

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

SB 67 cont. thru SB 72 33

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STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2600 DENALI ST. SUITE 401
ANCHORAGE, ALASKA 99503
PHONE (907) 277-7504

Public Employees' Retirement System
Teachers' Retirement System
Judicial Retirement System
Elected Public Officers Retirement System
National Guard Retirement System
Territorial Retirement System
Retirees' Voluntary Dental-Vision-Audio Plan
Supplemental Benefits System
Group Health/Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

STEVE COWPER, GOVERNOR

April 27, 1987

Ms. Roxanne Stewart
Senator Duncan's Office
P.O. Box V
Juneau, AK 99811

Dear Roxanne:

I am writing in response to your request for a fiscal note for the work draft of the proposed CSSB 67 that you provided me last Friday. While there has not been sufficient time to prepare a formal fiscal note, following is the Division of Retirement and Benefits' estimate of the fiscal impact on the state's health plans.

Should this higher level of coverage described in the bill be incorporated, FY 89 costs to the state are estimates to increase by at least \$1,009,426. This figure does not include any estimate for medical cost inflation through July 1, 1988.

This cost is calculated as follows:

The increase of \$3.30 per month for health cost times the number of covered state employees (12,100) times 12 months equals:	\$ 39,930
The change in the PERS employer contribution rate (.17%) times the estimated FY 89 state PERS salaries (\$419,656,104) equals	713,415
The change in the TRS employer contribution rate (.06) times the estimated FY89 state TRS salaries (\$2,576,265) equals	31,545
The change in the TRS State Match contribution rate (.06) times the estimated FY 89 TRS system salaries (\$374,226,795) equals	224,536

The Department of Administration has been opposed to legislation that has mandated benefits in the health coverage. The level of coverage is

Ms. Roxanne Stewart

-2-

April 27, 1987

subject to collective bargaining and adjust itself to the interests and needs of the parties. This level of coverage would serve to increase health costs at a time when they are already increasing due to heavy usage of the plan.

Sincerely,



Michael B. Coughlin
Deputy Director

MBC/cam/6



Official Business

Alaska State Legislature

Senate


Finance Committee

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

April 6, 1987

TO: Senator Jim Duncan

FROM: Senator John Binkley, Co-Chairman 
Senator Don Bennett, Co-Chairman

RE: Subcommittee Assignment - Senate Bill 67

We are assigning Senate Bill 67, "An Act relating to insurance coverage for the treatment of a mental or nervous condition," to you for subcommittee work. This bill was received in Finance on March 31. We would like to schedule the bill before the Finance Committee as soon as possible so your expeditious consideration will be appreciated.

As noted in our previous memorandum on subcommittee assignments, we request that you notify the sponsor that the bill is in your subcommittee. You may request other members of the Finance Committee to participate in your consideration of the bill. Please notify all Finance Committee members of any public hearings you may schedule so they can participate if they wish.

When you are ready to report the bill back to committee, please notify Senator Binkley's office so that it can be scheduled for hearing before the full committee.

cc: Senator Jan Faiks

POSITION PAPER

Senate Bill 67

"An Act relating to insurance coverage for the treatment of a mental or nervous condition."

The purpose of this bill is to expand health insurance coverage in the state to include an option that provides 45 days a year of in-patient treatment for each covered individual and a total of 50 hours per year of out-patient treatment or office visits for each covered individual. This coverage would provide treatment for any disorder identified in the Diagnostic and Statistical Manual-Version 3 (DSM III) or the ICD-9-CM classification of disorders.

This proposed legislation would provide treatment services in either an in-patient or out-patient setting, or through office visits.

In-patient treatment is defined to include "continuous treatment during a 24-hour period" in 1) a psychiatric unit of an in-state or out-of-state licensed general hospital, 2) an in-state or out-of-state licensed psychiatric hospital, or 3) an in-state or out-of-state hospital that is specifically exempted from licensure.

Out-patient treatment is defined to include treatment through 1) the out-patient department of the various types of hospitals listed above, 2) the state's system of community mental health centers, 3) a state licensed and certified or certified-eligible psychiatrist, 4) a physician employed by the federal government in this state who is a certified or certified-eligible psychiatrist, or 5) a state licensed psychologist or psychological associate. Out-patient treatment services could also be provided by persons who have masters or doctorate degrees in psychology, nursing or social work, so long as those persons are supervised by licensed and certified or certified-eligible psychiatrists, physicians, or psychologists and employed by the same health care facility as their supervisors.

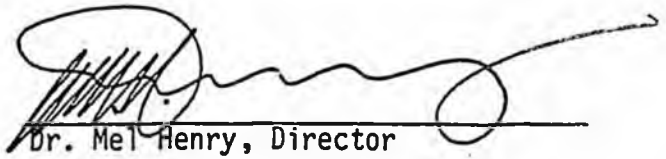
The Department's concern with this legislation lies solely with our belief that at least half of the community mental health centers in the state will not be eligible to receive these third party (i.e., insurance) payments because the centers are not headed up or supervised by the required level of professional staff. Many of the rural community mental health centers across Alaska are headed by individuals with masters degrees in social work and are not directly supervised by either a licensed and certified or certified-eligible physician, psychiatrist, or licensed psychologist; consequently, the treatment services provided by employees of these centers could not be billed to the insurance carrier.

These centers provide effective treatment programs and we believe their lack of ability to entice physicians and psychologists to their communities should not be a deterrent to the receipt of third party payments for the quality care they provide.

Position Paper
SB67-Page 2

The Department of Health and Social Services endorses the concept of reimbursing the providers of mental health services for the provision of services which are within the scope of their practice and supervision and when properly licensed by the state. Mental Health care is an integral part of the general health care system and, as such, should be reimbursable under insurance coverage. However, we would encourage an amendment that would allow reimbursable insurance coverage be available to all persons who utilize the services of Alaska's 27 community mental health centers. We understand that such an amendment is currently under consideration and we wholeheartedly endorse such a change to this progressive legislation.

Recommended by:



Dr. Mel Henry, Director
Division of Mental Health and
Developmental Disabilities

Date:

March 18, 1987

Approved by:


Myra M. Munson, Commissioner

Date:

March 18, 1987

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 3/11/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED 1 **
IN ACCORDANCE WITH AS 24.08.035
(see below)

1.189/87

DATE TURNED INTO OFFICE 3/31/87

Mr. President:

HESS

Committee considered SB 67

~~relating to~~ insurance coverage for the treatment of a mental
or nervous condition.

and recommended:

replace with CS SB 67 (HESS) same title
 attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Signature]
Rick Halford
[Signature]

Log Jones No Rec

Dan Fink Do Pass
Chairman signature and recommendation

Committee Backup Attached

Original sponsors: Faiks and Kerttula

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 67 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to insurance coverage for the treat-
7 ment of a mental or nervous condition."

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

9 * Section 1. AS 21.42 is amended by adding a new section to read:

10 Sec. 21.42.365. COVERAGE FOR TREATMENT OF A MENTAL OR NERVOUS
11 CONDITION. (a) An insurer authorized under AS 21.09 to offer, issue
12 for delivery, deliver, or renew a group disability insurance policy
13 for major medical coverage on an expense-incurred basis in the state,
14 or a hospital or medical service corporation authorized under AS 21.87
15 to offer or renew a group contract for major medical coverage in the
16 state, must provide the insured or subscriber the following coverage
17 for treatment of a mental or nervous condition of the insured, sub-
18 scriber, or other person covered by the policy or contract:

19 (1) 45 days a year of inpatient treatment for each covered
20 individual;

21 (2) a total of 50 hours of outpatient treatment or office
22 visits a year for each covered individual.

23 (b) The insurer or service corporation providing coverage under
24 this section may impose reasonable contract limitations but may not
25 require that the insured or subscriber pay a higher deductible or
26 co-payment for the cost of treating a mental or nervous condition than
27 for the cost of treating another condition or illness.

28 (c) In this section

29 (1) "co-payment" means the portion of the cost in excess of

1 the deductible portion to be paid by the insured or subscriber;

2 (2) "cost" means the lesser of the following:

3 (A) the actual charge for the treatment received for a
4 mental or nervous condition; or

5 (B) the usual, customary, and reasonable charge for
6 the treatment as determined by the contract of coverage;

7 (3) "deductible" means the portion of covered costs that
8 must be incurred before benefits become payable;

9 (4) "inpatient treatment" means treatment of a hospital
10 registered bed patient for whom the hospital makes a daily room charge
11 in

12 (A) a general hospital that is either licensed under
13 AS 18.20 or located and licensed in another state;

14 (B) a psychiatric hospital that is either licensed
15 under AS 18.20 or located and licensed in another state; or

16 (C) a hospital that is located in

17 (i) the state and specifically exempt under
18 AS 18.20.020 from the licensing requirements of the state;
19 or

20 (ii) another state and specifically exempt from
21 the licensing requirements of that state;

22 (5) "major medical coverage" means a disability insurance
23 contract, or a subscriber contract, that provides benefits for hospi-
24 tal and medical care with potential lifetime maximum benefits for the
25 insured or subscriber of at least \$10,000;

26 (6) "mental or nervous condition" means a mental disorder
27 identified in

28 (A) the Diagnostic and Statistical Manual of Mental
29 Disorders (Third Edition) published by the American Psychiatric

1 Association; or

2 (B) the ICD-9-CM (First Edition) published by the
3 Commission on Professional and Hospital Activities;

4 (7) "office visit" means treatment that is not inpatient
5 treatment or outpatient treatment and that is provided in the profes-
6 sional offices of

7 (A) a psychiatrist who is licensed as a physician in
8 the state and certified, or eligible for certification, in psy-
9 chiatry by the American Board of Psychiatry and Neurology;

10 (B) a physician who is employed by the federal govern-
11 ment in the state and certified or eligible for certification in
12 psychiatry by the American Board of Psychiatry and Neurology; or

13 (C) a psychologist or psychological associate licensed
14 under AS 08.86;

15 (8) "outpatient treatment" means treatment that is not
16 inpatient treatment and that is provided

17 (A) in the outpatient department of

18 (i) a hospital that is licensed under AS 18.20 or
19 that is specifically exempt under AS 18.20.020 from the
20 licensing requirements of the state;

21 (ii) a hospital that is located in another state
22 and that is either licensed or specifically exempt from the
23 licensing requirements of that state; or

24 (iii) an entity that is designated by the Depart-
25 ment of Health and Social Services as the organizational
26 unit in a geographical area to receive funds under AS 47.-
27 30.520 - 47.30.620; and

28 (B) by one or more of the following,

29 (i) a psychiatrist who is licensed as a physician

1 in the state and certified, or eligible for certification,
2 in psychiatry by the American Board of Psychiatry and Neu-
3 rology;

4 (ii) a physician who is employed by the federal
5 government in the state and certified or eligible for certi-
6 fication in psychiatry by the American Board of Psychiatry
7 and Neurology;

8 (iii) a psychologist licensed under AS 08.86; or

9 (iv) a person who works in conjunction with one or
10 more licensed mental health care providers and has a mas-
11 ter's or doctoral degree in psychology, nursing, or social
12 work, and is employed by the same health care facility
13 providing treatment.

14 * Sec. 2. AS 21.36.090(d) is amended to read:

15 (d) Except to the extent necessary to comply with AS 21.42.365,
16 a [A] person may not practice or permit unfair discrimination against
17 a person who provides a service covered under a group disability
18 policy that extends coverage on an expense incurred basis, or under a
19 group service or indemnity type contract issued by a nonprofit corpo-
20 ration, if the service is within the scope of the provider's occupa-
21 tional license. In this subsection, "provider" means a state licensed
22 physician, dentist, osteopath, optometrist, chiropractor, or nurse
23 midwife.

24 * Sec. 3. AS 21.87.340 is amended to read:

25 Sec. 21.87.340. OTHER PROVISIONS APPLICABLE. In addition to the
26 provisions contained or referred to previously in this chapter, the
27 following chapters and provisions of this title also apply with re-
28 spect to service corporations to the extent applicable and not in
29 conflict with the express provisions of this chapter and the

1 reasonable implications of the express provisions, and for the pur-
2 poses of the application the corporations shall be considered to be
3 mutual "insurers":

- 4 (1) AS 21.03
- 5 (2) AS 21.06
- 6 (3) AS 21.09, except AS 21.09.090
- 7 (4) AS 21.18.010
- 8 (5) AS 21.18.030
- 9 (6) AS 21.18.040
- 10 (7) AS 21.18.120
- 11 (8) AS 21.21.321
- 12 (9) AS 21.36
- 13 (10) AS 21.69.400
- 14 (11) AS 21.69.520
- 15 (12) AS 21.69.600, 21.69.620, and 21.69.630
- 16 (13) AS 21.78
- 17 (14) AS 21.90
- 18 (15) AS 21.42.345 - 21.42.365 [AS 21.42.345 AND 21.42.355]
- 19 (16) AS 21.89.040
- 20 (17) AS 21.89.060.

21 * Sec. 4. AS 21.42.365, enacted by sec. 1 of this Act, applies to group
22 disability insurance policies and hospital or medical service subscriber
23 contracts entered into or renewed after January 1, 1988.
24
25
26
27
28
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APR 13 1987

Alaska State Legislature

PRESIDENT
907-465-3755

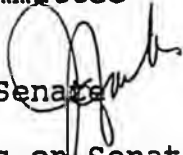
JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

April 7, 1987

MEMORANDUM

TO: Senator John Binkley, Co-Chairman
Senate Finance Committee

FROM: Senator Jan Faiks 
President of the Senate

SUBJECT: Committee Hearings on Senate Bill 67
Relating to insurance coverage for the
treatment of a mental or nervous condition

Senate Bill 67 has been referred to your committee for consideration. I would appreciate your scheduling hearings on this legislation at your earliest convenience.

The purpose of this bill is to require insurers to offer their customers the opportunity to purchase minimum mental health coverage in all health insurance policies sold in Alaska, and to eliminate the discrimination which currently exists between mental health and other medical insurance benefits.

This legislation was passed out of the Senate Health, Education and Social Services Committee, its first committee of referral, on March 30, 1987.

Enclosed are memos which gives background information on this legislation. Should you or the committee members need additional information, please let me know.

Your prompt consideration of my request will be appreciated.

Thank you.

cc: Senator Jim Duncan

OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611

Alaska State Legislature

PRESIDENT
907-465-3755

JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

April 7, 1987

MEMORANDUM

TO: Senator John Binkley, Co-Chairman
Senate Finance Committee

FROM: Senator Jan Faiks
President of the Senate

SUBJECT: Sectional Analysis of Senate Bill 67
An Act relating to insurance coverage for the
treatment of a mental or nervous condition

Senate Bill 67 has been referred to your committee for consideration. This bill will require insurers to offer their customers the opportunity to purchase minimum mental health coverage in all health insurance policies sold in Alaska.

Specifically, this bill proposes the following:

Section 1. AS 21.42 is amended to add a new section (21.42.365) which will require coverage for treatment of a mental or nervous condition.

(A) All insurers who are authorized under AS 21.09 to provide major medical coverage in Alaska must offer the insured or subscriber or other person covered by the policy minimum benefits of 45 days a year of inpatient treatment for each covered individual, and a total of 50 hours a year of outpatient treatment or patient visits of mental or nervous conditions.

The committee substitute from the Senate HESS Committee changed this coverage from 50 hours to 50 visits, as the insurers felt that it would be too difficult to record office visits which last fractions of an hour.

OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611



I request that the Finance Committee change this back to the original language specifying hours, rather than visits, as it is to the greater benefit of the patient. The record-keeping of these visits would not place a burden on the insurers, as doctors already keep detailed time accounts of patients' visits.

(B) The insurer or service corporation cannot charge more for this coverage than for the cost of treating any other condition or illness. Contract limitations must be reasonable.

(C) As originally drafted, the bills provides that if an insured or a subscriber does not opt for the coverage under this section, the insurer or service corporation may offer other coverage for treating a mental or nervous condition.

I ask that the committee consider changing this language to adopt the mandatory benefit approach, whereby mental health care benefits must be included in group insurance policies.

(D) This portion contains a definition of terms used in this section.

Section 2. AS 21.36.090(D) is amended to prohibit unfair discrimination against a person who provides a state-licensed medical service covered under a group disability policy that extends coverage on an expense incurred basis, or under a group service or indemnity type contract issued by a nonprofit corporation, if that service is within the scope of the provider's occupational license.

Section 3. AS 21.87.340 is amended to add additional chapters and provisions which apply to service corporations.

Section 4. Provides an effective date for this act for policies entered into on or after January 1, 1988.

Alaska State Legislature

PRESIDENT
907-465-3755

JAN FAIKS
POST OFFICE BOX V
JUNEAU, ALASKA 99811

Senate

April 7, 1987

MEMORANDUM

TO: Senator John Binkley, Co-Chairman
Senate Finance Committee

FROM: Senator Jan Faiks
President of the Senate

SUBJECT: Background on Senate Bill 67
An Act relating to insurance coverage for the
treatment of a mental or nervous condition

Senate Bill 67 has been referred to your committee for consideration. This bill will require insurers to offer their customers the opportunity to purchase minimum mental health coverage in all health insurance policies sold in Alaska, and will eliminate the discrimination which currently exists between mental health and other medical insurance benefits.

Currently, twelve states have passed similar laws which require that policy holders be given the opportunity to purchase mental health insurance. Fourteen other states take a stronger position; they do not give the policy holders an option, but rather require that minimum mental health coverage be included in every health insurance policy.

This bill as drafted adopts the "mandatory/option" approach because it allows subscribers to decide whether the benefits of mental health coverage are worth the added premium costs. I would like the committee to consider the adoption of the "mandatory benefit" approach, thus requiring the inclusion of mental health care in group insurance policies.

OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611



Most states that require mental health coverage also define the minimum coverage that must be offered. Senate Bill 67 requires a minimum of 45 days of inpatient treatment and 50 equivalent hours of outpatient treatment per year.

The committee substitute from the Senate HESS Committee has changed this requirement from 50 hours to 50 visits. I would like to maintain the original language of 50 hours, as it would provide greater benefits to the patients and would not create administrative problems for the insurers, since the medical profession already keeps detailed time records of patient visits.

These requirements are consistent with the requirements of other states. For inpatient services, four states require a minimum of 30 days, while two other states require 45 days. For outpatient services, minimum requirements are expressed in either visits (one other state calls for thirty per year) or dollar limits (six states have minimums ranging from \$500 to \$1000 per year). The remaining states require only that mental health benefits be on par with those offered for other illnesses.

When mental health coverage is offered, usually the benefits are much less than those available for other treatment. Insurers will often require that their customers pay a higher deductible or a greater portion of the cost of mental health services.

In order that mental health coverage be given parity with other coverages, then, this bill requires that the former be offered under the same terms as the latter.

There are several myths that have impeded the requiring of mental health coverage in health insurance policies. According to one belief, the costs of psychiatric treatment are unpredictable and uncontrollable.

This belief stems in part from the common perception of mental illness in terms of only its more serious forms, like schizophrenia. However, only 15% of persons who are treated in private mental hospitals suffer from this acute disease. For most forms of mental illness, only one hospital stay with several follow-up visits are all that is needed for successful treatment.

About one-fifth of our population suffers some degree of mental impairment, ranging from mild anxiety to chronic schizophrenia. For our young people, aged thirteen to twenty four, the leading cause of death is not injury, disease, or accident, but is suicide.

In 1984, mental illness was estimated to have cost our nation 67.6 billion dollars. This figure includes not only the direct cost of treating mental illness (\$12 billion), but also the greater cost of lost productivity and employment (\$44.6 billion) and of mental health related crimes, vehicle accidents, and other social burdens (\$11 billion).

Studies show that treatment is effective for 80% of all patients who have mental disorders.

From seven to ten percent of subscribers use mental health benefits when these are available in their policies. This is approximately the same rate that subscribers use extra care from other medical specialists.

There is no evidence that mental health benefits are abused at a rate that differs from other health benefits. If insurers are concerned about accountability, they can subscribe to peer review services that will review the validity of individual claims. These services have shown a costs-to-savings ratio of 1:100.

It is true that mental health coverage will mean higher premium cost to subscribers. However, this cost is not substantial. A national survey of 79 major corporate plans revealed that the average annual premium increase for each subscriber was \$29.47.

On the other hand, psychotherapy produces savings in the form of increased employee productivity and reduced absenteeism. As mental health treatment becomes more affordable and available to employees, employers report a significant increase in job attendance and productivity and a significant reduction in on-the-job accidents. The Equitable Life Assurance Society has verified that every dollar invested in mental health treatment results in a three dollar increase in productivity. Mental health treatment also reduces drug and alcohol-related crime.

Medical science has long recognized the correlation between physical disease and mental health. Physicians have estimated that up to one-half of all ailments which they treat have symptoms of mental or emotional disorder. Many dollars that are now paid for other medical services are actually paid for the indirect treatment of mental impairments. In addition, studies have proven that direct treatment of mental problems results in lower costs for other medical care.

In a 1983 study, a moderate amount of psychotherapy was shown to significantly reduce hospital costs for persons suffering

from four different types of chronic disease. Another study that same year showed that patients who received outpatient psychotherapy treatment used 56% fewer medical services than those who had not been treated.

Finally, there is a cost savings that will be enjoyed by the State of Alaska. Nationwide, the state governments pay about 50% of the total cost of our mental health bill. When subscribers are given access to mental health coverage on the same basis as other medical benefits, more of this burden will be shifted from the State to the private sector.

Senate Bill 67 may indirectly reduce the dependency of the community mental health centers in Alaska on State funds. These facilities currently receive matching grants from the State and charge their patients a sliding fee base upon their ability to pay. After the grant is matched, all additional fees are devoted to enhance the programs and expand their facilities. Division of Mental Health personnel report that because of a lack of funds, these centers can only provide 25-30% of the communities' mental health needs. They predict that the passage of a mental health insurance bill will allow them to serve up to one-half of this need.

A similar bill was introduced last year. It passed the Senate, and made it through the House, but died in the Rules Committee during the final hours of last year's session.

Passage of this legislation is vital to provide Alaskans access to mental health coverage on the same basis as other medical benefits, which, in turn, will shift more of this burden from the State to the private sector.

I would appreciate the committee's consideration of the legislation at its earliest convenience. Should you need any additional information, please let me know.

Thank you.

Original sponsors: Faiks and Kerttula

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 67 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to insurance coverage for the treat-
7 ment of a mental or nervous condition."

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

9 * Section 1. AS 21.42 is amended by adding a new section to read:

10 Sec. 21.42.365. COVERAGE FOR TREATMENT OF A MENTAL OR NERVOUS
11 CONDITION. (a) An insurer authorized under AS 21.09 to offer, issue
12 for delivery, deliver, or renew a group disability insurance policy
13 for major medical coverage on an expense-incurred basis in the state,
14 or a hospital or medical service corporation authorized under AS 21.87
15 to offer or renew a group contract for major medical coverage in the
16 state, shall offer the insured or subscriber the following coverage
17 for treatment of a mental or nervous condition of the insured, sub-
18 scriber, or other person covered by the policy or contract:

19 (1) 45 days a year of inpatient treatment for each covered
20 individual;

21 (2) a total of 50 hours of outpatient treatment or office
22 visits a year for each covered individual.

23 (b) The insurer or service corporation providing coverage under
24 this section may impose reasonable contract limitations but may not
25 require that the insured or subscriber pay a higher deductible or
26 co-payment for the cost of treating a mental or nervous condition than
27 for the cost of treating another condition or illness.

28 (c) In this section

29 (1) "co-payment" means the portion of the cost in excess of

1 the deductible portion to be paid by the insured or subscriber;

2 (2) "cost" means the lesser of the following:

3 (A) the actual charge for the treatment received for a
4 mental or nervous condition; or

5 (B) the usual, customary, and reasonable charge for
6 the treatment as determined by the contract of coverage;

7 (3) "deductible" means the portion of covered costs that
8 must be incurred before benefits become payable;

9 (4) "inpatient treatment" means treatment of a hospital
10 registered bed patient for whom the hospital makes a daily room charge
11 in

12 (A) a general hospital that is either licensed under
13 AS 18.20 or located and licensed in another state;

14 (B) a psychiatric hospital that is either licensed
15 under AS 18.20 or located and licensed in another state; or

16 (C) a hospital that is located in

17 (i) the state and specifically exempt under
18 AS 18.20.020 from the licensing requirements of the state;
19 or

20 (ii) another state and specifically exempt from
21 the licensing requirements of that state;

22 (5) "major medical coverage" means a disability insurance
23 contract, or a subscriber contract, that provides benefits for hospi-
24 tal and medical care with potential lifetime maximum benefits for the
25 insured or subscriber of at least \$10,000;

26 (6) "mental or nervous condition" means a mental disorder
27 identified in

28 (A) the Diagnostic and Statistical Manual of Mental
29 Disorders (Third Edition) published by the American Psychiatric

1 Association; or

2 (B) the ICD-9-CM (First Edition) published by the
3 Commission on Professional and Hospital Activities;

4 (7) "office visit" means treatment that is not inpatient
5 treatment or outpatient treatment and that is provided in the profes-
6 sional offices of

7 (A) a psychiatrist who is licensed as a physician in
8 the state and certified, or eligible for certification, in psy-
9 chiatry by the American Board of Psychiatry and Neurology;

10 (B) a physician who is employed by the federal govern-
11 ment in the state and certified or eligible for certification in
12 psychiatry by the American Board of Psychiatry and Neurology; or

13 (C) a psychologist or psychological associate licensed
14 under AS 08.86;

15 (8) "outpatient treatment" means treatment that is not
16 inpatient treatment and that is provided

17 (A) in the outpatient department of

18 (i) a hospital that is licensed under AS 18.20 or
19 that is specifically exempt under AS 18.20.020 from the
20 licensing requirements of the state;

21 (ii) a hospital that is located in another state
22 and that is either licensed or specifically exempt from the
23 licensing requirements of that state; or

24 (iii) an entity that is designated by the Depart-
25 ment of Health and Social Services as the organizational
26 unit in a geographical area to receive funds under AS 47.-
27 30.520 - 47.30.620; and

28 (B) by one or more of the following,

29 (i) a psychiatrist who is licensed as a physician

1 in the state and certified, or eligible for certification,
2 in psychiatry by the American Board of Psychiatry and Neu-
3 rology;

4 (ii) a physician who is employed by the federal
5 government in the state and certified or eligible for certi-
6 fication in psychiatry by the American Board of Psychiatry
7 and Neurology;

8 (iii) a psychologist licensed under AS 08.86; or

9 (iv) a person who works in conjunction with one or
10 more licensed mental health care providers and has a mas-
11 ter's or doctoral degree in psychology, nursing, or social
12 work, and is employed by the same health care facility
13 providing treatment.

14 * Sec. 2. AS 21.36.090(d) is amended to read:

15 (d) Except to the extent necessary to comply with AS 21.42.365,
16 a [A] person may not practice or permit unfair discrimination against
17 a person who provides a service covered under a group disability
18 policy that extends coverage on an expense incurred basis, or under a
19 group service or indemnity type contract issued by a nonprofit corpo-
20 ration, if the service is within the scope of the provider's occupa-
21 tional license. In this subsection, "provider" means a state licensed
22 physician, dentist, osteopath, optometrist, chiropractor, or nurse
23 midwife.

24 * Sec. 3. AS 21.87.340 is amended to read:

25 Sec. 21.87.340. OTHER PROVISIONS APPLICABLE. In addition to the
26 provisions contained or referred to previously in this chapter, the
27 following chapters and provisions of this title also apply with re-
28 spect to service corporations to the extent applicable and not in
29 conflict with the express provisions of this chapter and the

1 reasonable implications of the express provisions, and for the pur-
2 poses of the application the corporations shall be considered to be
3 mutual "insurers":

- 4 (1) AS 21.03
- 5 (2) AS 21.06
- 6 (3) AS 21.09, except AS 21.09.090
- 7 (4) AS 21.18.010
- 8 (5) AS 21.18.030
- 9 (6) AS 21.18.040
- 10 (7) AS 21.18.120
- 11 (8) AS 21.21.321
- 12 (9) AS 21.36
- 13 (10) AS 21.69.400
- 14 (11) AS 21.69.520
- 15 (12) AS 21.69.600, 21.69.620, and 21.69.630
- 16 (13) AS 21.78
- 17 (14) AS 21.90
- 18 (15) AS 21.42.345 - 21.42.365 [AS 21.42.345 AND 21.42.355]
- 19 (16) AS 21.89.040
- 20 (17) AS 21.89.060.

21 * Sec. 4. AS 21.42.365, enacted by sec. 1 of this Act, applies to group
22 disability insurance policies and hospital or medical service subscriber
23 contracts entered into or renewed after January 1, 1988.
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Original sponsors: Faiks and Kerttula

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 67 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to insurance coverage for the treat-
7 ment of a mental or nervous condition."

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

9 * Section 1. AS 21.42 is amended by adding a new section to read:

10 Sec. 21.42.365. COVERAGE FOR TREATMENT OF A MENTAL OR NERVOUS
11 CONDITION. (a) An insurer authorized under AS 21.09 to offer, issue
12 for delivery, deliver, or renew a group disability insurance policy
13 for major medical coverage on an expense-incurred basis in the state,
14 or a hospital or medical service corporation authorized under AS 21.87
15 to offer or renew a group contract for major medical coverage in the
16 state, shall offer the insured or subscriber the following coverage
17 for treatment of a mental or nervous condition of the insured, sub-
18 scriber, or other person covered by the policy or contract:

19 (1) 45 days a year of inpatient treatment for each covered
20 individual;

21 (2) a total of 50 hours of outpatient treatment or office
22 visits a year for each covered individual.

23 (b) The insurer or service corporation providing coverage under
24 this section may impose reasonable contract limitations but may not
25 require that the insured or subscriber pay a higher deductible or
26 co-payment for the cost of treating a mental or nervous condition than
27 for the cost of treating another condition or illness.

28 (c) In this section

29 (1) "co-payment" means the portion of the cost in excess of

1 the deductible portion to be paid by the insured or subscriber;

2 (2) "cost" means the lesser of the following:

3 (A) the actual charge for the treatment received for a
4 mental or nervous condition; or

5 (B) the usual, customary, and reasonable charge for
6 the treatment as determined by the contract of coverage;

7 (3) "deductible" means the portion of covered costs that
8 must be incurred before benefits become payable;

9 (4) "inpatient treatment" means treatment of a hospital
10 registered bed patient for whom the hospital makes a daily room charge
11 in

12 (A) a general hospital that is either licensed under
13 AS 18.20 or located and licensed in another state;

14 (B) a psychiatric hospital that is either licensed
15 under AS 18.20 or located and licensed in another state; or

16 (C) a hospital that is located in

17 (i) the state and specifically exempt under
18 AS 18.20.020 from the licensing requirements of the state;
19 or

20 (ii) another state and specifically exempt from
21 the licensing requirements of that state;

22 (5) "major medical coverage" means a disability insurance
23 contract, or a subscriber contract, that provides benefits for hospi-
24 tal and medical care with potential lifetime maximum benefits for the
25 insured or subscriber of at least \$10,000;

26 (6) "mental or nervous condition" means a mental disorder
27 identified in

28 (A) the Diagnostic and Statistical Manual of Mental
29 Disorders (Third Edition) published by the American Psychiatric

1 Association; or

2 (B) the ICD-9-CM (First Edition) published by the
3 Commission on Professional and Hospital Activities;

4 (7) "office visit" means treatment that is not inpatient
5 treatment or outpatient treatment and that is provided in the profes-
6 sional offices of

7 (A) a psychiatrist who is licensed as a physician in
8 the state and certified, or eligible for certification, in psy-
9 chiatry by the American Board of Psychiatry and Neurology;

10 (E) a physician who is employed by the federal govern-
11 ment in the state and certified or eligible for certification in
12 psychiatry by the American Board of Psychiatry and Neurology; or

13 (C) a psychologist or psychological associate licensed
14 under AS 08.86;

15 (8) "outpatient treatment" means treatment that is not
16 inpatient treatment and that is provided

17 (A) in the outpatient department of

18 (i) a hospital that is licensed under AS 18.20 or
19 that is specifically exempt under AS 18.20.020 from the
20 licensing requirements of the state;

21 (ii) a hospital that is located in another state
22 and that is either licensed or specifically exempt from the
23 licensing requirements of that state; or

24 (iii) an entity that is designated by the Depart-
25 ment of Health and Social Services as the organizational
26 unit in a geographical area to receive funds under AS 47.-
27 30.520 - 47.30.620; and

28 (B) by one or more of the following,

29 (i) a psychiatrist who is licensed as a physician

1 in the state and certified, or eligible for certification,
2 in psychiatry by the American Board of Psychiatry and Neu-
3 rology;

4 (ii) a physician who is employed by the federal
5 government in the state and certified or eligible for certi-
6 fication in psychiatry by the American Board of Psychiatry
7 and Neurology;

8 (iii) a psychologist licensed under AS 08.86; or

9 (iv) a person who works in conjunction with one or
10 more licensed mental health care providers and has a mas-
11 ter's or doctoral degree in psychology, nursing, or social
12 work, and is employed by the same health care facility
13 providing treatment.

14 * Sec. 2. AS 21.36.090(d) is amended to read:

15 (d) Except to the extent necessary to comply with AS 21.42.365,
16 a [A] person may not practice or permit unfair discrimination against
17 a person who provides a service covered under a group disability
18 policy that extends coverage on an expense incurred basis, or under a
19 group service or indemnity type contract issued by a nonprofit corpo-
20 ration, if the service is within the scope of the provider's occupa-
21 tional license. In this subsection, "provider" means a state licensed
22 physician, dentist, osteopath, optometrist, chiropractor, or nurse
23 midwife.

24 * Sec. 3. AS 21.87.340 is amended to read:

25 Sec. 21.87.340. OTHER PROVISIONS APPLICABLE. In addition to the
26 provisions contained or referred to previously in this chapter, the
27 following chapters and provisions of this title also apply with re-
28 spect to service corporations to the extent applicable and not in
29 conflict with the express provisions of this chapter and the

1 reasonable implications of the express provisions, and for the pur-
2 poses of the application the corporations shall be considered to be
3 mutual "insurers":

- 4 (1) AS 21.03
5 (2) AS 21.06
6 (3) AS 21.09, except AS 21.09.090
7 (4) AS 21.18.010
8 (5) AS 21.18.030
9 (6) AS 21.18.040
10 (7) AS 21.18.120
11 (8) AS 21.21.321
12 (9) AS 21.36
13 (10) AS 21.69.400
14 (11) AS 21.69.520
15 (12) AS 21.69.600, 21.69.620, and 21.69.630
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17 (14) AS 21.90
18 (15) AS 21.42.345 - 21.42.365 [AS 21.42.345 AND 21.42.355]
19 (16) AS 21.89.040
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21 * Sec. 4. AS 21.42.365, enacted by sec. 1 of this Act, applies to group
22 disability insurance policies and hospital or medical service subscriber
23 contracts entered into or renewed after January 1, 1988.
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1 IN THE SENATE

BY FAIKS AND KERTTULA

2

SENATE BILL NO. 67

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to insurance coverage for the treat-
7 ment of a mental or nervous condition."

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

9 * Section 1. AS 21.42 is amended by adding a new section to read:

10 Sec. 21.42.365. COVERAGE FOR TREATMENT OF A MENTAL OR NERVOUS
11 CONDITION. (a) An insurer authorized under AS 21.09 to offer, issue
12 for delivery, deliver, or renew a disability insurance policy for
13 major medical coverage on an expense-incurred basis in the state, or a
14 hospital or medical service corporation authorized under AS 21.87 to
15 offer or renew a subscriber's contract for major medical coverage in
16 the state, shall offer the insured or subscriber an option to receive
17 the following coverage for treatment of a mental or nervous condition
18 of the insured, subscriber, or other person covered by the policy or
19 contract:

20 (1) 45 days a year of inpatient treatment for each covered
21 individual;

22 (2) a total of 50 hours a year of outpatient treatment or
23 office visits for each covered individual, accumulated in any incre-
24 ments of time.

25 (b) The insurer or service corporation offering coverage under
26 this section may impose reasonable contract limitations, but may not
27 require that the insured or subscriber pay a higher deductible or
28 co-payment for the cost of treating a mental or nervous condition than
29 for the cost of treating another condition or illness.

1 (c) If an insured or a subscriber declines the coverage offered
2 under this section, the insurer or service corporation may offer the
3 insured or subscriber other coverage for treating a mental or nervous
4 condition.

5 (d) In this section

6 (1) "co-payment" means the portion of the cost to be paid
7 by the insured or subscriber;

8 (2) "cost" means the lesser of the following:

9 (A) the actual charge for the treatment received for a
10 mental or nervous condition; or

11 (B) the usual, customary and reasonable charge for the
12 treatment;

13 (3) "inpatient treatment" means continuous treatment during
14 a 24-hour period in

15 (A) the psychiatric unit of a general hospital that is
16 either licensed under AS 18.20 or located and licensed in another
17 state;

18 (B) a psychiatric hospital that is either licensed
19 under AS 18.20 or located and licensed in another state; or

20 (C) a hospital that is located in

21 (i) the state and specifically exempt under
22 AS 18.20.020 from the licensing requirements of the state;

23 or

24 (ii) another state and specifically exempt from
25 the licensing requirements of that state;

26 (4) "major medical coverage" means a disability insurance
27 contract, or a subscriber contract, that provides benefits for hospi-
28 tal and medical care with potential lifetime maximum benefits for the
29 insured or subscriber of at least \$10,000;

1 (5) "mental or nervous condition" means a mental disorder
2 identified in

3 (A) the Diagnostic and Statistical Manual of Mental
4 Disorders (Third Edition) published by the American Psychiatric
5 Association; or

6 (B) the LCD-9-CM (First Edition) published by the
7 Commission on Professional and Hospital Activities;

8 (6) "office visit" means treatment that is not inpatient
9 treatment or outpatient treatment and that is provided by

10 (A) a psychiatrist who is licensed as a physician in
11 the state and certified, or eligible for certification, in psy-
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13 (B) a physician who is employed by the federal govern-
14 ment in the state and certified or eligible for certification in
15 psychiatry by the American Board of Psychiatry and Neurology; or

16 (C) a psychologist or psychological associate licensed
17 under AS 08.86;

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19 inpatient treatment and that is provided

20 (A) in the outpatient department of

21 (i) a hospital that is licensed under AS 18.20 or
22 that is specifically exempt under AS 18.20.020 from the
23 licensing requirements of the state;

24 (ii) a hospital that is located in another state
25 and that is either licensed or specifically exempt from the
26 licensing requirements of that state; or

27 (iii) an entity that is designated by the Depart-
28 ment of Health and Social Services as the organizational
29 unit in a geographical area to receive funds under

1 AS 47.30.520 - 47.30.620; and

2 (B) by one or more of the following, or by a person
3 who is under the direct supervision of one or more of the follow-
4 ing, has a master's or doctorate degree in psychology, nursing,
5 or social work, and is employed by the same health care facility
6 as the person or persons providing the direct supervision,

7 (i) a psychiatrist who is licensed as a physician
8 in the state and certified, or eligible for certification,
9 in psychiatry by the American Board of Psychiatry and Neu-
10 rology;

11 (ii) a physician who is employed by the federal
12 government in the state and certified or eligible for certi-
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16 * Sec. 2. AS 21.36.090(d) is amended to read:

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19 a person who provides a service covered under a group disability
20 policy that extends coverage on an expense incurred basis, or under a
21 group service or indemnity type contract issued by a nonprofit corpo-
22 ration, if the service is within the scope of the provider's occupa-
23 tional license. In this subsection, "provider" means a state licensed
24 physician, dentist, osteopath, optometrist, chiropractor, or nurse
25 midwife.

26 * Sec. 3. AS 21.87.340 is amended to read:

27 Sec. 21.87.340. OTHER PROVISIONS APPLICABLE. In addition to the
28 provisions contained or referred to previously in this chapter, the
29 following chapters and provisions of this title also apply with

1 respect to service corporations to the extent applicable and not in
2 conflict with the express provisions of this chapter and the reason-
3 able implications of the express provisions, and for the purposes of
4 the application the corporations shall be considered to be mutual
5 "insurers":

- 6 (1) AS 21.03
- 7 (2) AS 21.06
- 8 (3) AS 21.09, except AS 21.09.090
- 9 (4) AS 21.18.010
- 10 (5) AS 21.18.030
- 11 (6) AS 21.18.040
- 12 (7) AS 21.18.120
- 13 (8) AS 21.21.321
- 14 (9) AS 21.36
- 15 (10) AS 21.69.400
- 16 (11) AS 21.69.520
- 17 (12) AS 21.69.600, 21.69.620, and 21.69.630
- 18 (13) AS 21.78
- 19 (14) AS 21.90
- 20 (15) AS 21.42.345 - 21.42.365 [AS 21.42.345 AND 21.42.355]
- 21 (16) AS 21.89.040
- 22 (17) AS 21.89.060.

23 * Sec. 4. AS 21.42.365, enacted by sec. 1 of this Act, applies to
24 disability insurance policies and to hospital or medical service subscriber
25 contracts entered into or renewed after January 1, 1988.

SB

71

SENATE COMMITTEE REPORT

FURTHER:

3/6/87

DATE TURNED INTO OFFICE _____

Mr. President:

FINANCE

Committee considered _____ SB 71

management of sand and gravel resources.

and recommended:

[] replace with CS FOR _____) [] same title
[] or adopt _____ CS FOR _____) [] new title

[] attached amendment(s) and

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee [] attached or [] adopted fiscal note(s)

[] new [] updated or [] previous
[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation

[] Committee Backup Attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

1/20/87 DATE TURNED INTO OFFICE March
Mr. President:

RESOURCES Committee considered SB 71

~~relating to the~~ management of sand and gravel resources.

and recommended:

- replace with CS SB 71 (Res) same title
- attached amendment(s) and new title
- ^{majority} do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____
- letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

[Signature]

[Signature]

[Signature]

[Signature]

Paul A. Frank

OTHER RECOMMENDATIONS

Paul V. Zboroff (No "S" - No Rec)

add to receive

[Signature]
Chairman signature and recommendation

Committee Backup Attached

Original sponsor: Rules/Legislative Budget
and Audit Committee

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 71 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the management of sand and gravel
7 resources."

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

9 * Section 1. AS 38.04.060 is amended by adding a new subsection to
10 read:

11 (d) The commissioner shall provide for the systematic identi-
12 fication, inventory, and reserve of sand and gravel resources with
13 particular emphasis on meeting the present and future needs of trans-
14 portation systems, populated areas, and large-scale developments
15 within the state.
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Introduced: 1/20/87
Referred: Resources and
Finance

5-0357A

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IN THE SENATE

BY THE RULES COMMITTEE
BY REQUEST OF THE LEGISLATIVE
BUDGET AND AUDIT COMMITTEE

SENATE BILL NO. 71

IN THE LEGISLATURE OF THE STATE OF ALASKA
FIFTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the management of sand and gravel
resources."

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

* Section 1. AS 38.04.060 is amended by adding a new subsection to
read:

(d) The commissioner shall provide for the systematic identi-
fication, inventory, and reserve of sand and gravel resources with
particular emphasis on the future needs of transportation systems,
populated areas, and large-scale developments within the state.

No 105

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: CSB 71
Publish Date: 1-22-87

Revision Date: _____
Tide: Management of sand and gravel resources

Agency Affected: 3-6-87
BRU: Geology, Energy & Mining

Sponsor: Rules Committee
Requestor: Legislative Budget & Audit Committee

Components: Minerals/Materials Development

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES		61.2	63.3	65.5	67.8	70.2
TRAVEL		10.0	8.0	8.0	8.0	8.0
CONTRACTUAL		30.0	73.7	72.5	72.2	69.8
SUPPLIES		10.0	5.0	4.0	2.0	2.0
EQUIPMENT		20.0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		131.2	150.0	150.0	150.0	150.0

CAPITAL						
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REVENUE	*See attached					
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FUNDING: (Thousands of Dollars)

GENERAL FUND		131.2	150.0	150.0	150.0	150.0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

ANALYSIS :

See attached

Prepared by: Randall Updike Phone: 688-3555
 Division: Mining & Geological & Geophysical Surveys Date: 1-13-87
 Approved by Commissioner: Judith M. Brady Date: 1-13-87
 Agency: Natural Resources

Distribution (by preparer): Virginia Stonkus
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)
 Senate Secretary

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 71

This would be an ongoing project to be administered by the Division of Mining and Geological and Geophysical Surveys.

	FY 88	FY 89	FY 90	FY 91	FY 92
100 - Civil Engineer, FT	61.2	63.3	65.5	67.8	70.2
Costs for existing PCN 2040					
200 travel to various communities to ascertain needs, currently used sources, methods of acquisition, and management issues. Travel to Fairbanks, Anchorage, and Juneau to administer project and interface with other agencies.	10.0	- 8.0	8.0	8.0	8.0
300 map and air photo production, printing costs; helicopter and fixed wing aircraft reconnaissance; drilling and excavation contracts.	30.0	73.7	72.5	72.2	69.8
400 laboratory and field supplies (sample bags, samplers, etc.)	10.0	5.0	4.0	2.0	2.0
500 equipment: resistivity meter with dial recorder (15.0); office furniture (5.0)	20.0	0	0	0	0

ALASKA STATE LEGISLATURE

..15th. Legislature ..1st... Session

SENATE BILL..... NO. ..71....

By THE RULES COMMITTEE BY.....
REQUEST OF THE LEGISLATIVE
BUDGET AND AUDIT COMMITTEE

"An Act relating to the
management of sand and gravel
resources."

Introduced in the Senate ...1/20., 19. 87

HISTORY IN THE SENATE

1987		Read first time and referred to Committee on										
1	20	RESOURCES & FINANCE										
3	6	Reported back with <i>Resources</i> recommendation that <i>replace</i> <i>with, to do pass, 1 mo rec, fiscal date to finance</i> <i>FIN.</i>										
		Read second time and										
		Read third time and										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reconsideration										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed Signed by President Sent to House										
SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on										
		Reported back with recommendation that										
		Read second time and										
		Read third time and										
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PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reconsideration										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed Signed by Speaker Returned to Senate										
CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

SB 72

H(SA) 7
1/25/88

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An act prohibiting salaries for BRU: Personnel
certain employees from exceeding Governor's
salary.
 Sponsor: Fischer Components: Centralized Administrative Services
 Requestor: Senate State Affairs Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: (Attach a separate page if necessary)

This fiscal note assumes that the effective date will be May 1, 1988. This bill will have no fiscal impact on the budget for the Division of Personnel. The legislation will, however, have a statewide impact. The impact will provide savings of 9.7 in 1988 and 58.5 for each year thereafter through 1993. See attached analysis.

Prepared By: Diana DeSimone *[Signature]* Phone: 465-4430
 Division: Personnel Date: 1-21-88

Approved by Commissioner: John M. Andrews *[Signature]* Date: 1/25/88
 Agency: Department of Administration

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

RECEIVED
 JAN 27 1988

5892

CONTINUATION OF FISCAL NOTE ANALYSIS
FOR SB 72

SB 72 would limit basic salaries of employees to not more than the salary of the Governor. The fiscal note assumes that the effective date will be May 1, 1987. It reflects 17 employees in the Executive Branch who are currently paid more than the Governor's base salary of \$81,648 per year. Five are employed by independent authorities. No assumptions are made for future years, so the amount is shown as a constant savings.

The full year savings are currently distributed as follows:

Department of Law	\$(15.5)
Department of Health and Social Services	(15.3)
Department of Natural Resources	(3.7)
Department of Transportation and Public Facilities	(10.3)
Department of Revenue (Alaska Permanent Fund Corporation)	(12.5)
Department of Commerce and Economic Development (Alaska Power Authority)	(1.2)
	<u>\$(58.5)</u>

Additional savings may be realized if those employees are included who would be earning more than the Governor except for their current reduced work weeks.

We note that there are no employees of the Legislature who would be affected by this bill. The effect on the Court System would not be realized until there are vacancies on the bench due to prohibitions on reducing the salary of judges during their tenure, unless the reduction is applied generally to all employees as provided by Article IV, Section 13, of the Alaska constitution. The salary of the Court Administrator is not protected by this section of the constitution.

We do not have information available to estimate the impact on other entities affected by the bill:

- University of Alaska
- Alaska Railroad
- Other quasi-public corporations that process their own payroll
- Grantees

SENATE COMMITTEE REPORT

FURTHER:

3/26/87

DATE TURNED INTO OFFICE 4/22/87

Mr. President:

FINANCE Committee considered SB 72

prohibiting salaries for certain employees from exceeding the governor's salary; efd.

and recommended:

replace with CS FOR _____) same title
 or adopt _____ CS FOR SB 72 (SA)) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous

zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Paul Fiasp
John [Signature]

Don [Signature] No Rec
Don [Signature] No Rec
Jim [Signature] - Do not Pass
Nickie [Signature] "no Rec"

John [Signature] Do PASS
Chairman signature and recommendation

Committee Backup Attached

A/B

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE (REVISED)

Bill Version: SB 72
Publish Date: _____

REQUEST _____

Revision Date: 1/29/87 Agency Affected: A11
Title: An act prohibiting salaries for BRU: A11
certain employees from exceeding Gov.'s salary
Sponsor: Fischer Components: A11
Requestor: Senate State Affairs Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)
FEDERAL FUNDS						
OTHER						
TOTAL	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: Attach a separate page if necessary

See continuation.

Prepared By: Diana DeSimone *Diana DeSimone* Phone: 465-4430
Division: Personnel Date: 1/29/87

Approved by Commissioner: Garrey Peska *Garrey Peska* Date: 1/30/87
Agency: Department of Administration

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

CONTINUATION OF FISCAL NOTE ANALYSIS
FOR SB 72

SB 72 would limit basic salaries of employees to not more than the salary of the Governor. The fiscal note assumes that the effective date will be May 1, 1987. It reflects 17 employees in the Executive Branch who are currently paid more than the Governor's base salary of \$81,648 per year. Five are employed by independent authorities. No assumptions are made for future years, so the amount is shown as a constant savings.

The full year savings are currently distributed as follows:

Department of Law	\$(15.5)
Department of Health and Social Services	(15.3)
Department of Natural Resources	(3.7)
Department of Transportation and Public Facilities	(10.3)
Department of Revenue (Alaska Permanent Fund Corporation)	(12.5)
Department of Commerce and Economic Development (Alaska Power Authority)	(1.2)
	<u>\$(58.5)</u>

Additional savings may be realized if those employees are included who would be earning more than the Governor except for their current reduced work weeks.

We note that there are no employees of the Legislature who would be affected by this bill. The effect on the Court System would not be realized until there are vacancies on the bench due to prohibitions on reducing the salary of judges during their tenure, unless the reduction is applied generally to all employees as provided by Article IV, Section 13, of the Alaska constitution. The salary of the Court Administrator is not protected by this section of the constitution.

We do not have information available to estimate the impact on other entities affected by the bill:

- University of Alaska
- Alaska Railroad
- Other quasi-public corporations that process their own payroll
- Grantees

POSITION PAPER
(REVISED)
SB 72

SB 72 would limit basic salaries of all State employees to not more than the basic salary of the Governor.

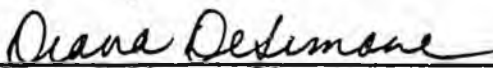
The bill defines basic salary to include base pay, cost-of-living adjustments, geographic differentials, length-of-service increases (longevity increments), and adjustments in the nature of incentive, performance, and year-end bonuses. Excluded from the definition of basic salary are overtime compensation, shift differentials, hazardous duty pay, travel per diem, or travel allowances.

The salary limit proposed by SB 72 would apply to all political subdivisions, other instrumentalities, boards, commissions, and authorities that receive at least 50% of their annual budget from the State treasury; grant recipients that receive 50% of their annual budget from the State treasury; and the Alaska Railroad Corporation if it receives at least 50% of its budget by direct appropriation or grant from the State treasury. Sections 1 through 4 also apply the proposed salary limit to justices of the supreme court, judges of the appeals, superior and district courts.

This bill would have limited impact on the Executive Branch. There are currently only 17 employees whose base salary, as defined by SB 72, exceed the salary of the Governor. Five are employed by independent authorities; the attendant savings resulting from this bill are therefore minimal.

Another consideration is that this bill would reverse long-standing public policy in this state. Geographic differentials have been a matter of law since at least 1966. Longevity increments have been a matter of law since 1972. This bill would limit each of these when they operate to provide a salary greater than the Governor's salary.

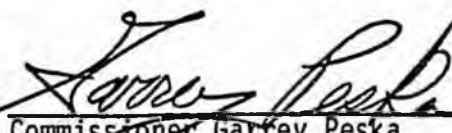
A final consideration that should be kept in mind is that the Governor's salary is set on a different basis than those subject to the State's classification and pay plans created under AS 39.250.150(a) and (b). Setting of the Governor's salary is essentially a political decision for a political office. In addition to the salary, the Governor receives housing through the budget for the Executive Mansion. The salary of jobs subject to the classification plan are based on a "fair and reasonable" compensation for services rendered and reflect the principle of like pay for like work expressed in AS 39.25.150(b).



Diana DeSimone, Director
Division of Personnel

1/29/87

Date



Commissioner Garvey Peska
Department of Administration

1/30/87

Date

Original sponsor: Fischer

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 72 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL
6 For an Act entitled: "An Act prohibiting salaries for certain employees
7 from exceeding the governor's salary; and providing
8 for an effective date."

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

10 * Section 1. AS 22.05.140(c) is amended to read:

11 (c) Except as provided in AS 39.20.095, in [IN] addition to
12 annual salary, each justice is entitled to receive a geographic cost-
13 of-living adjustment, based on the location of the justice's primary
14 office assignment, equal to 3.5 percent of the [HIS] annual salary
15 times the number of pay step increases provided under AS 39.27.020 for
16 a state employee working in the same election district in those dis-
17 tricts for which AS 39.27.020 specified zero-to-five pay step in-
18 creases. In an election district for which AS 39.27.020 specifies
19 more than five pay steps, the number of pay step increases under this
20 section is limited to five. Any retirement benefits to which a jus-
21 tice may be entitled shall be computed only on the annual salary.

22 * Sec. 2. AS 22.07.090(a) is amended to read:

23 (a) Except as provided in AS 39.20.095, t' e [THE] monthly salary
24 of a judge of the court of appeals is equal to Step E, Range 29 of the
25 salary schedule in AS 39.27.011(a) for Juneau, Alaska. The compensa-
26 tion of a judge may not be diminished during the term of office,
27 unless by general law applying to all salaried officers of the state.

28 * Sec. 3. AS 22.10.190(c) is amended to read:

29 (c) Except as provided in AS 39.20.095, in [IN] addition to

1 annual salary, a superior court judge is entitled to receive a geo-
2 graphic cost-of-living adjustment, based on the location of the
3 judge's primary office assignment, equal to 3.5 percent of the [HIS]
4 annual salary times the number of pay step increases provided under AS
5 39.27.020 for a state employee working in the same election district
6 in those districts for which AS 39.27.020 specifies zero-to-five pay
7 step increases. In an election district for which AS 39.27.020 spec-
8 ifies more than five pay steps, the number of pay step increases under
9 this section is limited to five. Any retirement benefits to which a
10 superior court judge may be entitled shall be computed only on the
11 annual salary.

12 * Sec. 4. AS 22.15.220(d) is amended to read:

13 (d) Except as provided in AS 39.20.095, in [IN] addition to
14 annual salary, a district court judge is entitled to receive a geo-
15 graphic cost-of-living adjustment, based on the location of the
16 judge's [HIS] primary office assignment, equal to 3.5 percent of the
17 [JUDGE'S] annual salary times the number of pay step increases pro-
18 vided under AS 39.27.020 for a state employee working in the same
19 election district in those districts for which AS 39.27.020 specifies
20 zero-to-five pay step increases. In an election district for which AS
21 39.27.020 specifies more than five pay steps, the number of pay step
22 increases under this section is limited to five. Any retirement bene-
23 fits to which a district court judge may be entitled shall be computed
24 only on the annual salary.

25 * Sec. 5. AS 37.05 is amended by adding a new section to read:

26 Sec. 37.05.335. LIMITATIONS ON CERTAIN GRANTS. (a) Notwith-
27 standing AS 37.05.318, a state agency may not grant state money to an
28 organization or entity to which this section applies unless the orga-
29 nization or entity agrees to comply with the salary limit established

1 in AS 39.20.095 during the term of the grant. If an organization or
2 entity violates an agreement to comply with AS 39.20.095, it shall
3 return any state money it has received for that year and shall be
4 ineligible to receive further funding under the grant.

5 (b) This section applies to grants to a person, organization, or
6 entity that received at least 50 percent of its annual budget from the
7 state treasury during the previous fiscal year or that projects that
8 it will receive at least 50 percent of its budget from the state
9 treasury during the current fiscal year.

10 (c) When an amount is appropriated or allocated as a grant under
11 AS 37.05.315, 37.05.316, or 37.05.317, the department responsible for
12 administering the grant shall notify the named grant recipient of the
13 requirements of this section. The department shall request the recip-
14 ient to file its agreement to comply with AS 39.20.095 if required
15 under (b) of this section. If the department is requesting proposals
16 from other qualified persons, organizations, or entities under AS 37.-
17 05.316 or 37.05.317, the department shall also notify them of the
18 requirements of this section. The department shall request them to
19 file an agreement to comply with AS 39.20.095 if required under (b) of
20 this section.

21 (d) In this section "state" has the meaning given in AS 39.20.-
22 095.

23 * Sec. 6. AS 39.20 is amended by adding a new section to read:

24 Sec. 39.20.095. SALARY LIMIT FOR CERTAIN PUBLIC EMPLOYEES. (a)
25 Notwithstanding the provisions of AS 23.40 (the Public Employment
26 Relations Act) and AS 14.20.550 - 14.20.610, the state may not pay an
27 officer or employee a basic salary that is greater than the salary of
28 the governor under AS 39.20.010.

29 (b) In this section

1 (1) "basic salary" is a person's salary including cost-of-
2 living adjustments, geographical differentials, length-of-service
3 increases, and adjustments in the nature of incentive, performance,
4 and year-end bonuses; "basic salary" does not include overtime compen-
5 sation, shift differentials, hazardous duty pay, travel per diem, or
6 travel allowances;

7 (2) "state" includes the executive, legislative, and judi-
8 cial branches of state government; the University of Alaska; school
9 districts; political subdivisions of the state, including municipal-
10 ities; and state instrumentalities, boards, commissions, and author-
11 ities if the instrumentality, board, commission, or authority receives
12 at least 50 percent of its annual budget from the state treasury.

13 * Sec. 7. AS 39.27 is amended by adding a new section to read:

14 Sec. 39.27.027. SALARY LIMIT. Notwithstanding AS 39.27.020 and
15 39.27.022, the state may not pay an officer or employee a salary that
16 exceeds the salary limit under AS 39.20.095.

17 * Sec. 8. AS 42.40.110 is amended by adding a new subsection to read:

18 (c) If the corporation receives at least 50 percent of its
19 yearly budget by direct appropriation or grant from the state trea-
20 sury, the board may not fix a basic salary for the chief executive
21 officer or approve basic salaries for other executive officers that
22 exceed the basic salary of the governor under AS 39.20.010. For
23 purposes of this subsection, "basic salary" has the meaning given in
24 AS 39.20.095.

25 * Sec. 9. AS 42.40 is amended by adding a new section to read:

26 Sec. 42.40.715. EMPLOYEE SALARY LIMIT. Notwithstanding other
27 provisions of this chapter, if the corporation receives at least 50
28 percent of its yearly budget by direct appropriation or grant from the
29 state treasury, the corporation may not pay an employee a basic salary

1 that is greater than the salary of the governor under AS 39.20.010.

2 In this section, "basic salary" has the meaning given in AS 39.20.095.

3 * Sec. 10. Nothing in this Act terminates or modifies a collective
4 bargaining agreement or other contract if the agreement or contract is in
5 effect on the effective date of this Act. However, an employer subject to
6 this Act may not renew or extend a contract after the effective date of
7 this Act unless the contract complies with this Act.

8 * Sec. 11. Nothing in this Act infringes on the independence of the
9 University of Alaska or the Alaska Railroad Corporation except the pro-
10 visions that impose a salary limit on employees.

11 * Sec. 12. This Act takes effect immediately under AS 01.10.070(c).

Alaska State Legislature

Senator Paul A. Fischer
Senate District D
Box 784
Soldotna, Alaska 99669
(907) 262-9420 W
262-9269 H



While in Juneau
Pouch V
Juneau, Alaska 99811
(907) 465-3791

State Senate

To: Senators John Binkley & Don Bennett, Co-Chairmen
Senate Finance Committee

From: Senator Paul Fischer *pt*

Subject: SB 72; Employee Salary Limitation

Date: April 13, 1987

SB 72 would limit all public employee salaries from exceeding the Governor's salary of \$81,648 as defined in AS 39.20.010.

If the Governor is to be our chief administrator of public policy, it only makes sense that the Governor should also be the highest paid executive on the public payroll. Alaska has some of the highest paid public administrators in the Country so SB72 hopes to put these salaries in perspective.

Philosophical arguments aside, this bill will also save the State much more than the \$58,500 fiscal note indicates. This is an extremely conservative estimate and does not take into account: that judicial salaries will be revised downward as new appointments are made to the bench, the University of Alaska, nor grant recipients and highly paid municipal and school administrators who receive over 50% of their funding from the State.

Last year, an identical bill (SB 100) past the Senate before the Session adjourned. Given the ambient air of fiscal constraint, I am very optimistic about its chances of passage this session.

The State Affairs committee substitute corrects an oversight of the original draft which would've allowed an unintended exemption for Railroad union members.

I would appreciate you scheduling this bill as soon as possible.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 21, 1987

SUBJECT: Sectional Analysis of CSSB 72 (State Affairs)
(Prohibiting certain salaries from
exceeding the governor's)

TO: Senator Paul Fischer

FROM: Teresa B. Cramer *BC*
Legislative Counsel

You have requested a sectional analysis of CSSB 72 (State Affairs), prohibiting salaries for certain employees from exceeding the governor's salary. As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Sections 1 - 4 establish that the salary limit set out in section 6 of the bill applies to justices and judges of the state court system.

Section 5 prohibits state agencies from granting state money to an entity unless the entity agrees to comply with the salary limit during the term of the grant. The prohibition applies to entities that received at least 50 percent of their annual budget from the state treasury during the previous fiscal year or that expect to receive that much during the current fiscal year.

Section 6 prohibits the state from paying an officer or employee a basic salary that is greater than the salary of the governor. Definitions for "basic salary" and "state" are contained in subsection (b).

Section 7 prohibits the state from paying step differentials (commonly called geographic differentials) and longevity increments if payment would cause the salary to exceed the limit under AS 39.20.095, enacted in sec. 6 of the bill.

Senator Fischer
Page 2
April 21, 1987

Sections 8 and 9 apply the salary limit to executive officers and employees of the Alaska Railroad if the railroad receives at least 50 percent of its yearly budget by direct appropriation or grant from the state treasury.

Section 10 limits the application of the Act to preserve constitutionally-protected contract rights during the life of the contract but requires compliance with the Act if the contract is renewed or extended.

Section 11 clarifies that although the salary limit applies to the University of Alaska and the Alaska Railroad, the Act does not in other ways infringe on the independence of the university or the railroad.

Section 12 is an immediate effective date clause.

If I may be of further assistance, please advise.

TC:mkr
m11/045

Alaska State Legislature

Senator Paul A. Fischer
Senate District D
Box 784
Soldotna, Alaska 99669
(907) 262-9420 W
262-9269 H



State Senate

While in Juneau
Pouch V
Juneau, Alaska 99811
(907) 465-3791

January 30, 1987

To: Senator Mitch Abood, Chairman Senate State Affairs
From: Senator Paul Fischer *PF*
Subject: CS for SB 72; Employee Salary Limitation

Attached is a possible committee substitute that would correct a deficiency in the original bill.

The Alaska Railroad has brought it to my attention that some employees working for the railroad would not be affected by this salary limitation if it was ever evoked upon them. The proposed CS corrects this problem with a new section 9.

Attached find: a January 26 letter from the Alaska Railroad Corp. explaining this amendment, the proposed CS, and a revised fiscal note.

Backup CSSB 72(SA)

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 72 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act prohibiting salaries for certain employees
7 from exceeding the governor's salary; and providing
8 for an effective date."

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

10 * Section 1. AS 22.05.140(c) is amended to read:

11 (c) Except as provided in AS 39.20.095, in [IN] addition to
12 annual salary, each justice is entitled to receive a geographic cost-
13 of-living adjustment, based on the location of the justice's primary
14 office assignment, equal to 3.5 percent of the [HIS] annual salary
15 times the number of pay step increases provided under AS 39.27.020 for
16 a state employee working in the same election district in those dis-
17 tricts for which AS 39.27.020 specified zero-to-five pay step in-
18 creases. In an election district for which AS 39.27.020 specifies
19 more than five pay steps, the number of pay step increases under this
20 section is limited to five. Any retirement benefits to which a jus-
21 tice may be entitled shall be computed only on the annual salary.

22 * Sec. 2. AS 22.07.090(a) is amended to read:

23 (a) Except as provided in AS 39.20.095, the [THE] monthly salary
24 of a judge of the court of appeals is equal to Step E, Range 29 of the
25 salary schedule in AS 39.27.011(a) for Juneau, Alaska. The compensa-
26 tion of a judge may not be diminished during the term of office,
27 unless by general law applying to all salaried officers of the state.

28 * Sec. 3. AS 22.10.190(c) is amended to read:

29 (c) Except as provided in AS 39.20.095, in [IN] addition to

1 annual salary, a superior court judge is entitled to receive a geo-
2 graphic cost-of-living adjustment, based on the location of the
3 judge's primary office assignment, equal to 3.5 percent of the [HIS]
4 annual salary times the number of pay step increases provided under AS
5 39.27.020 for a state employee working in the same election district
6 in those districts for which AS 39.27.020 specifies zero-to-five pay
7 step increases. In an election district for which AS 39.27.020 spec-
8 ifies more than five pay steps, the number of pay step increases under
9 this section is limited to five. Any retirement benefits to which a
10 superior court judge may be entitled shall be computed only on the
11 annual salary.

12 * Sec. 4. AS 22.15.220(d) is amended to read:

13 (d) Except as provided in AS 39.20.095, in [IN] addition to
14 annual salary, a district court judge is entitled to receive a geo-
15 graphic cost-of-living adjustment, based on the location of the
16 judge's [HIS] primary office assignment, equal to 3.5 percent of the
17 [JUDGE'S] annual salary times the number of pay step increases pro-
18 vided under AS 39.27.020 for a state employee working in the same
19 election district in those districts for which AS 39.27.020 specifies
20 zero-to-five pay step increases. In an election district for which AS
21 39.27.020 specifies more than five pay steps, the number of pay step
22 increases under this section is limited to five. Any retirement bene-
23 fits to which a district court judge may be entitled shall be computed
24 only on the annual salary.

25 * Sec. 5. AS 37.05 is amended by adding a new section to read:

26 Sec. 37.05.335. LIMITATIONS ON CERTAIN GRANTS. (a) Notwith-
27 standing AS 37.05.318, a state agency may not grant state money to an
28 organization or entity to which this section applies unless the orga-
29 nization or entity agrees to comply with the salary limit established

1 in AS 39.20.095 during the term of the grant. If an organization or
2 entity violates an agreement to comply with AS 39.20.095, it shall
3 return any state money it has received for that year and shall be
4 ineligible to receive further funding under the grant.

5 (b) This section applies to grants to a person, organization, or
6 entity that received at least 50 percent of its annual budget from the
7 state treasury during the previous fiscal year or that projects that
8 it will receive at least 50 percent of its budget from the state
9 treasury during the current fiscal year.

10 (c) When an amount is appropriated or allocated as a grant under
11 AS 37.05.315, 37.05.316, or 37.05.317, the department responsible for
12 administering the grant shall notify the named grant recipient of the
13 requirements of this section. The department shall request the recip-
14 ient to file its agreement to comply with AS 39.20.095 if required
15 under (b) of this section. If the department is requesting proposals
16 from other qualified persons, organizations, or entities under AS 37.-
17 05.316 or 37.05.317, the department shall also notify them of the
18 requirements of this section. The department shall request them to
19 file an agreement to comply with AS 39.20.095 if required under (b) of
20 this section.

21 (d) In this section "state" has the meaning given in AS 39.20.-
22 095.

23 * Sec. 6. AS 39.20 is amended by adding a new section to read:

24 Sec. 39.20.095. SALARY LIMIT FOR CERTAIN PUBLIC EMPLOYEES. (a)
25 Notwithstanding the provisions of AS 23.40 (the Public Employment
26 Relations Act) and AS 14.20.550 - 14.20.610, the state may not pay an
27 officer or employee a basic salary that is greater than the salary of
28 the governor under AS 39.20.010.

29 (b) In this section

1 (1) "basic salary" is a person's salary including cost-of-
2 living adjustments, geographical differentials, length-of-service
3 increases, and adjustments in the nature of incentive, performance,
4 and year-end bonuses; "basic salary" does not include overtime compen-
5 sation, shift differentials, hazardous duty pay, travel per diem, or
6 travel allowances;

7 (2) "state" includes the executive, legislative, and judi-
8 cial branches of state government; the University of Alaska; school
9 districts; political subdivisions of the state, including municipal-
10 ities; and state instrumentalities, boards, commissions, and author-
11 ities if the instrumentality, board, commission, or authority receives
12 at least 50 percent of its annual budget from the state treasury.

13 * Sec. 7. AS 39.27 is amended by adding a new section to read:

14 Sec. 39.27.027. SALARY LIMIT. Notwithstanding AS 39.27.020 and
15 39.27.022, the state may not pay an officer or employee a salary that
16 exceeds the salary limit under AS 39.20.095.

17 * Sec. 8. AS 42.40.110 is amended by adding a new subsection to read:

18 (c) If the corporation receives at least 50 percent of its
19 yearly budget by direct appropriation or grant from the state trea-
20 sury, the board may not fix a basic salary for the chief executive
21 officer or approve basic salaries for other executive officers that
22 exceed the basic salary of the governor under AS 39.20.010. For
23 purposes of this subsection, "basic salary" has the meaning given in
24 AS 39.20.095.

25 * Sec. 9. AS 42.40 is amended by adding a new section to read:

26 Sec. 42.40.715. EMPLOYEE SALARY LIMIT. Notwithstanding other
27 provisions of this chapter, if the corporation receives at least 50
28 percent of its yearly budget by direct appropriation or grant from the
29 state treasury, the corporation may not pay an employee a basic salary

1 that is greater than the salary of the governor under AS 39.20.010.

2 In this section, "basic salary" has the meaning given in AS 39.20.095.

3 * Sec. 10. Nothing in this Act terminates or modifies a collective
4 bargaining agreement or other contract if the agreement or contract is in
5 effect on the effective date of this Act. However, an employer subject to
6 this Act may not renew or extend a contract after the effective date of
7 this Act unless the contract complies with this Act.

8 * Sec. 11. Nothing in this Act infringes on the independence of the
9 University of Alaska or the Alaska Railroad Corporation except the pro-
10 visions that impose a salary limit on employees.

11 * Sec. 12. This Act takes effect immediately under AS 01.10.070(c).
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ALASKA RAILROAD CORPORATION



P.O. Box 7-2111 • Anchorage, Alaska 99510-7069

January 26, 1987

Senator Paul A. Fischer, Chairman
Health, Education and Social Services Committee
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Re: SB No. 72, An Act Prohibiting Salaries for Certain
Employees from Exceeding the Governor's Salary

Dear Senator Fischer,

Thank you for inviting the Alaska Railroad Corporation ("ARRC") to comment upon proposed legislation which will limit salaries for certain employees. As you know, the limit will also apply to any person, organization, or entity which receives 50 per cent of its annual budget from the State.

As the enclosed position paper explains, we do not oppose the bill but suggest some amendments which will clarify the Act's application to all of ARRC's employees. We have also requested that the Corporation be mentioned in Section 10 which also recognizes the independence of the University of Alaska.

Unfortunately, Frank Turpin is out of town this week and is unable to send his personal greetings.

Thank you very much.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Larry D. Wood".

Larry D. Wood
General Counsel

cc: F.G. Turpin, President & CEO

Enclosure

3659L

SB No. 72: An Act Prohibiting Salaries for
Certain Employees from Exceeding the
Governor's Salary

January, 1987

I. INTRODUCTION

In addition to limiting State salaries generally, Senate Bill No. 72 seeks also to amend the Alaska Railroad Corporation Act ("ARCA"). The bill proposes that, should the Alaska Railroad Corporation ("ARRC") receive at least fifty percent of its annual budget by direct appropriation or grant from the State treasury, ARRC's board of directors may not fix a salary for the chief executive officer or approve salaries for the other executive officers that exceed the salary of the governor.

As explained in detail below, ARRC does not oppose such an amendment. With the passage of its enabling legislation, the public corporation received a mandate to operate the railroad as a self-sustaining business until the railroad's eventual transfer to the private sector. In the unlikely event that that mission becomes frustrated or fails, and ARRC receives half of its operating revenues from State sources, little justification may exist to treat ARRC differently than State agencies which are 100% funded by State appropriations. ARRC recommends, however, that certain amendments be made to SB 72 to ensure that, in the event that salaries must be limited, all ARRC salaries are limited. We also recommend an amendment which will recognize and renew the fundamentally independent nature of the railroad's operations.

II. ANALYSIS

In 1985, the state legislature endowed ARRC with the mission of operating the Alaska Railroad on an independent, self-sustaining basis without financial appropriations from the state treasury. Since that time, ARRC has heeded that mission and has carried out the business of running the Railroad based solely upon railroad revenues. Should the time come, however, that ARRC can no longer sustain its financial independence and receives at least 50% of its funding from appropriations or grants from the state treasury, the vision of a financially independent railroad most likely would have failed. At the least, ARRC may have become a de facto State agency. No reasonable justification may then exist to hold the public corporation and its employees immune from the salary limitation recommended by SB 72. Accordingly, ARRC does not oppose Senate Bill No. 72's proposed amendment of ARCA.

However, despite a major economic downturn, ARRC is not presently in danger of failing in its mission of financial autonomy, nor will ARRC become heavily dependent on State financial resources in the foreseeable future. Consequently, the bill's amendment of ARCA may be unnecessary at this time.

The salary limitation could be imposed if and when ARRC receives substantial State funding. Nonetheless, if ARRC is not to be presently deleted from the bill, SB 72 should be modified to insure that it applies to all corporate employees.

Senate Bill No. 72 will limit some, but not all, salaries of ARRC employees should ARRC receive 50% of its annual budget from the State treasury. At the present time, only the salaries of the chief executive officer and the other executive officers would be affected.

Although Section 9 will unquestionably apply to the salaries of some members of State collective bargaining units, that section would not reach ARRC's represented employees. This would have the incongruous effect of allowing ARRC's represented employees in some cases to enjoy a higher salary than executive officers and the governor.^{1/}

In addition to failing to reach ARRC's represented employees, the bill also fails to encompass non-represented employees below the executive officer level. A recommended amendment, shown below, insures that the bill will apply to all ARRC employees.

Finally, while recognizing in Section 10 the special independent nature of the University of Alaska, Senate Bill No. 72 overlooks ARRC's concomitant independent nature and its special direction to operate as a business separate and apart from the State. This managerial independence is a key ingredient, we believe, to the successful execution of the legislature's instruction that ARRC be self-sufficient. Accordingly, we ask that the peculiar aspects of railroad operations be acknowledged in SB 72's Section 10.

^{1/} Section 9 provides that the "state" may not renew or extend collective bargaining agreements unless the agreements comply with the Act. That section technically would not apply to ARRC since the bill generally and the definition of "state" specifically amend Title 39. Because corporation employees are not State employees, Title 39, including the State Personnel Act, does not apply to ARRC. See AS 42.40.710. Even if Section 9 were to be construed to reach ARRC's represented employees, it would still not achieve the State's desired result since ARRC is presently negotiating new contracts with its union and those contracts, when completed, will be "new" contracts, not "renewed" or "extended" contracts as stated in the proposed bill.

III. CONCLUSION

For the foregoing reasons, ARRC respectfully requests that Senate Bill No. 72 be amended in the following ways:

(1) A new Section 9 should be added to read as follows:

Sec. 9. AS 42.40 is amended by adding a new section to read:

Sec. 42.40.886. SALARY LIMIT. (a) Notwithstanding AS 42.40.710, if the corporation receives at least 50 percent of its yearly budget by direct appropriation or grant from the State treasury, the corporation may not pay an employee a basic salary that is greater than the salary of the governor under AS 39.20.010.

(b) Nothing in subsection (a) terminates or modifies a collective bargaining agreement or other contract which is in effect. However, the corporation may not renew, extend, or enter into a new contract or collective bargaining agreement unless the contract or agreement complies with subsection (a).

(2) Section 10 of Senate Bill No. 72 should be renumbered as Section 11, and amended to read as follows:

Sec. 11. Except as specifically provided herein, nothing in this Act infringes on the independence of the University of Alaska or the Alaska Railroad Corporation.

(3) Section 11 of Senate Bill No. 72 should be renumbered as Section 12.

3663L

ARRC

POSITION PAPER
(REVISED)
SB 72

SB 72 would limit basic salaries of all State employees to not more than the basic salary of the Governor.


The bill defines basic salary to include base pay, cost-of-living adjustments, geographic differentials, length-of-service increases (longevity increments), and adjustments in the nature of incentive, performance, and year-end bonuses. Excluded from the definition of basic salary are overtime compensation, shift differentials, hazardous duty pay, travel per diem, or travel allowances.

The salary limit proposed by SB 72 would apply to all political subdivisions, other instrumentalities, boards, commissions, and authorities that receive at least 50% of their annual budget from the State treasury; grant recipients that receive 50% of their annual budget from the State treasury; and the Alaska Railroad Corporation if it receives at least 50% of its budget by direct appropriation or grant from the State treasury. Sections 1 through 4 also apply the proposed salary-limit to justices of the supreme court, judges of the appeals, superior and district courts.

This bill would have limited impact on the Executive Branch. There are currently only 17 employees whose base salary, as defined by SB 72, exceed the salary of the Governor. Five are employed by independent authorities; the attendant savings resulting from this bill are therefore minimal.

Another consideration is that this bill would reverse long-standing public policy in this state. Geographic differentials have been a matter of law since at least 1966. Longevity increments have been a matter of law since 1972. This bill would limit each of these when they operate to provide a salary greater than the Governor's salary.

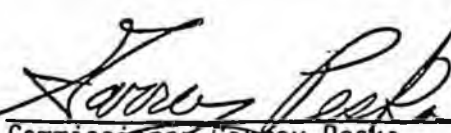
A final consideration that should be kept in mind is that the Governor's salary is set on a different basis than those subject to the State's classification and pay plans created under AS 39.250.150(a) and (b). Setting of the Governor's salary is essentially a political decision for a political office. In addition to the salary, the Governor receives housing through the budget for the Executive Mansion. The salary of jobs subject to the classification plan are based on a "fair and reasonable" compensation for services rendered and reflect the principle of like pay for like work expressed in AS 39.25.150(b).



Diana DeSimone, Director
Division of Personnel

1/29/87

Date



Commissioner Garrey Peska
Department of Administration

1/30/87

Date

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE (REVISED)

Bill Version: SB 72
Publish Date: _____

REQUEST _____

Revision Date: 1/29/87 Agency Affected: A11
Title: An act prohibiting salaries for BRU: A11
certain employees from exceeding Gov.'s salary
Sponsor: Fischer Components: A11
Requestor: Senate State Affairs Committee

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING: (Thousands of Dollars)

GENERAL FUND	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)
FEDERAL FUNDS						
OTHER						
TOTAL	(9.7)	(58.5)	(58.5)	(58.5)	(58.5)	(58.5)

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

ANALYSIS: Attach a separate page if necessary

See continuation.

Prepared By: Diana DeSimone *Diana DeSimone* Phone: 465-4430
Division: Personnel Date: 1/29/87

Approved by Commissioner: Garrev Peska *Garrev Peska* Date: 1/30/87
Agency: Department of Administration

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

CONTINUATION OF FISCAL NOTE ANALYSIS
FOR SB 72

SB 72 would limit basic salaries of employees to not more than the salary of the Governor. The fiscal note assumes that the effective date will be May 1, 1987. It reflects 17 employees in the Executive Branch who are currently paid more than the Governor's base salary of \$81,648 per year. Five are employed by independent authorities. No assumptions are made for future years, so the amount is shown as a constant savings.

The full year savings are currently distributed as follows:

Department of Law	\$(15.5)
Department of Health and Social Services	(15.3)
Department of Natural Resources	(3.7)
Department of Transportation and Public Facilities	(10.3)
Department of Revenue (Alaska Permanent Fund Corporation)	(12.5)
Department of Commerce and Economic Development (Alaska Power Authority)	(1.2)
	<u>\$(58.5)</u>

Additional savings may be realized if those employees are included who would be earning more than the Governor except for their current reduced work weeks.

We note that there are no employees of the Legislature who would be affected by this bill. The effect on the Court System would not be realized until there are vacancies on the bench due to prohibitions on reducing the salary of judges during their tenure, unless the reduction is applied generally to all employees as provided by Article IV, Section 13, of the Alaska constitution. The salary of the Court Administrator is not protected by this section of the constitution.

We do not have information available to estimate the impact on other entities affected by the bill:

- University of Alaska
- Alaska Railroad
- Other quasi-public corporations that process their own payroll
- Grantees

Alaska State Legislature

Senator Paul A. Fischer
Senate District D
Box 784
Soldotna, Alaska 99669
(907) 262-9420 W
262-9269 H



While in Juneau
Pouch V
Juneau, Alaska 99811
(907) 465-3791

State Senate

To: Senator Mitch Abood, Chairman
Members Senate State Affairs Committee

From: Senator Paul Fischer *PF*

Date: January 28, 1987

Subject: Summary of the effects of SB 72

If SB 72 becomes law, it will have these effects.

- (1) Makes no salary changes in present collective bargaining agreements or other contracts presently in effect.
- (2) Limits other public official's pay to the salary in effect for the Governor, which is now \$81,646.
- (3) Mandates that new, renewed or extended agreements and contracts must conform with the salary cap.
- (4) The ceiling effects any entity receiving at least 50% of its yearly budget from the state treasury.
- (5) This salary limit includes local municipalities, school boards and state grant money recipients, as well as, the University of Alaska, Alaska Railroad, and the AHFC, if they meet the 50% funding criterion.
- (6) The salary limit would take effect immediately.

This packet contains:

Sectional Analysis

Fiscal Note & Analysis

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 23, 1987

SUBJECT: Sectional Analysis of SB 72
(Prohibiting certain salaries from
exceeding the governor's)

TO: Senator Paul Fischer

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

You have requested a sectional analysis of SB 72, prohibiting salaries for certain employees from exceeding the governor's salary. As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Sections 1 - 4 clarify that the salary limit set out in section 6 of the bill apply to justices and judges of the state court system.

Section 5 prohibits state agencies from granting state money to an entity unless the entity agrees to comply with the salary limit during the term of the grant. The prohibition applies to entities that received at least 50 percent of their annual budget from the state treasury during the previous fiscal year or that expect to receive that much during the current fiscal year.

Section 6 prohibits the state from paying an officer or employee a basic salary that is greater than the salary of the governor. Definitions for "basic salary" and "state" are contained in subsection (b).

Section 7 includes pay step differentials (commonly called geographical differentials) and longevity increments in the basic salary of an employee.

Section 8 applies the salary limit to the Alaska Railroad if it receives at least 50 percent of its yearly budget by direct appropriation or grant from the state treasury.

Senator Fischer
January 23, 1987
Page 2

Section 9 limits the application of the Act to preserve constitutionally-protected contract rights during the life of the contract but requires compliance with the Act if the contract is renewed or extended.

Section 10 clarifies that although the salary limit applies to the University of Alaska, the Act does not in other ways infringe on the independence of the University.

Section 11 is an immediate effective date clause.

If I may be of further assistance, please advise.

TC:mkr
m8/043



**Alaska Public
Employees Association APEA**

State Headquarters: 340 N. Franklin, Juneau, AK 99801 (907) 586-2334

TO: Senator Mitch Abood
Chairman, State Affairs Committee

FROM: Cherie Shelley, Executive Director

SUBJECT: SB 72, "Limiting State Employees Salaries"

DATE: February 2, 1987

Senator Fischer has introduced SB 72, an act prohibiting salaries from exceeding the salary of the governor. The Alaska Public Employees Association strongly opposes one provision of this bill. That is the inclusion in proposed AS 39.20.095 (b)(1) of geographical differentials as part of the base salary.

Geographical differentials are included in AS 39.27.020, and in the various collective bargaining agreements to which the State is a party, as a recognition that the cost of living differs radically from city to city in Alaska, and that a salary of X dollars buys less in Cordova than it does in Anchorage, and far less in Bethel or Nome. The State's own differential study, done in April 1985 (and which APEA's study showed understates rural costs), found that the costs of living is 45% higher in Barrow and Kotzebue, and 39% higher in Bethel, than in Anchorage. Thus the Governor's current statutory salary of \$85,728 (equal to Range 30, Step F on the salary schedule of AS 39.27.011(a)) actually has a purchasing power of only \$61,675 in Bethel, or \$59,123 in Barrow or Kotzebue. A ceiling should be uniform throughout the State.

In addition, by including geographical differentials in base salaries, SB 72 would cap state salaries in certain rural locations at a far lower level than is appropriate. Given the differentials determined by arbitrator McCaffree in his recent decision, the cap would affect the salary of a mid-level supervisor (Range 21) at the end of the longevity scale in Barrow/Kotzebue (42% differential) or Bethel (38% differential).

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it would affect higher level supervisors (Range 23) in those locations even before they entered the longevity scale. In Nome, with a 34% differential, the cap would take effect for a Range 22 supervisor at the end of the longevity scale, or a Range 24 supervisor still in the merit steps.

In short, we believe that basic fairness to those State employees living in high-cost rural areas requires that geographical differential not be included in the proposed definition of basic salary in SB 72.

tion. The judicial council shall also provide such information and any recommendation to the office of the lieutenant governor in time for publication in the election pamphlet under AS 15.58.050. If a majority of those voting on the question rejects the candidacy, the rejected judge shall not be appointed to fill any vacancy in the supreme court, court of appeals, superior court, or district courts of the state for a period of four years thereafter. (§ 10 ch 50 SLA 1959; am § 1 ch 85 SLA 1960; am § 1 ch 87 SLA 1975; am § 6 ch 12 SLA 1980)

Revisor's notes. — As enacted, the reference in the next-to-last sentence was to AS 15.57.025, which section was repealed by ch. 100, SLA 1980 and reenacted in AS 15.58.050.

Effect of amendments. — The 1980 amendment substituted "60" for "30" preceding "days before the retention election" at the end of the third sentence, and

substituted "supreme court, court of appeals, superior court, or district courts" for "supreme or superior courts" near the end of the section.

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 22.05.110. Incapacity.

Repealed by § 3 ch 213 SLA 1968.

Revisor's notes. — Section 3, ch. 213, SLA 1968, provides: "AS 22.05.110 and 22.10.160 are repealed upon the adoption of the amendment to sec. 10 of art. IV of the Constitution of the State of Alaska as proposed by the House Joint Resolution entitled 'Proposing amendments to the Constitution of the State of Alaska providing for the disqualification, suspension,

removal from office, retirement and censure of justices and judges, and providing for a Commission on Judicial Qualifications.'" These constitutional amendments, proposed in 2d FCCSSCSCSIJR 74, were approved by the voters on August 27, 1968.

Editor's notes. — The repealed section derived from § 11, ch. 50, SLA 1959.

Sec. 22.05.120. Impeachment. A supreme court justice is subject to impeachment by the legislature for malfeasance or misfeasance in the performance of official duties. Impeachment shall originate in the senate and shall be approved by a two-thirds vote of its members. The motion for impeachment shall list fully the basis for the proceeding. Trial on impeachment shall be conducted by the house of representatives. A supreme court justice designated by the court shall preside at the trial. Concurrence of two-thirds of the members of the house is required for a judgment of impeachment. The judgment may not extend beyond removal from office, but shall not prevent proceedings in the courts on the same or related charges. (§ 12 ch 50 SLA 1959)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity

with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 22.05.130. Restrictions. A supreme court justice while holding office may not practice law, nor engage in the conduct of any other profession, vocation or business for profit or compensation, which conduct would interfere with the performance of the judicial duties of the justice, nor may a justice hold office in a political party, or hold any other office or position of profit under the United States, the state or its political subdivisions. A supreme court justice filing for another elective public office other than delegate to a constitutional convention of this state or the United States forfeits the judicial position. (§ 13 ch 50 SLA 1959; am § 1 ch 30 SLA 1971; am § 7 ch 12 SLA 1980)

Effect of amendments. — The 1990 amendment deleted a comma following "the state" near the end of the first sentence, and inserted "other than delegate to a constitutional convention of this state or the United States" in the second sentence.

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

NOTES TO DECISIONS

Quoted in *Beigh v Jefferson*, Sup Ct Op. No. 481 (File No. 894, 141 P.2d 27 (1968)).

Sec. 22.05.140. Compensation. (a) The monthly salary of each justice is equal to Step F, Range 30 of the salary schedule in AS 39.27.011(a) for Juneau, Alaska.

(b) No salary warrant may be issued to a justice of the supreme court until the justice has filed with the state officer designated to issue salary warrants an affidavit that no matter referred to the justice for opinion or decision has been uncompleted or undecided by the justice for a period of more than six months.

(c) In addition to annual salary, each justice is entitled to receive a geographic cost-of-living adjustment, based on the location of the primary office assignment, equal to 3.5 percent of his annual salary times the number of pay step increases provided under AS 39.27.020 for a state employee working in the same election district in those districts for which AS 39.27.020 specified zero-to-five pay step increases. In an election district for which AS 39.27.020 specifies more than five pay steps, the number of pay step increases under this section is limited to five. Any retirement benefits to which a justice may be entitled shall be computed only on the annual salary. (§ 14 ch 50 SLA 1959; am § 4 ch 115 SLA 1965; am § 2 ch 83 SLA 1967; am § 1 ch 101 SLA 1969; am § 1 ch 193 SLA 1970; am § 1 ch 34 SLA 1971; am § 1 ch 205 SLA 1975; am § 2 ch 148 SLA 1976; am § 3 ch 263 SLA 1976; am § 4 ch 80 SLA 1978; am §§ 3, 18 ch 3 SLA 1980; am §§ 53, 54 ch 59 SLA 1982.)

Revisor's notes. — As enacted, the reference in the next-to-last sentence was to AS 15.57.025, which section was repealed by ch. 100, SLA 1980, and reenacted as AS 15.58.050.

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(e) and § 4, Chapter 58, SLA 1982.

Sec. 22.07.070. Vacancies. (a) The governor shall fill a vacancy or appoint a successor to fill an impending vacancy in the office of judge of the court of appeals within 45 days after receiving nominations from the judicial council, by appointing one of two or more persons nominated by the council for each actual or impending vacancy. An appointment to fill an impending vacancy becomes effective upon the actual occurrence of the vacancy.

(b) The office of a judge of the court of appeals becomes vacant 90 days after the election at which the judge is rejected by a majority of those voting on the question or for which the judge fails to file a declaration of candidacy. Upon the occurrence of (1) an actual vacancy; (2) the certification of rejection following an election; or (3) the failure of a judge to file a declaration of candidacy, to succeed the judicial council shall meet within 45 days and submit to the governor the names of two or more persons qualified for the judicial office; however, the 45-day period may be extended by the judicial council with the concurrence of the supreme court. In the event of an impending vacancy other than by reason of rejection or failure to file a declaration of candidacy, the judicial council may meet at any time within the 90-day period immediately preceding the effective date of the vacancy and submit to the governor the names of two or more persons qualified for the judicial office. (§ 1 ch 12 SLA 1980)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(e) and § 4, Chapter 58, SLA 1982.

Sec. 22.07.080. Restrictions. A judge of the court of appeals while holding office may not practice law, or engage in the conduct of any other profession, vocation or business for profit or compensation, which conduct would interfere with the performance of the judicial duties of the judge, nor may a judge hold office in a political party, or hold any other office or position of profit under the United States, the state or its political subdivisions. A judge of the court of appeals filing for another elective public office other than delegate to a constitutional convention of this state or the United States forfeits the judicial position. (§ 1 ch 12 SLA 1980)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(e) and § 4, Chapter 58, SLA 1982.

Sec. 22.07.090. Compensation. (a) The monthly salary of a judge of the court of appeals is equal to Step E, Range 29 of the salary schedule in AS 39.27.011(a) for Juneau, Alaska. The compensation of a judge may not be diminished during the term of office, unless by general law applying to all salaried officers of the state.

(b) A salary warrant may not be issued to a judge of the court of appeals until the judge has filed with the state officer delegated to issue salary warrants an affidavit that no matter referred to the judge for opinion or decision has been uncompleted or undecided by the judge for a period of more than six months. (§ 1 ch 12 SLA 1980)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(e) and § 4, Chapter 58, SLA 1982.

Sec. 22.07.100. Process. Process of the court of appeals shall be in the name of the State of Alaska, signed by the clerk of the court or the deputy clerk, dated when issued, sealed with the seal of court, and made returnable according to rule prescribed by the supreme court. (§ 1 ch 12 SLA 1980)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(e) and § 4, Chapter 58, SLA 1982.

Chapter 10. The Superior Court.

Section	Section
10. Establishment of superior court	129. Number of judges
20. Jurisdiction	130. Appointment and duties of superior judges
30. Where actions are to be brought	140. Chief justice, trial and appellate court judges
40. Change of venue	150. Approval of retention
50. General powers and sessions	160. (Repealed)
60. Effect of adjournment	170. Impeachment
70. (Repealed)	180. Restrictions
80. Process	190. Compensation
90. Qualifications of judges	
100. Vacancies	
110. Oath of office	

Sec. 22.10.010. Establishment of superior court. There shall be one superior court for the state. The court shall consist of four districts bounded as follows:

First District: the area within election districts numbered one to six, both inclusive, as said districts are described in art. XIV of the state constitution on March 19, 1959;

Second District: the area within election districts numbered 21 to 24, both inclusive, and those areas of election districts 18 and 20 within the boundaries of the North Slope Borough, as said districts are described in art. XIV of the state constitution on March 19, 1959.

of the judicial branch or exercising judicial power but rather is exercising certain executive powers of control vested in the regents over the state's sole institution of

higher learning. Thus, the judge may not do so pursuant to Alaska Const., art. IV, § 13, December 27, 1976, Op. Atty Gen.

NOTES TO DECISIONS

Cited in *Bagich v. Jefferson*, Sup. Ct. Op. No. 481 (File No. 891), 441 P.2d 27 (1968).

Collateral references. — Propriety and permissibility of judge engaging in the practice of law. 89 ALR2d 886.

Sec. 22.10.190. Compensation. (a) The monthly salary for each superior court judge is equal to Step E, Range 28 of the salary schedule in AS 39.27.011(a) for Juneau, Alaska.

(b) No salary warrant may be issued to a superior court judge until the judge has filed with the state officer designated to issue salary warrants an affidavit that no matter referred to the judge for opinion or decision has been uncompleted or undecided by the judge for a period of more than six months.

(c) In addition to annual salary, a superior court judge is entitled to receive a geographic cost-of-living adjustment, based on the location of the judge's primary office assignment, equal to 3.5 per cent of his annual salary times the number of pay step increases provided under AS 39.27.020 for a state employee working in the same election district in those districts for which AS 39.27.020 specifies zero-to-five pay step increases. In an election district for which AS 39.27.020 specifies more than five pay steps, the number of pay step increases under this section is limited to five. Any retirement benefits to which a superior court judge may be entitled shall be computed only on the annual salary. (§ 30 ch 50 SLA 1959; am § 5 ch 115 SLA 1965; am § 4 ch 83 SLA 1967; am § 2 ch 101 SLA 1969; am § 2 ch 193 SLA 1970; am § 2 ch 34 SLA 1974; am § 2 ch 205 SLA 1975; am § 3 ch 148 SLA 1976; am § 4 ch 263 SLA 1976; am § 5 ch 80 SLA 1978; am §§ 4, 19 ch 3 SLA 1980)

Effect of amendments. — The 1978 amendment added subsection (c).

Section 4, ch. 3, SLA 1980, retroactive to January 1, 1979, and applicable to calendar year 1979, in subsection (a), substituted "The annual salary for each superior court judge is \$57,500, payable monthly in 12 equal installments" for the former provisions, which read: "Each superior court judge is entitled to receive annual com-

penensation prescribed in accordance with AS 39.23. The compensation of a judge may not be diminished during his term of office, unless by general law applying to all salaried officers of the state." Section 19 of ch. 3, retroactive to January 1, 1980, in subsection (a), substituted "The monthly salary for each superior court judge is equal to Step E, Range 28 of the salary schedule in AS 39.27.011(a) for

Juneau, Alaska" for the provisions substituted by § 4 of ch. 3.

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(e) and 1.1, Chapter 58, SLA 1982.

Chapter 205, SLA 1975, which amended this section, was submitted to the voters by referendum and was rejected.

A reference to AS 29.27.020 was changed to AS 39.27.020 in subsection (c), by the revisor of statutes in 1980, AS 01.05.041.

Legislative history reports. — For report on ch. 84, SLA 1967, HR 113, see 1967 Report of the Revisor of Statutes, pp. 179-180.

Chapter 15. District Courts.

Article

- 1. District Judges and Magistrates (§§ 22.15.010 - 22.15.270)
- 2. Public Administrator (§§ 22.15.310 - 22.15.370)

Article 1. District Judges and Magistrates.

Section

- 10. Establishment of the district court of the State of Alaska
- 20. Number of district judges and magistrates
- 30. Civil jurisdiction
- 40. Small claims
- 50. Actions not within civil jurisdiction
- 60. Criminal jurisdiction
- 70. Extent of jurisdiction
- 80. Venue
- 90. Sessions and general powers of district court
- 100. Functions and powers of district judge and magistrate
- 110. Additional duties of district judge and magistrate
- 120. Limitations on proceedings which magistrate may hear
- 130. (Repealed)

Section

- 140. Process
- 150. Jury trials
- 160. Qualification of district judges and magistrates
- 170. Selection of district judges and magistrates
- 180. Oath of office
- 190. Assignment of district judges and magistrates
- 195. Approval or rejection
- 200. (Repealed)
- 210. Restrictions
- 220. Compensation
- 230. Additional compensation
- 240. Appeal
- 250. Disposition of appeals
- 260. Bond
- 270. Retention of jurisdiction by district judges and magistrates

Sec. 22.15.010. Establishment of the district court of the State of Alaska. There is established a district court of the State of Alaska for each of the four judicial districts of the superior court of this state. (§ 1 ch 184 SLA 1959; am § 1 ch 24 SLA 1966)

Revisor's notes. — In implementing § 3, ch. 24, SLA 1966, "district court of the State of Alaska" has in most instances been shortened to "district court," following the approach of the Alaska Supreme Court in its handling of the magistrate-court district-court name change in the court rules. (See, for example, Supreme Court Order No. 82 and Supreme Court Order No. 101, with appendix.)

Editor's notes. — Section 25, ch. 184, SLA 1959, provides: "Declaration of Intent. It is the intent of the Legislature

by the passage of the Act to implement the organization of the state courts provided for in the Constitution of the State of Alaska by establishing subordinate courts as an integral part of a unified judicial system. To this end, the district magistrate courts as here established shall constitute the sole and exclusive subordinate court system of the state. Their jurisdiction is hereby declared to be supplementary to the original jurisdiction of the superior court, and to the extent provided herein shall be composed of their work.

in any other judicial districts. Rules and procedures for temporary assignment including the emergency situation where a superior court judge is not readily available to assign a district judge or magistrate shall be as prescribed by the supreme court. (§ 14 ch 184 SLA 1959; am § 3 ch 24 SLA 1966)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982

NOTES TO DECISIONS

Stated in *Theodore v. State*, Sup. Ct. (1965), cert. denied, 384 U.S. 951, 86 S. Ct. 1670, 16 L. Ed. 2d 517 (1966). Op. No. 305 (File No. 550), 407 P.2d 182

Sec. 22.15.195. Approval or rejection. Each district court judge is subject to approval or rejection as provided in the Alaska Election Code (AS 15). The judicial council shall conduct an evaluation of each judge before the retention election and shall provide to the public information about the judge and may provide a recommendation regarding retention or rejection. Such information and the recommendation shall be made public at least 60 days before the election. The judicial council shall also provide such information and any recommendation to the office of the lieutenant governor in time for publication in the election pamphlet under AS 15.58.050. If a majority of those voting on the question rejects the candidacy of a judge, the rejected judge shall not for a period of four years thereafter be appointed to fill any vacancy in the supreme court, court of appeals, superior court or district courts of the state. (§ 3 ch 87 SLA 1975; am § 13 ch 12 SLA 1980)

Revisor's notes. — As enacted, the reference in the next-to-last sentence was to AS 15.57.025, which section was repealed by ch. 100, SLA 1980, and reenacted in AS 15.58.050.

Effect of amendments. — The 1980 amendment substituted "60" for "30" preceding "days" near the middle of the third sentence, and substituted "the

supreme court, court of appeals, superior court or district courts of the state" for "the supreme, superior or district courts of the state" at the end of the section.

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982

NOTES TO DECISIONS

Cited in *Stephens v. Hammerley*, Sup. Ct. Op. No. 1275 (File No. 2505), 550 P.2d 1268 (1976).

Sec. 22.15.200. Incapacity.

Repealed by § 2 ch 213 SLA 1968.

Editor's notes. — The repealed section derived from § 15, ch. 184, SLA 1959

Sec. 22.15.210. Restrictions. (a) A district judge while holding office may not practice law, nor engage in the conduct of any other profession, vocation or business for profit or compensation, which conduct would interfere with the performance of the judicial duties of the judge, nor may a judge hold office in a political party, or hold any other office or position of profit under the United States, the state or its political subdivisions, except that, with the approval of the chief justice of the Alaska Supreme Court, a district judge may be appointed deputy clerk of the superior court and may hold the office of United States magistrate. A district judge who files for another elective public office other than delegate to a constitutional convention of this state or the United States forfeits the judicial position.

(b) A magistrate, while holding office, may not hold office in a political party. A magistrate may hold any other office or position of profit under the United States, the state or its political subdivisions, or engage in the conduct of any profession or business which does not interfere with the performance of the judicial duties of the magistrate or require that the magistrate repeatedly disqualify himself or herself from judicial service because of a conflict of interest caused thereby. (§ 16 ch 184 SLA 1959; am § 2 ch 5 SLA 1960; am § 3 ch 21 SLA 1966; am § 3 ch 30 SLA 1971; am § 14 ch 12 SLA 1980)

Effect of amendments. — The 1980 amendment deleted commas following "a district judge" and "while holding office" at the beginning of subsection (a), substituted "a district judge" for "the district judge" near the end of the first sentence in subsection (a), and inserted "other than delegate to a constitutional convention of this state or the United States" preceding "forfeits his judicial position" in the second

sentence of subsection (a)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982

Legislative history reports. — For report on ch. 30, SLA 1971 (H.S. 1971-72), see 1971 House Journal, p. 226

NOTES TO DECISIONS

Quoted in *Begich v. Jefferson*, Sup. Ct. Op. No. 481 (File No. 891), 441 P.2d 27 (1968).

Sec. 22.15.220. Compensation. (a) The monthly salary for each district judge is equal to Step C, Range 26 of the salary schedule in AS 39.27.011(a) for Juneau, Alaska.

(b) Each magistrate shall receive annual compensation to be determined by the supreme court. Salary increases shall be determined on

the basis of percentage of pay increase the legislature provides for state employees in the classified service. The base salary of a magistrate shall be increased by a percentage equal to three and one-half per cent times the number of step increases provided under AS 39.27.020 that a state employee would receive working in the same election district. A magistrate's annual compensation may be payable, at the option of the magistrate, either monthly in 12 equal installments or semi-monthly in 24 equal installments.

(c) No salary warrant may be issued to a district judge or magistrate until the judge or magistrate has filed with the state officer designated to issue salary warrants, an affidavit that no matter referred to the judge or magistrate for opinion or decision has been uncompleted or undecided by the judge or magistrate for a period of more than six months.

(d) In addition to annual salary, a district court judge is entitled to receive a geographic cost-of-living adjustment, based on the location of his primary office assignment, equal to 3.5 per cent of the judge's annual salary times the number of pay step increases provided under AS 39.27.020 for a state employee working in the same election district in those districts for which AS 39.27.020 specifies zero-to-five pay step increases. In an election district for which AS 39.27.020 specifies more than five pay steps, the number of pay step increases under this section is limited to five. Any retirement benefits to which a district court judge may be entitled shall be computed only on the annual salary. (§ 17 ch 184 SLA 1959; am § 1 ch 66 SLA 1962; am § 1 ch 64 SLA 1963; am § 3 ch 24 SLA 1966; am § 1 ch 137 SLA 1966; am § 5 ch 83 SLA 1967; am § 3 ch 101 SLA 1969; am § 3 ch 193 SLA 1970; am § 1 ch 78 SLA 1971; am § 1 ch 188 SLA 1972; am §§ 3, 4 ch 34 SLA 1974; am § 3 ch 205 SLA 1975; am §§ 4, 5 ch 148 SLA 1976; am § 1 ch 196 SLA 1976; am § 5 ch 263 SLA 1976; am § 6 ch 80 SLA 1978; am §§ 5, 20 ch 3 SLA 1980)

Revisor's notes. — Subsection (b) of AS 22.15.220 was amended by both § 5, ch. 148, SLA 1976, and § 1, ch. 196, SLA 1976. Since the two amendments appear to be inconsistent, and ch. 148 is superseded by ch. 196, only the later enactment has been given effect here.

Cross references. — See Rule 34, Rules Governing Administration of All Courts.

Effect of amendments. — The 1978 amendment added subsection (d).

Section 5, ch. 3, SLA 1980, retroactive to January 1, 1979, and applicable to calendar year 1979, in subsection (a), substituted "The annual salary for each district judge is \$49,000, payable monthly in 12 equal installments" for the former provisions, which read: "Each district judge is

entitled to receive annual compensation prescribed in accordance with AS 39.23. The compensation of a judge may not be diminished during his term of office, unless by general law applying to all salaried officers of the state." Section 20 of ch. 3, retroactive to January 1, 1980, substituted "The monthly salary for each district judge is equal to Step C, Range 26 of the salary schedule in AS 39.29.011(a) for Juneau, Alaska" for the provisions substituted by § 5 of ch. 3.

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(e) and § 4, Chapter 58, SLA 1982.

Chapter 206, SLA 1975, which amended this section, was submitted to the voters by referendum and was rejected.

Sec. 22.15.230. Additional compensation. Subject to rules of the supreme court, a district judge or magistrate shall receive a per diem allowance and a transportation allowance commensurate with that authorized for other state employees. (AS ch 184 SLA 1959; am § 3 ch 24 SLA 1966)

Sec. 22.15.240. Appeal. (a) Either party may appeal a judgment of the district court in a civil action to the superior court.

(b) The defendant may appeal a judgment of conviction given in the district court in a criminal action to the superior court. When the judgment is given on a plea of guilty, no appeal may be taken by the defendant except on the ground that a sentence of imprisonment of 90 days or more was excessive. The state has no right of appeal in criminal actions for which judgment is given in the district court, except to the sufficiency of the information or to appeal a sentence on the ground it is too lenient. When a sentence is appealed by the state on the ground it is too lenient, the court may not increase the sentence but may express its approval or disapproval of the sentence and its reasons in a written opinion.

(c) An appeal from the district court shall be taken within 30 days from the date of entry of the judgment. All appeals shall be on the record.

(d) The supreme court shall prescribe further rules for the procedure for appeals from district courts. (§ 20 ch 184 SLA 1959; am § 3 ch 5 SLA 1960; am § 3 ch 24 SLA 1966; am § 3 ch 117 SLA 1969; am § 17 ch 12 SLA 1980)

Cross references. — For jurisdiction of court of appeals to review decision of the district court, see AS 22.07.020(c). For jurisdiction of superior court, see AS 22.10.020. See also the civil and criminal rules of procedure on appeal.

Effect of amendments. — The 1980 amendment, in subsection (a), deleted "when the sum in controversy is not less than \$50, or for the recovery of personal property of the value of not less than \$50 exclusive of costs in either case, except when the sum is given by confession or for want of an answer" from the end of subsection (a); in subsection (b), substituted "90 days" for "180 days" and deleted "however, the supreme court by rule may further provide for review of a judgment given on a plea of guilty" from the end, in the second

sentence, added "or to annul a sentence on the ground it is too lenient"; the end of the third sentence, and added "the sentence; and in subsection (c), and deleted "unless the superior court in its discretion grants a trial de novo in whole or in part" from the end of the subsection.

Editor's notes. — Section 17, ch. 12, SLA 1980 provides: "Section 8, Chapter 13 of this Act have the effect of changing Rule 21, Rules of Appellate Procedure, and Rule 7, District Court Criminal Rules, by amending AS 22.10.020 to AS 22.10.020 and AS 12.55.005 to 12.55.005, respectively, that a sentence of 90 days or more imposed by the district court may be appealed."

Legislative history reports. — See report on ch. 117, SLA 1969(H), 1969, at 10; see 1969 House Journal at p. 97.