from Rules and further referred to Finance 2/21/79)

The Committee on FI NCE has had HCR 2

Approving certain recommendations of the Salary Commission.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with ^{State Affairs} CS for HCR 2 same title
 new title
- and recommends that it do not pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

Warkins DO NOT PASS
F. Coleman DO NOT PASS
Montgomery DO NOT PASS
Hickman DO NOT PASS
97 - 710 Rec
[Signature] DO NOT PASS

[Signature]

CHAIRMAN

Introduced: 2/7/79
Referred: State Affairs

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 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; the Salary Commission recognizes that
7 promotions from deputy director to director of a division may sometimes
8 necessitate that those receiving a promotion move into a step other than "A"
9 in order to be assured a salary increase; in such cases, that person re-
10 ceiving the promotion should enter at the lowest step necessary to receive a
11 salary increase; and

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

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

23 WHEREAS Recommendation Number (5)(D) of the Salary Commission proposes
24 that a state employee who, without a break in continuous service, is
25 appointed to a position of division director after December 31, 1978, be
26 placed, at the time of appointment, within the state salary schedule in AS
27 39.27.011 at the appropriate range and step closest to, but not less than,
28 his current salary, and his salary progress shall follow the steps outlined
29 in the salary schedule to a maximum of \$50,000 annually; and

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

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

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

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

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

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

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

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

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

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

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

29 WHEREAS Recommendation Number (12)(D) proposes that legislators receive

1 an annual allowance of \$4,320; and

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

10 WHEREAS Recommendation Number (12)(G) proposes that each legislator be
11 reimbursed at cost, and upon presentation of proof, for one round trip to his
12 home district during each regular session; and

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

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

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 2
 Title Approving Certain Recommendations of the Salary Commission
 Requested by State Affairs Date 2/7/79

II. FISCAL DETAIL

Agency Affected Legislative Affairs
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	71.1	71.1	71.1	71.1	71.1	71.1
200 TRAVEL	11.4	11.4	11.4	11.4	11.4	11.4
300 CONTRACTUAL	19.2	19.2	19.2	19.2	19.2	19.2
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	101.7	101.7	101.7	101.7	101.7	101.7

FUNDING (Thousands of Dollars)

GENERAL FUND	101.7	101.7	101.7	101.7	101.7	101.7
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
	101.7	101.7	101.7	101.7	101.7	101.7

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendation (12) (A) - Personal Services (100) ----- \$ 71,064
 (12) (B) - No change
 (12) (D) - Contractual (300) ----- 19,200
 (12) (F) - No change
 (12) (G) - Travel (200) ----- 11,400

IV. DATE 2/16/79 PREPARED BY Warren W. Endicott, Director
 AGENCY Legislative Affairs Agency
 PHONE 465-3850
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HQR 2

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HCR 2
 Title A resolution approving certain recommendations of the Salary Commission
 Requested by House Rules Committee Date 2/15/79

II. FISCAL DETAIL
 Agency Affected Executive and Judicial Branches
 Program Category Affected all
 Budget Request Unit(s) Affected Office of the Governor

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		509.2				
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		509.2				

FUNDING (Thousands of Dollars)

GENERAL FUND		509.2				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendations 5A through 5D have no fiscal impact. Fiscal impact of recommendations 12A through 12G will be addressed in separate fiscal note to be prepared by Legislative Affairs Agency. This fiscal note assumes a cost of living adjustment of 7.0% on January 1, 1980. Funds will be appropriated to the Office of the Governor and distributed to executive and judicial agencies. Benefits calculated at 17.25% for FY 80. Total executive branch increase is \$227,935. Total judicial branch increase is \$281,246. Detailed calculations are attached.

IV. DATE 2/16/79 PREPARED BY Jeff Morrison
 AGENCY Budget and Management
 PHONE 465-4580
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HCR 2

Fiscal Note for HCR 2

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
1A	1 Governor	52,992	57,231	2,119	61,237	4,122
2A	1 Lt. Governor	47,304	51,088	1,892	54,664	3,680
3A	14 Commissioners	47,304	51,088	26,488	54,664	51,520
4A	19 Deputy Commissioners	varies	45,762	8,124*	48,965	24,600*
6A	4 APUC Commissioners	39,372	44,353	9,962	47,457	16,168
6B	1 APUC Chairman	39,872	44,853	2,490	47,957	4,042
7A	2 CFEC Commissioners	39,372	44,353	4,980	47,457	8,085
7B	1 CFEC Chairman	39,872	44,853	2,490	47,957	4,042
8A	2 APC Commissioners	39,372	44,353	4,980	47,457	8,085
8B	1 APC Chairman	39,872	44,853	2,490	47,957	4,042
Total				66,015		128,386

Total FY 80 = 194,401
 FY 80 benefits @ 17.25% = 33,534

Total Executive Branch 227,935

* Calculations for Deputy Commissioners made on individual basis because several positions currently exceed maximum.

** Assumes 7.0% COLA adjustment

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
9A	5 Supreme Court Justices	52,992	57,231	10,598	61,237	20,612
	Pay differential impact*			297		577
10A	20 Superior Court Judges	48,575	52,462	38,860	56,134	75,580
	Pay differential impact*			2,108		4,100
11A	17 District Court Judges	41,068	44,353	27,922	47,457	54,306
	Pay differential impact*			<u>1,667</u>		<u>3,242</u>
			Total	81,452		158,417
			Total FY 80	239,869		
			FY 80 benefits @ 17.25%	<u>41,377</u>		
			Total Judicial	281,246		

* SLA 78, CH 80 allowed up to 5 pay steps of 3.5% each for judge and justices pay differential. Only positions located outside Anchorage, Ketchikan, and Juneau receive this differential

** Assumes 7.0% COLA adjustment

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

Received
3/21/79 after
bill reported
out of comm.

FISCAL NOTE (REVISED)

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 2
Title Approving Certain Recommendations of the Salary Commission
Requested by State Affairs Date 3/21/79

II. FISCAL DETAIL

Agency Affected Legislative Affairs
Program Category Affected General Government
Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	35.6	73.6	76.0			
200 TRAVEL	11.4	11.4	11.4			
300 CONTRACTUAL	19.2	19.2	19.2			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	66.2	104.2	106.6			

HER 2

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND	66.2	104.2	106.6			
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendations (12) (A) - Personal Services (100) ----- \$ 35,532
Assumes 7% increase effective 1/1/80
(12) (B) - No change
(12) (D) - Contractual (300) ----- 19,200
(12) (F) - No change
(12) (G) - Travel (200) ----- 11,400

IV. DATE Revised 3/21/79 PREPARED BY Warren W. Endicott, Director
AGENCY Legislative Affairs Agency
PHONE 465-3850
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 2
 Title Approving Certain Recommendations of the Salary Commission
 Requested by State Affairs Date 2/7/79

II. FISCAL DETAIL

Agency Affected Legislative Affairs
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	71.1	71.1	71.1	71.1	71.1	71.1
200 TRAVEL	11.4	11.4	11.4	11.4	11.4	11.4
300 CONTRACTUAL	19.2	19.2	19.2	19.2	19.2	19.2
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	101.7	101.7	101.7	101.7	101.7	101.7

FUNDING (Thousands of Dollars)

GENERAL FUND	101.7	101.7	101.7	101.7	101.7	101.7
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
	101.7	101.7	101.7	101.7	101.7	101.7

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendation (12) (A) - Personal Services (100) ----- \$ 71,064
 (12) (B) - No change
 (12) (D) - Contractual (300) - ----- 19,200
 (12) (F) - No change
 (12) (G) - Travel (200) ----- 11,400

IV. DATE 2/16/79 PREPARED BY Warren W. Endicott
 AGENCY Legislative Affairs Agency
 PHONE 465-3850
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Fiscal Note for HCR 2

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
1A	1 Governor	52,992	57,231	2,119	61,237	4,122
2A	1 Lt. Governor	47,304	51,088	1,892	54,664	3,680
3A	14 Commissioners	47,304	51,088	26,488	54,664	51,520
4A	19 Deputy Commissioners	varies	45,762	8,721*	48,965	24,600*
6A	4 APUC Commissioners	39,372	44,353	9,962	47,457	16,168
6B	1 APUC Chairman	39,872	44,853	2,490	47,957	4,042
7A	2 CFEC Commissioners	39,372	44,353	4,980	47,457	8,085
7B	1 CFEC Chairman	39,872	44,853	2,490	47,957	4,042
8A	2 APC Commissioners	39,372	44,353	4,980	47,457	8,085
8B	1 APC Chairman	39,872	44,853	2,490	47,957	4,042
			Total	66,015		128,386

Total FY 80 = 194,401
 FY 80 Benefits @ 17.25% = 33,534

Total Executive Branch 227,935

* Calculations for Deputy Commissioners made on individual basis because several positions currently exceed maximum.

** Assumes 7.0% COLA adjustment

Rec #	Positions Affected	Current Salary	HCR 2 Salary	Increase 7/1/79 - 12/31/79	Projected** 1/1/80 Salary	Increase 1/1/80 - 6/30/80
9A	5 Supreme Court Justices	52,992	57,231	10,598	61,237	20,612
	Pay differential impact*			297		577
10A	20 Superior Court Judges	48,576	52,462	38,860	56,134	75,580
	Pay differential impact*			2,108		4,100
11A	17 District Court Judges	41,068	44,353	27,922	47,457	54,306
	Pay differential impact*			1,667		3,242
			Total	81,452		158,417
			Total FY 80	239,869		
			FY 80 benefits @ 17.25%	41,377		
			Total Judicial	281,246		

* SLA 78, CH 20 allowed up to 5 pay steps of 3.5% each for judge and justices pay differential. Only positions located outside Anchorage, Ketchikan, and Juneau receive this differential

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THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCR 2
 Title A resolution approving certain recommendations of the Salary Commission
 Requested by House Rules Committee Date 2/15/79

II. FISCAL DETAIL

Agency Affected Executive and Judicial Branches
 Program Category Affected all
 Budget Request Unit(s) Affected Office of the Governor

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		509.2				
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		509.2				

HCR 2

FUNDING (Thousands of Dollars)

GENERAL FUND		509.2				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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IV. DATE 2/16/79 PREPARED BY Jeff Morrison
 AGENCY Budget and Management
 PHONE 465-4580
 Original: Legislative Finance
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 Prime Sponsor (First Legislator Named)

Fiscal Note for HCR 2

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
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Introduced: 2/7/79
Referred: State Affairs

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 2

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 Approving certain recommendations of
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7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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14 Alaska Commercial Fisheries Entry Commission, and members of the judiciary;
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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; the Salary Commission recognizes that
7 promotions from deputy director to director of a division may sometimes
8 necessitate that those receiving a promotion move into a step other than "A"
9 in order to be assured a salary increase; in such cases, that person re-
10 ceiving the promotion should enter at the lowest step necessary to receive a
11 salary increase; and

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

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

23 WHEREAS Recommendation Number (5)(D) of the Salary Commission proposes
24 that a state employee who, without a break in continuous service, is
25 appointed to a position of division director after December 31, 1978, be
26 placed, at the time of appointment, within the state salary schedule in AS
27 39.27.011 at the appropriate range and step closest to, but not less than,
28 his current salary, and his salary progress shall follow the steps outlined
29 in the salary schedule to a maximum of \$50,000 annually; and

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

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

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

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

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

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

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

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

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

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

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

29 WHEREAS Recommendation Number (12)(D) proposes that legislators receive

1 an annual allowance of \$4,320; and

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

10 WHEREAS Recommendation Number (12)(G) proposes that each legislator be
11 reimbursed at cost, and upon presentation of proof, for one round trip to his
12 home district during each regular session; and

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

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

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

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.



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

Date passed to Senate 4/6/79

Bill # HCR 2

SENATE FINANCE COMMITTEE
BILL CHECKLIST

1. Committee Copy-Current Bill ✓

2. History Cover Form ✓

3. Printed Copies:
Original Bill ✓

Committee Substitutes or
Amendments ✓

4. SFC Committee Report Form ✓

5. Fiscal Information:
Note in File ✓
Note Requested Date
Other Financial Backup
(See Below)

Backup:
Handouts
Letter from Governor
Letter from Sponsor
Completed Committee Reports
Committee
Other

House Legislative Intent

THE LEGISLATURE OF THE STATE OF ALASKA
EVENTH LEGISLATURE

FISCAL NOTE (2d REVISION)

I. REQUEST
Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 2
Title Approving Certain Recommendations of the Salary Commission
Requested by State Affairs Date 4/19/79

II. FISCAL DETAIL
Agency Affected Legislative Affairs
Program Category Affected General Government
BRU, Program, or Subprogram(s) Affected
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	35.6	73.6	76.0			
200 TRAVEL	17.4	17.4	17.4			
300 CONTRACTUAL	19.2	19.2	19.2			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	72.2	110.2	112.6			

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND	72.2	110.2	112.6			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
Recommendations (12) (A) - Personal Services (100) ----- \$ 35,532
Assumes 7% increase effective 1/1/80
(12) (B) - No change
(12) (D) - Contractual (300) ----- 19,200
(12) (F) - No change
(12) (G) - Travel (200) ----- 17,400
Round-trip travel for 60 legislators to home districts

IV. DATE Revised 4/19/79 PREPARED BY Warren W. Endicott, Director
AGENCY Legislative Affairs Agency
PHONE 465-3850
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

HCR 2

Resolution No. _____
 Title Resolution approving certain recommendations of the Salary Commission
 Requested by House Rules Committee Date 2/15/79

II. FISCAL DETAIL
 Agency Affected Executive and Judicial Branches
 Program Category Affected all
 Budget Request Unit(s) Affected Office of the Governor

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		509.2				
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		509.2				

FUNDING (Thousands of Dollars)

GENERAL FUND		509.2				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendations 5A through 5D have no fiscal impact. Fiscal impact of recommendations 12A through 12G will be addressed in separate fiscal note to be prepared by Legislative Affairs Agency. This fiscal note assumes a cost of living adjustment of 7.0% on January 1, 1980. Funds will be appropriated to the Office of the Governor and distributed to executive and judicial agencies. Benefits calculated at 17.25% for FY 80. Total executive branch increase is \$227,935. Total judicial branch increase is \$281,246. Detailed calculations are attached.

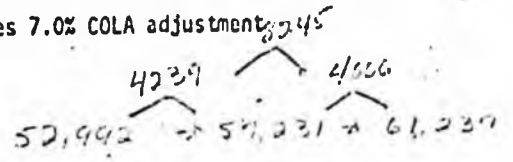
IV. DATE 2/16/79 PREPARED BY Jeff Morrison
 AGENCY Budget and Management
 PHONE 465-4580
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Rec #	Positions Affected	Current Salary	HCR 2 Salary	Increase 7/1/79 - 12/31/79	Projected** 1/1/80 Salary	Increase 1/1/80 - 6/30/80
1A	1 Governor	52,992 (-)	57,231 = $4239 \div 2 =$	2,119	61,237	4,122
2A	1 Lt. Governor	47,304 (-)	51,088 = $3784 \div 2 =$	1,892	54,664	3,680
3A	14 Commissioners	47,304	51,088	26,488	54,664	51,520
4A	19 Deputy Commissioners	varies	45,762	8,124*	48,965	24,600*
6A	4 APUC Commissioners	39,372	44,353	9,962	47,457	16,168
6B	1 APUC Chairman	39,872	44,853	2,490	47,957	4,042
7A	2 CFEC Commissioners	39,372	44,353	4,980	47,457	8,085
7B	1 CFEC Chairman	39,872	44,853	2,490	47,957	4,042
8A	2 APC Commissioners	39,372	44,353	4,980	47,457	8,085
8B	1 APC Chairman	39,872	44,853	2,490	47,957	4,042
Total				66,015		128,386
Total FY 80 =					194,401	
FY 80 benefits @ 17.25% =					33,534	
Total Executive Branch					227,935	

74,006
7% increase

* Calculations for Deputy Commissioners made on individual basis because several positions currently exceed maximum.

** Assumes 7.0% COLA adjustment



<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
5 Supreme Court Justices	52,992	57,231 .	10,598	61,237	20,612
Pay differential impact*			297		577
20 Superior Court Judges	48,576	52,462	38,860	56,134	75,580
Pay differential impact*			2,108		4,100
17 District Court Judges	41,068	44,353	27,922	47,457	54,306
Pay differential impact*			<u>1,667</u>		<u>3,242</u>
		Total	81,452		158,417
		Total FY 80		239,869	
		FY 80 benefits @ 17.25%		<u>41,377</u>	
		Total Judicial		281,246	

179, CH 80 allowed up to 5 pay steps of 3.5% each
 for judge and justices pay differential. Only positions
 located outside Anchorage, Ketchikan, and Juneau receive
 this differential

includes 7.0% COLA adjustment

HOUSE LEGISLATIVE INTENT
HOUSE CONCURRENT RESOLUTION NO. 2

It is the intent of the House that cost-of-living increases, payable for 1980, should not exceed six per cent (6%).

*Adopted
(32-6)*

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCR 2
 Title A resolution approving certain recommendations of the Salary Commission
 Requested by House Rules Committee Date 2/15/79

II. FISCAL DETAIL

Agency Affected Executive and Judicial Branches
 Program Category Affected all
 Budget Request Unit(s) Affected Office of the Governor

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES		509.2				
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		509.2				

FUNDING (Thousands of Dollars)

GENERAL FUND		509.2				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendations 5A through 5D have no fiscal impact. Fiscal impact of recommendations 12A through 12G will be addressed in separate fiscal note to be prepared by Legislative Affairs Agency. This fiscal note assumes a cost of living adjustment of 7.0% on January 1, 1980. Funds will be appropriated to the Office of the Governor and distributed to executive and judicial agencies. Benefits calculated at 17.25% for FY 80. Total executive branch increase is \$227,935. Total judicial branch increase is \$281,246. Detailed calculations are attached.

IV. DATE 2/16/79 PREPARED BY Jeff Morrison
 AGENCY Budget and Management
 PHONE 465-4580
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

Page 1 of 3

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 2
 Title Approving Certain Recommendations of the Salary Commission
 Requested by State Affairs Date 2/7/79

II. FISCAL DETAIL

Agency Affected Legislative Affairs
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	71.1	71.1	71.1	71.1	71.1	71.1
200 TRAVEL	11.4	11.4	11.4	11.4	11.4	11.4
300 CONTRACTUAL	19.2	19.2	19.2	19.2	19.2	19.2
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	101.7	101.7	101.7	101.7	101.7	101.7

FUNDING (Thousands of Dollars)

GENERAL FUND	101.7	101.7	101.7	101.7	101.7	101.7
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
	101.7	101.7	101.7	101.7	101.7	101.7

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendation (12) (A) - Personal Services (100) ----- \$ 71,064
 (12) (B) - No change
 (12) (D) - Contractual (300) ----- 19,200
 (12) (F) - No change
 (12) (G) - Travel (200) ----- 11,400

IV. DATE 2/16/79 PREPARED BY Warren W. Endicott, Director
 AGENCY Legislative Affairs Agency
 PHONE 465-3850
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
1A	1 Governor	52,992	57,231	2,119	61,237	4,122
2A	1 Lt. Governor	47,304	51,088	1,892	54,664	3,680
3A	14 Commissioners	47,304	51,088	26,488	54,664	51,520
4A	19 Deputy Commissioners	varies	45,762	8,124*	48,965	24,600*
6A	4 APUC Commissioners	39,372	44,353	9,962	47,457	16,168
6B	1 APUC Chairman	39,872	44,853	2,490	47,957	4,042
7A	2 CFEC Commissioners	39,372	44,353	4,980	47,457	8,085
7B	1 CFEC Chairman	39,872	44,853	2,490	47,957	4,042
8A	2 APC Commissioners	39,372	44,353	4,980	47,457	8,085
8B	1 APC Chairman	39,872	44,853	2,490	47,957	4,042

Total 66,015

128,386

Total FY 80 = 194,401
 FY 80 benefits @ 17.25% = 33,534

Total Executive Branch 227,935

* Calculations for Deputy Commissioners made on individual basis because several positions currently exceed maximum.

** Assumes 7.0% COLA adjustment

Rec #	Positions Affected	Current Salary	HCR 2 Salary	Increase 7/1/79 - 12/31/79	Projected** 1/1/80 Salary	Increase 1/1/80 - 6/30/80
9A	5 Supreme Court Justices	52,992	57,231	10,598	61,237	20,612
	Pay differential impact*			297		577
10A	20 Superior Court Judges	48,576	52,462	38,860	56,134	75,580
	Pay differential impact*			2,108		4,100
11A	17 District Court Judges	41,068	44,353	27,922	47,457	54,306
	Pay differential impact*			1,667		3,242
			Total	81,452		158,417
			Total FY 80	239,869		
			FY 80 benefits @ 17.25%	41,377		
			Total Judicial	281,246		

* SLA 78, CH 80 allowed up to 5 pay steps of 3.5% each for judge and justices pay differential. Only positions located outside Anchorage, Ketchikan, and Juneau receive this differential

** Assumes 7.0% COLA adjustment

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM — JUNEAU 99811
PHONE 465-2213

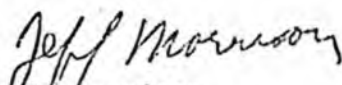
April 16, 1979

Jay Hogan, Director
Division of Legislative Finance
Legislative Affairs Agency
Pouch WF
Juneau, Alaska 99811

Dear Jay,

Your staff has requested information concerning the FY 79 fiscal impact of HCR 2 (Salary Commission Recommendations) on the executive and judicial branches. As detailed on the attached schedule, the impact on the executive branch is \$81,000, and the impact on the judicial branch is \$100,200. I trust this information is satisfactory. Please contact me if you desire further elaboration or other information on this subject.

Sincerely,



Jeff Morrison
Program Budget Analyst

Attachment
cc: Ronald B. Lind

Fiscal Impact of HCR 2 on FY 79

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 1/1/79 - 6/30/79</u>
1A	1 Governor	52,992	57,231	2,119
2A	1 Lt. Governor	47,304	51,088	1,892
3A	14 Commissioners	47,304	51,088	26,488
4A	19 Deputy Commissioners	Varies	45,762	8,124*
6A	4 APUC Commissioners	39,372	44,353	9,962
6B	1 APUC Chairman	39,872	44,853	2,490
7A	2 CFEC Commissioners	39,372	44,353	4,980
7B	1 CFEC Chairman	39,872	44,853	2,490
8A	2 APC Commissioner	39,372	44,353	4,980
8B	1 APC Chairman	39,872	44,853	<u>2,490</u>
			Total	66,015
			Benefits at 23%	14,950
			Total Executive Branch	80,965

* Calculations for Deputy Commissioners made on individual basis because several positions currently exceed maximum.

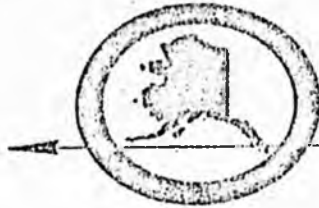
Rounded (81,000)

morison

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 1/1/79 - 6/30/79</u>
9A	5 Supreme Court Justices	52,992	57,231	10,598
	Pay differential impact*			297
10A	20 Superior Court Judges	48,576	52,462	38,860
	Pay differential impact*			2,108
11A	17 District Court Judges	41,068	44,353	27,922
	Pay differential impact*			<u>1,667</u>
			Total	81,452
			Benefits at 23%	18,734
			Total Judicial	100,186

Rounded (100,200)

* SLA 78, CH 80 allowed up to 5 pay steps of 3.5% each for judge and justices pay differential. Only positions located outside Anchorage, Ketchikan, and Juneau receive this differential.



Ombudsman

MEMO

Date: April 13, 1979
To: Senator John Sackett, Chairman, Senate Finance Committee
From: Duncan C. Fowler, Ombudsman Regional Representative
Subject: HCR 2

We have taken notice that HCR 2 would provide a salary increase for Superior Court Judges. The Ombudsman's salary is set by AS 24.55.060. This Statute entitles the Ombudsman to an annual salary equal to that of a Superior Court Judge. Staff from both Legislative Finance, and Budget and Management have confirmed that no provision has been made to allocate funding equal to that in HCR 2 for the Ombudsman.

In order for us to meet the intent of AS 24.55.060, we will require the following additional funding:

1/1/79-6/30/79	7/1/79-12/31/79	1/1/80-6/30/80
2,390	1,966	3,823

TOTAL FY 79	2,390
TOTAL FY 80	<u>-5,789,6709</u>
TOTAL NEEDED	8,179,099

FY 1979

Current Salary 48,576
HCR 2 Increase 52,462

Difference 3,886

3,886 divided by 2 = 1,943 (6 months)

1,943 x 1.23 = 2,390 -- 1/1/79 through 6/30/79
Total need for FY 79

FY 1980

Current Salary 48,576
FY 80 Salary 56,134

Difference 7,558

7,558 divided by 2 = 3,779 (6 months)

Benefits are calculated at 1.1725 (FICA omitted)

3,779 x 1.1725 = ^{4,431} ~~3,823~~ -- 1/1/80 through 6/30/80
1,943 x 1.1725 = ^{2,278} ~~1,966~~ -- 7/1/79 through 12/31/79

TOTAL FY 80 5,789 ~~6,709~~

TOTAL INCREASE 8,179.9099



Alaska Court System
State of Alaska

RICHARD P. BARRIER
DEPUTY ADMINISTRATIVE DIRECTOR

OFFICE OF ADMINISTRATIVE DIRECTOR

303 K STREET
ANCHORAGE, ALASKA 99501

(907) 274-8611

*At orig salary
per sec me.*

March 23, 1979

Hon. John C. Sackett
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Sackett:

The Legislature currently has before it HCR 2, the bi-annual recommendations of the Salary Commission concerning the compensation of various public officials, including judicial officers. The Commission developed these recommendations after extensive research and analysis over a period of two years. The proposed salaries in HCR 2 are in fact substantially less than the initial recommendations of the Commission, due to the necessity of complying with the President's Wage and Price guidelines.

The last judicial pay raise was implemented on July 1, 1975. If the Legislature does not adopt the Salary Commission recommendations, this will mean that for the five and one-half years from July 1, 1975 through January 1, 1981, the judiciary will have received no salary increase and will in fact find its salaries reduced in purchasing power by as much as 40 percent due to inflation. If the Legislature adopts the Salary Commission recommendations, the judiciary will receive pay raises amounting to less than three percent per year over the five and one-half year period. While this minimal judicial salary increase is less than half that received by other State employees during the comparable period (estimated at 6 to 7% per year), these salary levels are supported by the Court System in light of the restrictions imposed by the President's guidelines.

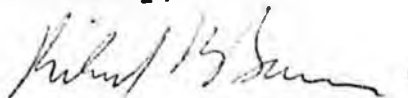
When the Salary Commission was established in 1976 the following language was enacted by the Legislature: "It is the policy of the Legislature that the Commission determine the salary schedule and retirement benefits for public officers based upon equitable relationships being maintained among State positions." The underlying purpose of establishing a commission was to develop a rational approach to the setting of salaries; rather than relying on a strictly political system of salary setting. The recommendations in HCR 2 represent a judicious balance between the various competing factors in salary setting, including equitable relationships among State positions, cost of living, public opinion, comparison to other states, and salaries in the private sector.

In January 1978 this office prepared a judicial compensation position paper to assist the Commission in developing its salary recommendations. A copy of this 1978 paper is attached for your information. In reviewing the paper, the following updated information should be kept in mind:

1. An additional 10 percent increase in cost of living in 1978.
2. State employee pay raises ranging from seven to ten percent are under consideration for 1979.
3. Twenty-seven states increased their judicial salaries between July 1, 1977 and July 1, 1978. This dropped the salary ranking of the supreme court on a national scale to 41 out of 50 and the superior court to 35 out of 50 (adjusted on the cost of living determined by the Bureau of Labor Statistics for higher budget for a four-person family).

If you have any questions concerning the attached compensation paper, I would be glad to discuss these with you at your convenience,

Sincerely,



Richard P. Barrier
Deputy Administrative Director

Attachment

ALASKA COURT SYSTEM
JUDICIAL COMPENSATION POSITION PAPER

Richard P. Barrier
Deputy Administrative Director
Alaska Court System
303 K Street
Anchorage, Alaska 99501

January 1978

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JUDICIAL COMPENSATION POSITION PAPER

I. Salary Recommendations and Overview

A. Salary Recommendations

The following salaries are recommended for implementation effective July 1, 1978:

Supreme Court Justices, Governor	\$65,000
Superior Court Judges, Lt. Governor, Commissioners	59,000
District Court Judges, Commission Members	50,000

These salary levels will place the salary of the District Court judges slightly ahead of the salary of most district attorneys, public defenders, or other government attorneys (except for those State attorneys in Fairbanks and other areas receiving a high cost-of-living differential). The salary recommended for the department heads will place these positions ahead of most but not all division directors and other subordinates within each department.

The recommended salaries would move the Supreme Court salary from 34th in the country to 12th, on a scale adjusted for cost-of-living differentials between the various states and Alaska. Similarly, Superior Court salaries would advance from 29th position in the country to the 6th spot in national rank. (There is no national ranking of District Court salaries due to the wide

variances in levels of responsibility among these positions in the various states.)

The salary levels recommended above will raise the salary for each position to slightly less than the comparable salary level in July, 1975, adjusting for the projected increase in the consumer price index by July 1978. The recommended increase in the salary level of each position is also approximately equal to the projected increase in across-the-board raises for general government employees of the Executive Branch between July, 1975 and July, 1978.

B. Cost-of-Living Adjustments

It is recommended that the salaries of the positions listed above be adjusted on an annual basis in accordance with changes in the Consumer Price Index for Anchorage. The Consumer Price Index for October 1977 would be considered the initial consumer price index. The Commissioner of Administration would calculate the change in the October Consumer Price Index for the current year from the October Consumer Price Index for the previous year. He would then compute the percentage increase for that period and the adjusted salary levels to reflect the same percentage increase. The Commissioner would submit these salary figures to the legislature early in the session. If not disapproved by resolution of the legislature, the proposed salary levels would become law effective July 1 of the current year.

C. Longevity or Merit Salary Increases

It is recommended that the issue of longevity or merit pay increases for judicial officers be studied. One major disparity in the present salary structure of the State is that whereas a judge may initially be appointed at a

salary equal to or greater than a certain salary level in the Executive Branch, within a few years time employees position in those positions in the Executive Branch will be earning a higher salary. There are approximately 152 employees of the Executive Branch now earning more than Superior Court judges and approximately 67 earning more than Supreme Court justices or the Governor, largely due to the effect of merit increases on Executive Branch salaries. Within the University of Alaska, more than 100 employees are earning in excess of \$50,000, primarily as a result of longevity and merit step increases. This imbalance in salaries could be improved by implementing some type of longevity increase for judges, either an annual increase, bi-annual increase, an increase following retention election, or some other longevity increase schedule.

II. Rationale for Judicial Salary Levels

In the previous section of this paper, recommendations were made to maintain the salary of judicial officers at a position near the top of the State salary structure. This section presents a rationale for compensating judges and justices in this manner.

A. Importance of Judicial Duties

In evaluating the importance of judicial positions relative to other positions in State government, it is useful to analyze judicial positions using the various criteria ordinarily employed by personnel analysts in establishing compensation plans: consequence of error, complexity of job, supervisory responsibilities, and degree of independence.

The consequence of judicial error by any judicial officer may have extreme effects upon an individual appearing before the court, a class of citizens affected by court rulings, or the entire society. Judges are asked to rule upon the guilt or innocence of criminal defendants, to evaluate issues of liability and the extent of damages in civil cases, and to interpret the statutes and the constitution as they affect the rights and responsibilities of all citizens. Many cases have been decided in the courts of Alaska involving issues of major importance, not only to the individual litigants, but to all the citizens of this state.

For example, our Supreme Court recently established the doctrine of comparative negligence in personal injury cases and thus introduced a major change in the way our society distributes the monetary losses associated with these injuries. The Court's decisions upholding the local

hire and limited entry statutes will undoubtedly have a tremendous impact on the State's economy for many years.

Since the cases appearing before each judge may involve major issues (freedom vs. detention of a defendant, large monetary awards in civil cases, constitutional interpretations affecting the relationships of entire classes of people), consequence of error, either in judgment or in procedure, is correspondingly high. The consequence of error is obviously highest at the Supreme Court level, since the Supreme Court is the final level of appeal. However, even though decisions of the District and Superior courts may be appealed to higher courts, most cases are not appealed and the decisions of the lower courts are not challenged. Even in those cases in which an appeal is filed and a lower court judge is reversed, the initial court decisions may still have a considerable impact on the litigants appearing before the Court.

The complexity of the work performed by judges and justices is of the highest level. Judges are responsible for understanding and interpreting all Alaska Statutes and the Alaska Rules of Court, conducting legal research into legal precedents to the case at hand, and listening, understanding, and evaluating both written and oral testimony presented in each case. This responsibility requires constant study and continuing education as the Statutes and rules are revised.

Judges also have supervisory responsibilities. In smaller, single judge court locations, the Superior or District Court judge is responsible for supervising the non-judicial staff and establishing procedures for court operations. In larger courts such as Anchorage or Fairbanks, overall supervisory authority is vested in a presiding judge, but each judge must administer a personal

staff of law clerks, in-court clerks, and secretaries as well as supervise the actions of the attorneys and litigants appearing before the court each day. Each judge must supervise his caseload, working with attorneys to resolve conflicts, directing the proceedings in the courtroom, ruling on requests relating to procedural issues in each case. It is also the sole responsibility of the judge to see that all court personnel, attorneys, litigants, witnesses, and spectators conform to the correct procedures of court during court hearings or trials.

The independence of each judge is necessarily high. When the phrase "independence of the judiciary" is used, this refers to the importance of each judge ruling on each individual case strictly upon the evidence presented, legal precedents, and interpretation of statutes or regulations. A judge is not permitted to seek advice from outside sources, but rather must rule as he interprets the law, unbiased by outside opinion. A judge does not hold public hearings or conduct polls to determine the fate of a defendant or the resolution of a major civil or constitutional issue. A judge must make decisions alone.

The above analysis of the nature of judicial responsibilities indicates the importance and difficulty of a judge's role. While the uniqueness of the judiciary makes it difficult to classify judicial positions relative to positions in the Executive Branch, it is clear that on any scale the judicial functions rank high.

B. Job Qualifications:

Not only are judicial responsibilities important, as outlined in the section above, but qualifications for filling judicial positions are also high. An applicant

for the Supreme Court must be a resident of Alaska for three years and must have eight years of experience in the active practice of law immediately preceding his application. An applicant for the Superior Court bench must also have three years residency in Alaska and have practiced law for five years immediately prior to his application. A District Court judge must be a practicing attorney and have been a resident of Alaska for at least one year prior to his appointment.

Prior to being appointed to a judicial position, an attorney must be certified as qualified by the Judicial Council. The Council solicits public input during its evaluation of each applicant, and conducts a comprehensive survey of all attorneys to determine the opinion of the Bar towards each applicant. Following this screening, the Council submits only the names of those whom they deem most qualified to the Governor. To be appointed to a judicial position, therefore, it is not only necessary to meet the minimum statutory requirements, but it is also necessary to have demonstrated a high level of competence in the legal field.

C. Other Considerations in Setting of Judicial Salaries:

In addition to the points raised in Sections A and B relating directly to the setting of judicial salaries, there are other important issues to be examined.

From a strictly financial standpoint, a judicial position at the present salary levels may not attract the most qualified lawyers. Many appointees to the bench must take an immediate 50 to 100 percent salary cut to accept the judicial position. Also, since private attorneys' earnings generally reach their highest levels in the

latter years of an attorney's career (as discussed elsewhere in this paper), an applicant for a judicial position generally gives up not only current salary but also potential for earning significantly greater sums in his later years. Finally, since judicial officers are restricted by the judicial canons in their ability to invest, further reductions in personal income and wealth may result. A practicing attorney frequently earns a substantial proportion of his income from other business in addition to his actual practice of law. Such opportunities are severely restricted for judicial officers. This third point concerning the lack of investment potential for judges is a particularly important consideration whenever judicial retirement is being examined.

There are personal sacrifices that a person must make in accepting a judicial position, due to the restrictions imposed by the judicial canons. Judges are not permitted to take an active role in the political sphere. Judges necessarily must be somewhat socially isolated from the practicing bar, normally the logical source for social outlets. Also, judges are public figures and are expected to uphold a "proper" judicial image. Even their private or social life may be open to public scrutiny.

A positive financial aspect of a judicial position is the retirement plan presently in force for the judiciary. This is an excellent retirement program and provides a secure retirement for any judge reaching the age of 60. A good retirement program is necessary, however, to offset the loss of earning potential and particularly in investment opportunities as discussed above. Since a judge is not likely to develop significant personal resources while performing public service, a liberal retirement program is necessary to assure a satisfactory life style beyond the retirement age.

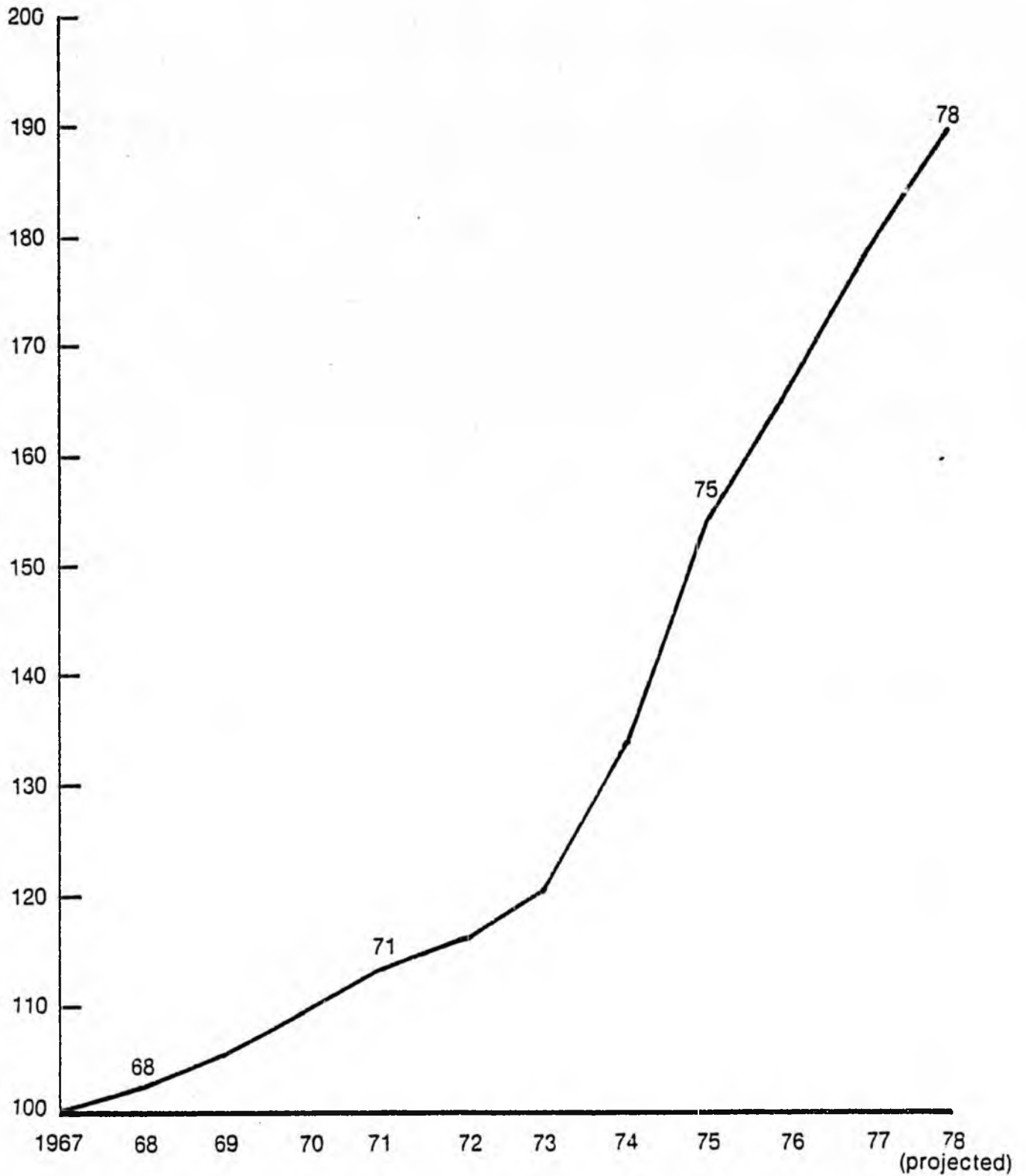
A significant aspect of the judicial retirement program is that regardless of the benefits paid at the end of a 15 or 20 year career, retirement benefits do not affect a judge's ability to pay his bills while he is working. If judicial salaries are not sufficient to allow an attorney to maintain a comparable life style to that which he was enjoying in private practice, it is unlikely that attorneys will apply for judicial positions just for the prospect of a good retirement plan at the end of their career. The retirement program is a definite benefit for appointed judges, but it does not help a new judge make monthly mortgage payments, feed and clothe his family, send his children to college, or meet the other current material needs associated with day-to-day living.

III. Historical Cost and Salary Considerations

A. Cost of Living

The cost of living in Alaska, measured by the Consumer Price Index for Anchorage, has increased 15.3 percent between July 1, 1975 and July 1, 1977. During the third quarter of 1977, the CPI went up slightly more than 1.6 percent. Assuming the same rate of increase for the next three quarters, by July 1, 1978, the CPI will be 22.8 percent higher than it was in July 1975. The chart on the next page depicts the rise in the cost of living since 1967.

CONSUMER PRICE INDEX FOR ANCHORAGE, ALASKA 1967 - 1978



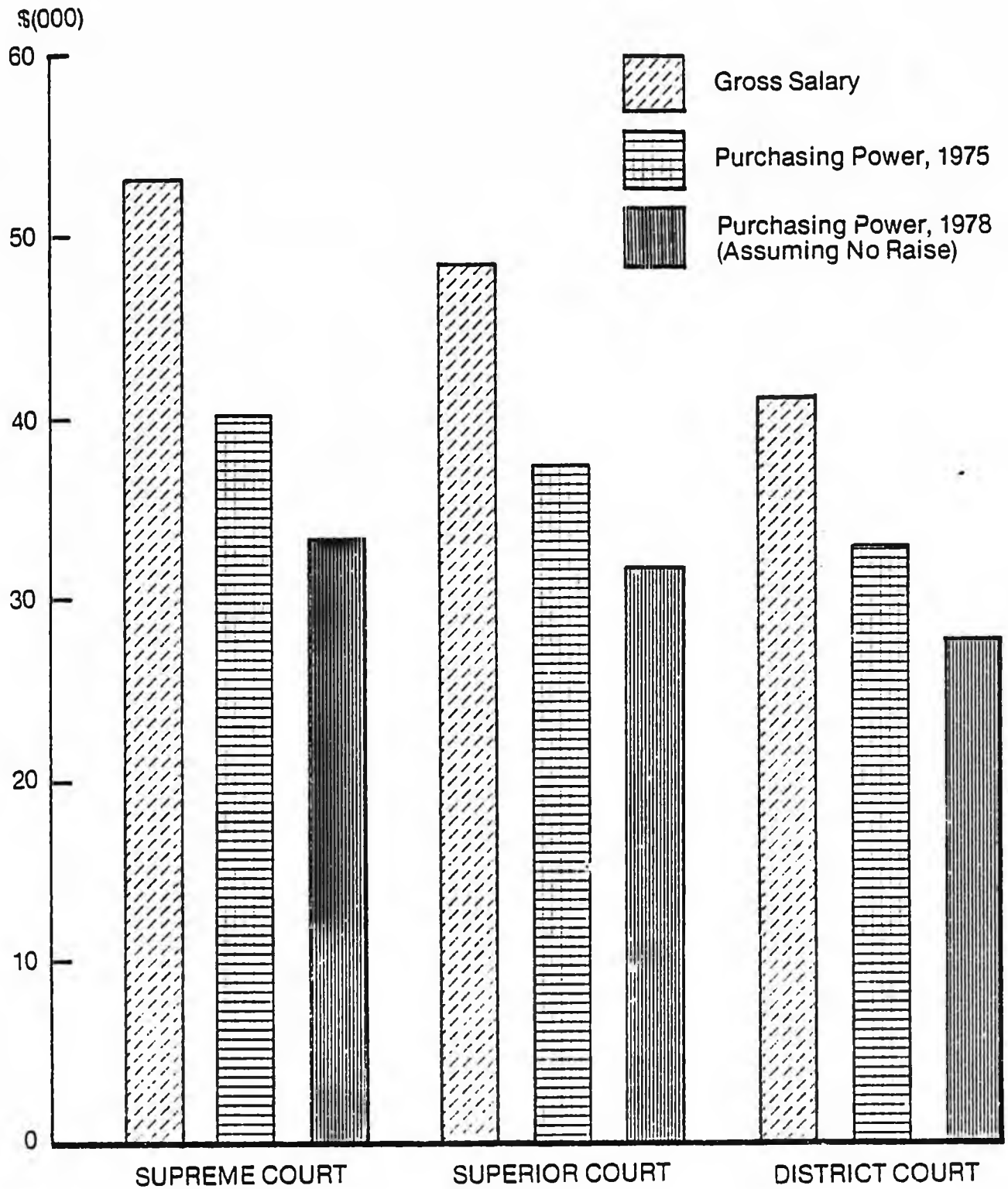
The chart below indicates the impact of the cost of living increases on the purchasing power of the judges and the salary required to bring this purchasing power after tax in line with the 1975 levels. Tax computations are based on a family of four, 16 percent itemized deductions, and \$30 per person income tax credit.

The difference between column 1 and column 2 is the loss of purchasing power between 1975 and 1978. For example, the purchasing power of the Supreme Court Salary, after taxes, was \$40,246 in 1975 but only \$33,977 by 1978. Without a pay raise, then, the justices will have experienced a decline of \$6,269 in purchasing power by 1978. Only by raising their salary to the level shown in Column 3 (\$66,023 for the Supreme Court) will their purchasing power remain equal with the 1975 level.

JUDICIAL SALARIES LESS FEDERAL INCOME TAXES
IN TERMS OF 1975 DOLLARS

	<u>As Of</u> <u>7/1/75</u>	<u>Projected:</u> <u>7/1/78</u>	<u>Salary Req.</u> <u>to Equal 1975</u> <u>Purchasing</u> <u>Power</u>
Supreme Court Justices			
Salary	\$52,992	\$52,992	\$66,023
Federal Tax	<u>12,746</u>	<u>11,261</u>	<u>16,593</u>
Remainder After Taxes	40,246	41,731	49,430
Remainder in 1975 Dollars	<u>40,246</u>	<u>33,977</u>	<u>40,246</u>
Superior Court Judges			
Salary	\$48,576	\$48,576	\$60,264
Federal Tax	<u>11,032</u>	<u>9,634</u>	<u>14,152</u>
Remainder After Taxes	37,544	38,942	46,112
Remainder in 1975 Dollars	<u>37,544</u>	<u>31,707</u>	<u>37,544</u>
District Court Judges			
Salary	\$41,069	\$41,069	\$50,508
Federal Tax	<u>8,344</u>	<u>7,096</u>	<u>10,315</u>
Remainder After Taxes	32,725	33,973	40,193
Remainder in 1975 Dollars	<u>32,725</u>	<u>27,661</u>	<u>32,725</u>

PURCHASING POWER OF JUDICIAL SALARIES AFTER TAX IN 1975 DOLLARS



B. State Salary Increases

The General Government, confidential, and supervisory bargaining units, as well as non-covered employees of all branches of government have received two salary increases since July 1, 1975, and will be receiving a third increase in early 1978. The increase for the first two years was approximately 16.8 percent. Estimating a five percent pay increase for 1978, the total salary rise for most State employees will be 22.6 percent. To bring the judicial salaries into line with the increases in other State employees' salaries, the following salaries would be required:

Supreme Court	\$65,000
Superior Court	59,600
District Court	50,300

The 22.6 percent increase in State employee's salaries discussed in the paragraph above relates strictly to the increase in base salaries of various positions or job ranges. That is, the starting salary of each position will have increased 22.6 percent between July, 1975 and July, 1978. However, most State employees that have worked since 1975 will receive three merit increases between July, 1975 and July, 1978. Each merit increase amounts to approximately 3.75 percent, or a total of 11.25 percent for three years. Therefore, many State employees' salaries will increase by 33.85 percent between 1975 and 1978. If the judges who were working in 1975 and continue to work through 1978 were to receive a comparable pay increase, judicial salary levels would be as follows:

Supreme Court	\$70,930
Superior Court	65,019
District Court	54,971

C. Ten Year Perspective

In reviewing the current levels of judicial salaries, it is useful to analyze the historical relationship of judicial salaries to salaries of classified State employees. This analysis must consider not only the absolute salary scales and changes in their levels over time, but also the practical aspect of employee salary movement within a salary grade or through advancement.

Judicial officers, with very few exceptions, have historically remained in the judicial position to which they were originally appointed, and have not advanced to higher judicial positions (the Supreme Court appointees obviously have not even had the potential to advance within the State System). Therefore, once appointed, a judge generally faces a ten to twenty year career in the same position or salary "grade", with salary increases arising only with general salary increases for the judiciary.

Classified State employees, on the other hand, benefit from two additional sources of salary increase:

- 1) Merit or longevity increase within a salary grade; and
- 2) Advancement potential to higher grades.

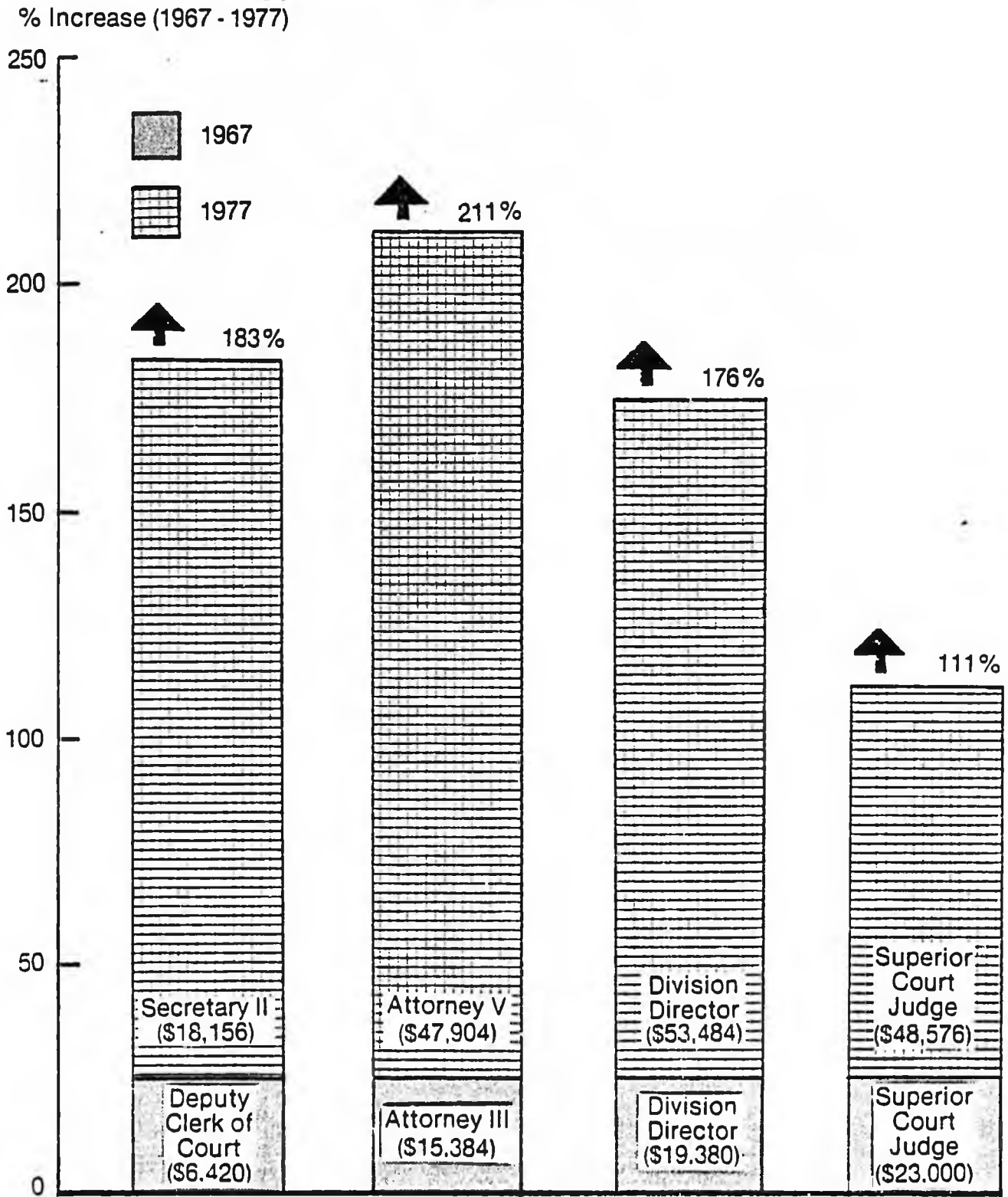
The first source of salary increase has typically been applied to most competent State employees on an annual

basis. The second source of salary increase is dependent upon the ability and initiative of the individual employees, but in many situations is expected of an employee entering certain job classifications. For example, an attorney would ordinarily begin employment with the State as an Attorney I, Range 16, or an Attorney II, Range 19. After a year's experience, the employee would be expected to move into an Attorney III position, Range 22, assuming that such a position were available. This career advancement could continue, depending upon the ability of the employee and the availability of positions, until the employee reached an Attorney VI position, Range 26. It is obvious that most attorneys are following such a career path. As of November 4, 1977, of 93 filled attorney positions in the Executive Branch, the distribution was as follows: Attorney I - 0; Attorney II - 4; Attorney III - 10; Attorney IV - 41; Attorney V - 34; Attorney VI - 4.

In the chart that follows, the salary history is given of four current State employees who have worked for the State since 1967. In the first two cases (Deputy Clerk and Attorney III), the employee has advanced his position during the ten year period. In the other two (Division Director and Superior Court Judge), the employee has remained in the same position from 1967 to 1977.

While the "base" salaries for judicial positions and classified positions have historically increased at comparable rates, the actual salary increases for individuals filling both types of positions have varied as much as 100%. This lack of potential salary increase for judicial positions must be taken into consideration in the setting of judicial salaries.

SALARY AND POSITION ADVANCEMENT OF FOUR STATE EMPLOYEES IN ANCHORAGE, ALASKA 1967 - 1977



IV. Comparison of Judicial Salaries to Other Current Salaries

A. Judicial Salaries in Other States:

One appropriate measure of the adequacy of present judicial salaries in Alaska is comparison with the salaries for comparable positions in other states. The duties and responsibilities of State Supreme Courts and trial courts of general jurisdiction (Superior Court in Alaska) are basically the same in every state. A comparison of the various courts of limited jurisdiction, however, is much less precise, due to the wide variation in jurisdiction for these courts. Therefore, nationwide comparison of judicial salaries is limited in this discussion to Supreme and Superior Courts.

Since there exists such a wide variation in the cost of living between the various states, it is useful to consider judicial salaries and salary rankings in common dollars, as well as in absolute dollars. To present the judicial salaries of the various states in common dollars, it is necessary to adjust these salaries to reflect differences in cost of living. Each adjusted salary reflects the salary necessary to provide a comparable purchasing power in Alaska.

In adjusting the judicial salaries of the various states to common dollars or common purchasing power, the index utilized was the budget index taken from "Indexes of Comparative Costs Based on a Higher Budget for a 4-person Family" prepared by the U.S. Department of Labor, Bureau of Labor Statistics. These budget indexes are based on the relative total costs of supporting a family of four in each particular location. The 1977 budget index shows that supporting a family of four in the higher budget bracket costs 33 percent more in Anchorage than in the average metropolitan area in the United States.

The two charts on the next two pages depict the current nationwide judicial salary rankings. The first chart compares Supreme Court salaries and the second compares judicial salaries of trial courts of general jurisdiction (the Superior Court in Alaska). Each chart lists the actual salary for each position, the budget index for that state based on the cost of supporting a family of four, the salary for each position adjusted to common purchasing power or dollars (based on the budget index) and the relative ranking of the salaries for all fifty states.

Judicial salaries nationwide have been rising rapidly in the past several years, largely in response to the heavy inflation and its effect on purchasing power. This trend toward higher salaries will in all likelihood continue so long as inflation remains an important economic factor. Between June 30, 1975 and September 30, 1977, all except six states instituted pay raises for their judiciary. During that same two year period, 60 percent of the states adopted two salaries increases for their judiciary.

JUDICIAL SALARY COMPARISON
STATE SUPREME COURT

July 1977

State	Actual Salary	Budget Index	Salary in Common	State Salary Rank
California	62935	99	84522	1
Pennsylvania	55000	98	74635	2
New York	60575	109	73902	3
Louisiana	50000	91	73075	4
Tennessee	50391	95	70547	5
District of Columbia	51750	102	67477	6
Minnesota	49000	97	67186	7
Texas	47400	95	66360	8
Illinois	50000	101	65850	9
South Carolina	45000	91	65769	10
Michigan	50000	102	65195	11
Virginia	49000	102	63891	12
Maryland	46400	99	62335	13
North Carolina	43408	93	62073	14
Iowa	45000	97	61695	15
Wisconsin	44160	96	61162	16
Florida	43200	94	61085	17
Oregon	41856	93	59859	18
Nebraska	39750	90	58751	19
Washington	45000	102	58675	20
New Jersey	48000	109	58569	21
Georgia	40000	92	57840	22
Delaware	42000	97	57586	23
Oklahoma	38000	90	56164	24
Indiana	41100	99	55197	25
Colorado	40000	97	54845	26
Arizona	37000	90	54678	27
Kentucky	39000	95	54600	28
North Dakota	36800	90	54390	29
Ohio	40000	98	54280	30
New Mexico	36348	90	53714	31
Mississippi	34000	85	53210	32
Montana	36000	90	53200	33
*Alaska	52992	133	52992	34
Alabama	33500	85	52428	35
Massachusetts	41638	106	52243	36
Nevada	35000	90	51722	37
New Hampshire	36444	94	51564	38
Utah	35500	92	51333	39
Rhode Island	36300	94	51328	40
Connecticut	36000	94	50936	41
Hawaii	45000	118	50715	42
Arkansas	34308	90	50700	43
Missouri	36500	97	50042	44
West Virginia	35000	95	49000	45
Wyoming	32500	90	48029	46
South Dakota	32000	90	47296	47
Kansas	34000	96	47090	48
Idaho	31500	90	46551	49
Vermont	31750	94	44895	50
Maine	29000	101	38188	51

JUDICIAL SALARY COMPARISON
TRIAL COURTS OF GENERAL JURISDICTION

July 1977

State	Actual Salary	Budget Index	Salary in Common	State Salary Rank
California	49166	99	66050	1
District of Columbia	49050	102	63957	2
Louisiana	43750	91	63941	3
Pennsylvania	46250	98	62766	4
New York	48998	109	59787	5
Tennessee	41993	95	58790	6
Minnesota	42000	97	57587	7
South Carolina	39272	91	57398	8
Texas	39800	95	55720	9
Georgia	38500	92	55660	10
Maryland	41200	99	55349	11
Nebraska	37250	90	55048	12
Florida	38900	94	55040	13
Iowa	40000	97	54844	14
Virginia	42000	102	54764	15
Oregon	37968	93	54298	16
Delaware	39000	97	53473	17
Montana	35000	90	51722	18
New Hampshire	36333	94	51407	19
North Carolina	35758	93	51138	20
North Dakota	34500	90	50964	21
Washington	39000	102	50852	22
New Mexico	33635	90	49705	23
Kentucky	35000	95	49000	24
Connecticut	34500	94	48814	25
New Jersey	4000	109	48808	26
Arizona	33000	90	48767	27
Illinois	37000	101	48722	28
*Alaska	48576	133	48576	29
Utah	33500	92	48429	30
Wisconsin	34939	96	48404	31
Alabama	30850	85	48271	32
Rhode Island	34100	94	48248	33
Hawaii	42500	118	47902	34
Arkansas	31914	90	47162	35
Mississippi	30000	85	46941	36
Massachusetts	37053	106	46491	37
Michigan	34911	102	45520	38
Colorado	33000	97	45247	39
South Dakota	30000	90	44334	40
Wyoming	30000	90	44334	40
Nevada	30000	90	44333	42
West Virginia	31500	95	44100	43
Kansas	31500	96	43640	44
Missouri	31000	97	42504	45
Vermont	30000	94	42447	46
Indiana	31500	99	42317	47
Idaho	28500	90	42117	48
Ohio	28750	98	39016	49
Maine	28500	101	37529	50
Oklahoma	24500	90	36206	51

B. Executive Branch Salaries

Prior to 1975, there were virtually no employees earning salaries in excess of the Supreme Court and the Governor and only a few positions (due to longevity steps and cost of living) that were paid salaries greater than the Superior Court. However, in Calendar Year 1976, 12 employees in the Executive Branch earned salaries greater than the Supreme Court and 59 employees earned salaries in excess of the Superior Court salaries. As of January, 1978, there are approximately 67 Executive Branch employees whose annual salary is greater than the Supreme Court. In addition, approximately 152 employees are earning salaries in excess of Superior Court salaries.

Since all judges are also attorneys, the most comparable class of State employees is State attorneys. During fiscal year 1977, an attorney with the Attorney General's Office with four years experience earned an average of approximately 72 percent of a Superior Court judge's salary or 66 percent of a Supreme Court justice's salary. However, figures on a national scale are significantly different from those in Alaska. In a survey conducted in December 1976, of 27 states responding, only three paid their attorneys a higher percentage than that paid in Alaska relative to their Superior Court judges and only one paid attorneys more relative to the Supreme Court salaries. The average salary for the 27 responding states for an attorney with four years experience was 56 percent of the Superior Court judges' salary and 49 percent of the Supreme Court justices' salary. Were these same ratios to be applied to Alaskan salaries, Superior Court judges would be paid \$63,000 and Supreme Court justices salary would be \$72,000.

By July 1978, the base salary in Anchorage or Juneau for a Range 26, Step E will in excess of \$50,000. Any division director with four or more years experience, or an Attorney VI for the Attorney General's Office with four years experience will be earning that amount. Division directors with nine years experience will be earning in excess of \$56,000. When cost of living adjustments are considered, the relative position of judicial salaries is even worse. An Attorney IV in Fairbanks with three years experience will be earning more than \$50,000 in 1978. An Attorney V with five years experience will be earning greater than \$58,000. The starting salary for division directors in Fairbanks will be greater than \$50,000. An Attorney V with five years experience working in Nome will be making over \$70,000. Thirty-seven percent of the judicial positions in the State are in locations in which Executive Branch employees receive cost-of-living pay differentials.

C. Other Government Salaries

In evaluating the current salary for the judiciary, it is appropriate to examine the salaries being paid to professors and staff of the University of Alaska. The starting salary of a full professor in the University of Alaska is \$42,500. After five years experience, this salary is increased to approximately \$48,000. With ten years experience a full professor earns between \$54,000 and \$56,000 per year. Top salary of a full professor is approximately \$57,500. Those professors who also function as deans of various colleges may earn as much as \$60,000 to \$67,000 a year. The President of the University is paid \$63,000. There are currently over 100 professors and administrators in the University of Alaska system earning in excess of \$50,000.

The salaries paid to Federal Government employees in Alaska vary from department to department, with the range of salaries for the middle to top executives at approximately \$45,000 to \$55,000, including 25 percent tax-free earnings.

D. Earning Potential of Lawyers in Active Practice

Another measure of the adequacy of judicial compensation is the relation of this compensation to the earning potential of attorneys in private practice. When an attorney decides to make application for a judicial position, he considers not only the merits of the judicial position but also the adequacy of the judicial compensation for maintenance of his current life style. If, in fact, judicial salaries drop too low relative to salaries in private practice, the rewards of a judicial position can become outweighed by the financial burden of accepting the position.

A survey of all Alaskan attorneys, conducted by the Alaska Bar Association in 1977, provides an interesting analysis of judicial salaries in light of current attorney salaries. Relating the recommended judicial salaries in this paper to the attorney salaries reported in the survey (303 respondents from a total active Bar membership of approximately 850) provides the following information. Approximately 32 percent of the attorneys qualified for a District Court judgeship are earning in excess of \$45,000. Of the 54 percent of the Bar membership who are qualified for a position on the Superior Court, 32 percent are earning in excess of \$55,000. Approximately 30 percent of the Bar membership is qualified for a Supreme Court position and of this group, 31 percent is earning in excess of \$70,000.

Analyzing the results of the survey indicates that attorneys' earning power is closely related to experience. Out of 140 attorneys with less than five years experience, only seven reported earning more than \$50,000 and only one earned more than \$80,000. This is in contrast to the group of attorneys with more than nine years experience, where 37 out of 78 respondents made in excess of \$50,000, eleven earned more than \$80,000, and six reported income over \$100,000.

To summarize the findings of the attorney survey, if the Court System hopes to attract the best attorneys to the bench (assuming that salary and experience are reasonable measures or approximations of legal ability) it must offer salaries comparable to those being earned by attorneys in private practice. The salary levels presented in Section I of this paper will be needed in 1978 to attract this level of attorney.

V. Analysis of Recommended Salary Levels

The judicial salaries recommended in Section I of this paper will be necessary if the judiciary is to keep pace with the executive branch, inflation, and other state judiciaries. This section summarizes the financial analyses previously presented in support of the recommended salaries.

The purchasing power of judicial salaries has been reduced by cost of living increases between 1975 and 1978. To maintain judicial salaries in 1978 at the same level of purchasing power as in 1975, salary levels should be established as follows:

Supreme Court	\$66,023
Superior Court	60,264
District Court	50,508

All State salary scales have been raised since 1975. To maintain the judicial salary levels in 1978 at the same relative position as they experienced in 1975, the following salaries will be required:

Supreme Court	\$65,000
Superior Court	59,600
District Court	50,300

Most individual State employees working for the three year period 1975-1978 are eligible and receive three annual merit increases. To compensate the currently seated judges who have served since 1975 at the same proportionate levels, judicial salaries would need to be as follows:

Supreme Court	\$70,930
Superior Court	65,019
District Court	54,971

The salary recommendations in Section I are based on the many factors discussed in this paper. However, the strictly historical and financial factors summarized above are the most concrete or direct measurements of proper judicial salaries for Alaska.

VI. Cost of Implementing Recommended Compensation P

The annual cost of implementing the recommended salary levels will be approximately \$420,000 for the judicial branch and \$340,000 for the executive branch. The additional cost associated with providing adequate judicial salaries is minimal when compared to the total annual expense of the justice system supporting the judges. The cost of adopting the salary levels recommended in this paper represents only 2.3 percent of the current Alaska Court System budget (FY 78) and approximately .6 percent of the current general fund budget for all components of the Administration of Justice category.

Fiscal Note for HCR 2

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
1A	1 Governor	52,992	57,231	2,119	61,237	4,122
2A	1 Lt. Governor	47,304	51,088	1,892	54,664	3,680
3A	14 Commissioners	47,304	51,088	26,488	54,664	51,520
4A	19 Deputy Commissioners	varies	45,762	8,124*	48,965	24,600*
6A	4 APUC Commissioners	39,372	44,353	9,962	47,457	16,168
6B	1 APUC Chairman	39,872	44,853	2,490	47,957	4,042
7A	2 CFEC Commissioners	39,372	44,353	4,980	47,457	8,085
7B	1 CFEC Chairman	39,872	44,853	2,490	47,957	4,042
8A	2 APC Commissioners	39,372	44,353	4,980	47,457	8,085
8B	1 APC Chairman	39,872	44,853	2,490	47,957	4,042
			Total	66,015		128,386

Total FY 80 = 194,401
 FY 80 benefits @ 17.25% = 33,534

Total Executive Branch 227,935

* Calculations for Deputy Commissioners made on individual basis because several positions currently exceed maximum.

** Assumes 7.0% COLA adjustment

<u>Rec #</u>	<u>Positions Affected</u>	<u>Current Salary</u>	<u>HCR 2 Salary</u>	<u>Increase 7/1/79 - 12/31/79</u>	<u>Projected** 1/1/80 Salary</u>	<u>Increase 1/1/80 - 6/30/80</u>
9A	5 Supreme Court Justices	52,992	57,231	10,598	61,237	20,612
	Pay differential impact*			297		577
10A	20 Superior Court Judges	48,576	52,462	38,860	56,134	75,580
	Pay differential impact*			2,108		4,100
11A	17 District Court Judges	41,068	44,353	27,922	47,457	54,306
	Pay differential impact*			<u>1,667</u>		<u>3,242</u>
			Total	81,452		158,417
			Total FY 80	239,869		
			FY 80 benefits @ 17.25%	<u>41,377</u>		
			Total Judicial	281,246		

* SLA 78, CH 80 allowed up to 5 pay steps of 3.5% each for judge and justices pay differential. Only positions located outside Anchorage, Ketchikan, and Juneau receive this differential

** Assumes 7.0% COLA adjustment

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE (2d REVISION)

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 2
 Title Approving Certain Recommendations of the Salary Commission
 Requested by State Affairs Date 4/19/79

II. FISCAL DETAIL

Agency Affected Legislative Affairs
 Program Category Affected General Government
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	35.6	73.6	76.0			
200 TRAVEL	17.4	17.4	17.4			
300 CONTRACTUAL	19.2	19.2	19.2			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	72.2	110.2	112.6			

FUNDING (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
GENERAL FUND	72.2	110.2	112.6			
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendations (12) (A) - Personal Services (100) ----- \$ 35,532
 Assumes 7% increase effective 1/1/80
 (12) (B) - No change
 (12) (D) - Contractual (300) ----- 19,200
 (12) (F) - No change
 (12) (G) - Travel (200) ----- 17,400
 Round-trip travel for 60 legislators to home districts

IV. DATE

Revised 4/19/79

PREPARED BY

Warren W. Endicott
 Warren W. Endicott, Director
 Legislative Affairs Agency
 465-3850

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE (REVISED)

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 2
 Title Approving Certain Recommendations of the Salary Commission
 Requested by State Affairs Date 3/21/79

II. FISCAL DETAIL

Agency Affected Legislative Affairs
 Program Category Affected General Government
 Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES	35.6	73.6	76.0			
200 TRAVEL	11.4	11.4	11.4			
300 CONTRACTUAL	19.2	19.2	19.2			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	66.2	104.2	106.6			

FUNDING (Thousands of Dollars)

GENERAL FUND	66.2	104.2	106.6			
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Recommendations (12) (A) - Personal Services (100) ----- \$ 35,532
 Assumes 7% increase effective 1/1/80
 (12) (B) - No change
 (12) (D) - Contractual (300) ----- 19,200
 (12) (F) - No change
 (12) (G) - Travel (200) ----- 11,400

IV. DATE Revised 3/21/79 PREPARED BY Warren W. Endicott, Director
 AGENCY Legislative Affairs Agency
 PHONE 465-3850
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)