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Higher Education & National Affairs

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ED May Alter Its
Sex Bias Regulations

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MARCH 27, 1981

Pell Grant Battle

House Panel May Try to Quash Changes in Eligibility Rules

Members of the House Postsecondary Education Subcommittee are battling the Department of Education's proposed rule change that would tighten up eligibility for Pell Grants, in an effort to speed processing of 1981-82 grant applications.

The subcommittee has scheduled a meeting Monday with Education Secretary Terrel H. Bell over the issue, but there was a possibility a showdown may be delayed while the subcommittee studies the issue further. Rep. Paul Simon (D-Ill.), chairman of

the panel, has introduced a resolution asking Congress to reject the eligibility changes. But he was not expected to press for a vote until after his subcommittee and the full House Labor and Education Committee takes a position. This could take several days.

At issue is a new eligibility schedule, minus inflation increases in family living allowances, published March 13 by the Department that is due to become final 45 days from that date unless rejected by Congress. If Congress does approve a rejection,

(continued on page 2)

Council's Position on Student Aid Cuts Aired by CBS News

The financial pinch in store for students and their families, if the Reagan Administration's higher education budget is approved by Congress, is catching the national news media's attention.

The CBS Evening News broadcast a five-minute report March 22 zeroing in on funding problems for the Pell Grant and Guaranteed Loan programs.

The report included interviews filmed at the American Council on Education during a session on the proposed budget cuts attended by representatives of 12 higher education groups.

E. K. Fretwell, chancellor of the University of North Carolina at Charlotte and ACE board chairman, said upwards of 750,000 students would either have to change their plans for next fall or drop out of school, if the Administration's roll back was enacted. ACE President J. W. Peltason cautioned that the budget chopping could jeopardize educational gains posted by minorities and other disadvantaged groups in recent years.

Business-Higher Ed Forum Opposes 'Intrusive' Federal Regulations

Representatives of the Business-Higher Education Forum, a unit of the American Council on Education, have presented Vice President George Bush with a nine-point plan for streamlining federal rulemaking and discussed with him the steps needed for implementing it.

The reform measures applying to both universities and private industry were hammered out over the past 18 months by the group of chief executives from business and higher education institutions. They were given to Bush, who heads a White House task force on government regulation, as a comprehensive approach to guiding all present and future federal regulatory activity.

The five Forum members at the meeting were Rev. Theodore Hesburgh, president, University of Notre Dame; Robert Anderson, chairman and chief executive officer, Rockwell International Corp.; Wesley Posvar, chancellor, University of Pittsburgh and

(continued on page 3)

AMERICAN COUNCIL ON EDUCATION

PELL GRANTS (continued from page 1)

it could force the Department to accept the schedule which Congress reviewed last summer, and which was published as final on January 19.

Bell defended the plan to drop the previously approved family income inflation increases as the "most equitable" method for cutting back the program because it would affect the neediest students the least. He made the statement before Simon's subcommittee this past Monday.

But Simon objected that estimates showed the Department's proposal would cut from 100,000 to 150,000 students out of the program to save from \$185 million to \$220 million. Students from families with more than \$11,000 income would lose \$100 from their Pell Grants. As a substitute, Simon has advanced an alternative plan which, he said, would save \$179 million but not drop any students from the program. This would be accomplished by leaving intact awards to the neediest students and reducing awards to students who are better off by implementing the reduction schedule provided in current law.

Bell contended that the Simon plan, which has the support of the higher education community, would not work if the Administration cut the program by more than \$150 million, claiming the neediest students would be hurt the most. Simon, however, disagreed with that analysis. "The real question," he said, "is not one of dollars. It is one of policy."

During the session, Bell took full responsibility for freezing the processing of Pell Grant applications until the dispute is resolved. Last week, higher education leaders challenged the legality and \$600,000 cost of the "massive disruption" in applications for the 1981-82 academic year (HENA 3/20/81).

On his way out of the subcommittee hearing, Bell was questioned about the deplorable eligibility change by the *Chronicle of Higher Education*. "We're the good guys," he responded. "We've got the white hats on. It's your colleagues over on Dupont Circle that are delaying this process," referring to the American Council on Education and other groups. "If you want to put that in the *Chronicle of*

Timetable for Federal Budget

Here is a schedule of approximate dates for the remaining stages of the Federal budget-passing process in Congress:

April 15—House and Senate Budget Committees report first budget resolution.

April 13-20—Senate recess.

April 18-26—House recess.

May 15—Congress completes first budget resolution. Deadline for authorization of bills.

August—Congress recesses.

September 14—Congress completes action on appropriations.

September 15—Congress completes action on second budget resolution.

October 1—Fiscal year 1982 begins.

Higher Education as a quote from the secretary of education, that's where the problem is."

In the Senate this week, Democrats were preparing a series of amendments to restore \$200 million to the Guaranteed Student Loan program and \$100 million for Pell Grants in the Senate Budget Resolution. The resolution carries \$38.4 billion FY 1982 spending reductions requested by President Reagan. It was expected that the Republican majority would vote down the amendments. ■

AASCU Testifies in Favor Of 'Peacetime' G.I. Bill

The American Association of State Colleges and Universities has urged a House Veterans Affairs subcommittee to support educational incentives that will attract and keep qualified personnel in the armed services.

President Wade Wilson of Cheney State College testified on behalf of AASCU that a "peacetime" G.I. Bill could play a positive role in meeting military personnel needs. But he criticized the low benefit structure of the proposed bills and the lack of allowance for family dependents which he said would make the program much less attractive. ■

HIGHER EDUCATION AND NATIONAL AFFAIRS

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Forum Presents 9-Point Plan to Streamline Rulemaking Process

(continued from page 1)

chairman of the Forum's executive committee; Paul Henson, chairman, United Telecommunications, Inc. and J. W. Peltason, president, American Council on Education. They emphasized the comprehensive nature of the ideas embodied in "The Statement on Federal Regulatory Reform" and underscored that this consensus was reached by a cross-section of nongovernmental national leaders who promised to lend Bush the Forum's influence toward regulatory reform.

The vice president commended the Forum and asked for further recommendations from the group on regulations that were dysfunctional within the institutions and industries represented in the Forum. The delegation promised to follow up on Bush's request.

Initiated in 1978 by the American Council on Education, the Business-Higher Education Forum is a vehicle to promote understanding between major American corporations and colleges and universities. The nine-point plan for federal regulatory activity grew out of discussions on national problems and represents what the group believes can serve as the nucleus for national consensus. The Forum is urging that these recommendations be written into legislation and a presidential executive order:

- Federal laws and regulations should not intrude into the operations of corporations and other institutions unless there is a "compelling economic and social need."
- Regulations in general should not "significantly reduce the autonomy and self-management of some portion of the private sector."
- Federal rules should be subject to continuous oversight and be "erased upon evidence that the results are insufficient to justify continued intrusion or that the intrusion is too severe."
- The benefits and risks of alternatives available to achieve intended goals should be carefully studied. Priority should be given to those options that are the least intrusive and burdensome.
- Rules handed down by executive agencies should be explicitly authorized by law or clearly in keeping with the intent of Congress.
- Regulatory agencies should periodically issue public reports as part of an ongoing review, while

soliciting public comments about the impact of federal rules and the rulemaking process, and the President and Congress should regularly review existing and new regulations along with corresponding statutes—to ensure that they remain necessary.

The Forum bases these recommendations on the following principles:

- Some existing regulation cannot be avoided.
- Expansion of the government's regulatory powers and activities should be the exception, rather than the rule. "A starting assumption should be that such expansion is normally unwarranted, unwelcome, and dangerous."
- Many existing regulations should be reexamined—some can be scrapped, while the scope and the costs of others can be trimmed, making them less of a burden.

"Statement on Federal Regulatory Reform" is available upon request from Thomas W. Stauffer, director, Business-Higher Education Forum, American Council on Education, One Dupont Circle, Washington, D.C. 20036. Telephone: (202) 833-4762. The statement is being mailed to all ACE member presidents and chancellors and to opinion leaders nationwide. ■

63 Regulations Up for Review

The Reagan Administration has issued a regulatory "hit list" of federal regulations to be reviewed, postponed or terminated. As part of its deregulation campaign, the Administration plans to review 27 major existing regulations with an eye to major changes and to terminate or temporarily block from taking effect 36 new regulations so they may be studied further.

The higher education community has wholeheartedly supported changes in at least two of the regulations under review: a rule requiring college professors and researchers receiving federal grants or contracts to obtain government approval for leaves of absence, changes in research methods or transfer of the research to others; and the regulation requiring colleges and universities to share certain percentages of the cost of research financed by the federal government and to set up elaborate paperwork and reporting procedures to prove they are complying with the rule.

'Extraordinary' Steps Urged To Help Blacks in Engineering

President Paul E. Gray of the Massachusetts Institute of Technology has called upon American universities and industry to take "extraordinary measures" to increase the number of black engineers in the United States.

Speaking to 800 student delegates at the opening of the 1981 conference of the National Society of Black Engineers last week in Cambridge, Mass., Gray said that if blacks are to achieve greater representation in science, engineering and technology-based industry, science and engineering schools must do more than merely recruit more black men and women to their classrooms. They must find ways to ensure that once enrolled, black students get the encouragement and support they need to graduate, as well as ensuring that many go on to pursue graduate studies and that some, at least, enter faculty careers.

"Many young black people today look to other professions—in government or the law, for example—as forces for social change," Gray said. "But considering the influence of science and technology on our culture . . . I would argue that engineering can be even more powerful a force for change."

Key factors in a school's ability to attract black students, whose families tend to have below average incomes, and to nurture their success are adequate financial aid and effective advising programs, Gray said. He pointed out that the Reagan Administration's plans to sharply curtail the Guaranteed Student Loan Program—as well as to reduce funding for Pell Grants—will directly affect these key factors. "The recent proposals by the new Administration in Washington . . . are clear signals of a very different future with regard to students' access to higher education," Gray said.

American industry might encourage black engineers by providing graduate financial aid in the same way they offer aid to undergraduates, Gray suggested, as well as offering summer work experience.

For its part, Gray said M.I.T. intends to set aside graduate student tuition awards for minority students who intend to teach and do research at a university after receiving their degrees. M.I.T. also plans to increase its number of postdoctoral positions for minorities. ■

People in the News

Babson College in Wellesley, Mass. has a new president—Dr. William R. Dill. He's dean of the Graduate School of Business at New York University. . . . Dr. Glynn E. Clark, president of Meramec College, St. Louis, Mo. for the past 18 years, will become president emeritus on December 31, 1981. . . . Dr. Edwin E. Floyd, dean of the Faculty Arts and Sciences at the University of Virginia since 1974, has been named vice president and provost of the university. . . . Alexis C. Jackson, 35, is bucking the low salary trend for women. Currently a lawyer for the U.S. Department of the Interior, she has been named vice president for business management at the University of California. Pay: \$55,000 a year.

The White House has named Richard T. Pratt, finance professor at the University of Utah graduate business school, to be chairman of the Federal Home Loan Bank Board. . . . Daniel Oliver, former executive editor of *National Review*, has been named general counsel of the Education Department, and Vincent Reed, former Washington, D.C. superintendent of schools, has been named assistant secretary for elementary and secondary education. ■

ED Tells Court It May Overhaul Sex Bias Rules

The Education Department last week told the third U.S. Circuit Court of Appeals it wants to reconsider a — perhaps overhaul rules barring sex discrimination by schools receiving federal funds under Title IX of the Elementary and Secondary Education Act in a last-minute motion in its case against Grove City College.

The court case presents a major challenge to Title IX regulations. At issue is whether federal financial aid to students can be defined as federal aid to a school under Title IX, as well as whether all school programs or only those receiving federal funds at a given school are bound by the law.

The small Presbyterian college in Pennsylvania won the most recent court battle with ED last year. A federal district court refused to allow the Department to cut off the school's financial aid to students because Grove City would not sign a form asserting its compliance with Title IX. Declining to accept federal grants or contracts, the college maintains Title IX's rules comprise unconstitutional government control. ■

(Continued on page 5)

SEX BIAS (continued from page 4)

Theodore Sky, ED's acting general counsel, conceded the possible revamping of Title IX regulations might render its case against the college moot. But Sky's affidavit says: "As a result of a preliminary review of these issues, the Department has decided to reevaluate the regulations" and requests 90 days to complete the review.

This latest development in the case may have wide-ranging significance for smaller colleges, providing them some relief from hardships Title IX has caused them since the regulations went into effect in 1975. ■

Cornell Students Protest Planned 18% Hike in Tuition

Students at Cornell University in Ithaca, N.Y. last week took over the offices of the president and the provost in protest of a proposed 18 percent increase in tuition.

The 15 students occupied the offices for about three hours refusing to leave at the request of William D. Guvowitz, Cornell's vice president of campus affairs. Campus police entered the offices through a window, took the students in custody and then released them.

The proposed 18 percent tuition, to be voted on next week by Cornell's Board of Trustees, represents an additional \$1,000 tuition per student, raising overall tuition at Cornell to around \$7,000.

While the 15 students occupied the offices another 40 to 50 students gathered outside the building throughout the three hours. On the following day, a larger group of students held a rally on campus to protest the increase. Approximately 900 students attended an open meeting of the executive committee of the Board of Trustees later in the day to register their dissatisfaction.

Higher education news in brief:

- The University of California will refund \$550,000 to the federal government as part of a series of payments stemming from federal audits of UC government contracts and grants. Federal auditors raised questions about cost transfers (charges for salaries, fringe benefits, travel, material, and supplies that have been transferred to or between federal grants and contracts) between July 1976 and June 1980.

- The president of Kroch's and Brentano's bookstores, Carl Kroch, has made a commitment of \$1 million to endow the position of university librarian at Cornell University. He is a 1935 graduate of Cornell.

- The Bush Foundation has awarded Macalester College, St. Paul, Minn., a \$180,000 grant for a new faculty development program. ■

Rising Tuition Costs Put New Squeeze on Students

Many universities and colleges are raising tuitions and fees for the 1981-82 academic year, placing a new squeeze on students if Reagan Administration cutbacks in aid are approved.

Increases ranging from 12 to 21 percent have been announced by a number of institutions which say they are needed to offset inflation, higher energy costs, and salary increases. New York University is hiking undergraduate rates by \$758 to \$5,820, up 15 percent, and graduate tuition by 12 percent. In the Washington, D.C. area, American University's tuition is going up 13 percent (to \$5,240), Catholic University's 15 percent (to \$4,900), Georgetown's 16 percent (to \$5,750) and George Washington University's 21 percent (to \$4,100).

Many Ivy League schools are expected to pass the \$10,000 mark for tuition, room and board next year for the first time.

COUNCIL NOTES

Administrators' Pay Up 8.7 Percent; Women Trail Men, New Survey Shows

Women administrators are continuing to trail their male counterparts in the amount of pay they receive at colleges and universities.

The annual survey of the College and University Personnel Association reports that for the 1980-81 academic year the median salary for men is higher than for women in all but one administrative post—dean of nursing. The median salary for the 273 women deans of nursing is \$34,000—3.6 percent higher than the median of \$32,815 received by ten male deans of nursing. (continued on page 6)

SALARIES (continued from page 5)

On the average, the pay for all administrators rose 8.7 percent over a year ago. Administrators in private colleges and universities had pay hikes averaging ten percent while those in public institutions averaged only 7.4 percent. Chief executives of a system had a median pay of \$56,100, up 8.4 percent over last year, and chief executives of a single institution had a median salary of \$47,610—up 8.5 percent.

The largest median pay increase was scored by chief public relations officers. They went to \$24,500, an increase of 16.7 percent. Substantial increases also were registered by deans of home economics, up 14.8 percent at \$38,110; deans of music, up 14.4 percent at \$33,600; and deans of nursing, up 13.3 percent.

Deans of medicine had the highest median salary level at \$76,837, up 12.3 percent. Deans of dentistry were next at \$60,000, up 11.1 percent.

The survey found the largest gaps in pay between male and female pay levels in three job categories:

- Male student health services directors received a median of \$43,000—164.5 percent higher than the \$16,257 for women in the same post.
- Male deans of experimental programs had a median of \$36,000 compared to \$16,000 for women—a 125 percent difference.
- The difference was 112.4 percent in salaries for chief health professions officers: men \$57,000, women \$20,800.

In about 80 percent of the job categories minorities had lower median salaries than whites. This was true for both men and women.

Minorities had higher pay in such jobs as director of affirmative action and equal employment, director of student financial aid, director of personnel and affirmative action and director of information office.

Copies of the the 1980-81 *Administrative Compensation Survey Report* are available to association members for \$25, nonmembers \$75 each, from CUPA, 11 Dupont Circle, Washington, D.C. 20036. ■

New ACE Publications

The following publications are now available from the American Council on Education:

• *Chairing the Academic Department: Leadership among Peers*, a comprehensive study of the complex and demanding responsibilities of the department chairperson. Paper, \$15.00, 256 pp.

• *Competition and Cooperation in American Higher Education*. Thirty-three of the nation's leading educators examine recent developments and offer some promising, sometimes startling, conclusions in articles on marketing, recruitment, retention, affirmative action, fund raising, and the roles of the military, business and government in higher education. Paper, \$10.50, 176 pp.

• *Reshaping Faculty Careers*, a provocative new book questioning traditional assumptions about academic careers. Paper, \$15.00, 250 pp.

• *Quality—Higher Education's Principal Challenge*. Twenty-four prominent academic leaders present their vision of quality and describe its impact on the future of higher education. Paper, \$10.50, 140 pp.

These publications may be obtained by writing ACE, Publication Sales, One Dupont Circle, Washington, D.C. 20036. ■

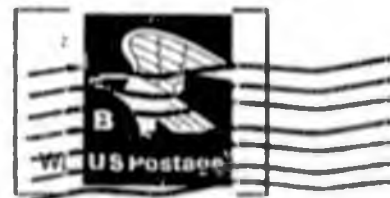
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STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

JAY S. HAMMOND, GOVERNOR

POUCH F - STATE OFFICE BUILDING
JUNEAU, ALASKA 99811
(907) 465-2854

August 19, 1980

The Honorable Charles H. Parr
S.R. Box 50599
Fairbanks, AK 99701

Dear Representative Parr:

There have been developments in the Alaska State Student Loan Program of which you should be aware. We had projected that for the 1980-81 school year, we would award about 5,000 loans at an average of \$2,400 per loan, for a total loan volume of \$12 million. This is what we requested and received in the appropriations bill.

As soon as the Legislature passed the appropriations bill and the Governor signed it, we began processing the 1980-81 loans. First, we processed all applications received by the legal deadline of May 15 (established by the Legislature in 1979). At that time, we had received over 2,400 completed applications. The average loan award turned out to be \$2,885 and the total outlay was \$7 million.

Next, we began processing all applications received from May 16 through June 30. It soon became apparent that we were going to run out of loan funds before all students received funds for 1980-81. Through June, we awarded 4,150 loans at an average of \$2,907 for a total of \$12,064,750. In July we received an additional 857 applications. At an average of \$2,900, this would require an additional \$2.4 million.

Due to carry-over funds and a few cancellations, we can commit up to \$13 million for 1980-81. This still would leave us \$1.4 million short of funding the July applicants, and more are being received in August. In all, we could be as much as \$3 million over-subscribed. We will not award beyond the \$13 million limit, because we do not wish to have a deficit similar to 1979. Instead, we shall employ the ranking system which the Legislature established for such an event. The system (a copy of which is enclosed) gives preference for continuing students, Alaskan longevity, and Alaskan attendance. All July applicants will be assigned points, and the highest ranking students will receive loan awards until we reach our \$13 million limit.

Representative Parr
August 19, 1980
Page 2

Why did this happen?

Based upon historical projections, we thought the average loan would be \$2,400 (up from \$2,173 last year). Unfortunately, the average is around \$2,900. It is true that the loan application volume is also high, but this could have been absorbed had the loan amount been in line with what has happened the last ten years. We knew costs were rising, but we had no idea that we would see such a jump this year. It should be noted that all these costs are verified and certified by the schools, so it is not a result of students "padding" expenses.

What can be done now?

In cooperation with the Governor's Office and the Legislative Finance Division, we have explored a number of ways to generate additional lending capacity. It was felt that since the loan program has always been a fully-funded program, every attempt should be made to meet the needs of the Alaskan students.

At a special Executive Committee meeting of the Postsecondary Commission on August 6, 1980, the Commission considered a number of staff recommendations. It was decided at that meeting that we should pursue additional federal funds in an amount sufficient to fully fund the loan program. This is possible through a "warehousing program" affiliated with the federal Guaranteed Student Loan Program.

For all federally-insured loans we disburse (and we have awarded approximately \$9 million in such loans for 1980-81), the warehousing program will allow us to borrow eighty cents on the dollar. The only collateral required is the loans themselves. The full faith and credit of the State of Alaska is not involved. The loans are 12 months in duration and provide a means to make additional loans in a year when demand exceeds funding capability. If the loan is not repaid, the students' contracts will be signed over to the federal banking authority, known as "Sallie Mae," and the student will have to repay that agency rather than the State of Alaska.

The Attorney General's Office has reviewed this concept and indicated that it is indeed a possible alternative.

Therefore, we propose to borrow up to \$3-to-4 million from Sallie Mae this year. We will then fund all loan applicants and, during the upcoming Legislative Session, we will request a supplemental appropriation to repay those borrowed funds. If the Legislature passes that supplemental request, we will pay off Sallie Mae, and retain all rights to the student loan contracts.

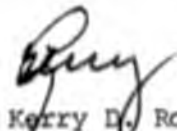
Representative Parr
August 19, 1980
Page 3

In the meantime, there will be a delay in getting loan funds to those students whose completed applications were not received by June 30. For this reason, we are sending all remaining unfunded applicants the letter of explanation which is enclosed for your reference. Since you may have a number of inquiries from constituents, we wanted you to be fully apprised of our actions.

When the Sallie Mae loan is completely negotiated, we will submit the request for receiving and expending these additional funds through the normal "RP" process, that is, the approval of the Governor and the Legislature through the Legislative Budget and Audit Committee.

Once this relationship has been established between Sallie Mae and the Commission, we may be able to avoid the lengthy delays if such an occurrence were to take place in the future. The decision which really needs to be made during the next session is whether or not the Legislature, faced with the great rise in demand for student loans, wishes this to remain a fully-funded non-discretionary program. Certainly the Commission, the students, and the educational community, in general, would endorse the continuation of this policy, but the budgetary implications most understandably will warrant study.

Sincerely,



Kerry D. Romesburg
Executive Director

Enclosures

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

DIVISION OF STUDENT FINANCIAL AID

JAY S. HAMMOND, Governor

POUCH F - STATE OFFICE BUILDING
JUNEAU, ALASKA 99811
PHONE: (907) 465-2962

MEMORANDUM

TO: All 1980-81 Alaska State Student Loan Applicants

FROM: Billie J. Hall
Loan Award Officer

Billie Jean Hall

DATE: August 11, 1980

Applications for Alaska State Student Loans for the 1980-81 school year have exceeded the total amount of funds available. We have been able to fully fund all persons applying by the May 15 deadline and have funded all persons who applied through June 30 (it should be noted that by "applied" we mean filed a complete and correct application).

Funds available will not enable us to fund all persons applying after June 30. We are, however, taking steps to provide additional loan capacity. If we are successful, all loans will be processed and you will receive the full amount for which you are qualified.

Unfortunately, there will be a delay in securing this additional funding capability, so you may not receive a loan award for some time (it could be from two to three months). If we are unsuccessful in our attempts to generate additional funds, the only new loans made will be done so if and when someone who already has a loan, cancels or returns that loan.

We apologize for the problems which this is going to cause, but the demand for loans has far exceeded the amount appropriated for the 1980-81 year. If we are able to fund your loan application, we will notify you immediately.

Sec. 14.40.767. Selection criteria. (a) The selection committee shall grant loans based on total point accumulations under this subsection with priority going to those applicants with the highest point accumulations, except as provided in (b) of this section for loan applications completed before May 15 of each year. Points shall be awarded to applicants based upon student status and continuous Alaskan residency, according to the following schedule:

(1) student status:

- (A) continuing undergraduate and graduate students with existing Alaska scholarship loans 4 points
- (B) continuing undergraduate and graduate students without existing Alaska scholarship loans 3 points
- (C) freshmen 2 points
- (D) new graduate students without existing Alaska scholarship loans 1 point

(2) continuous Alaskan residency:

- (A) students with continuous Alaskan residency of 10 years or more 3 points
- (B) students with continuous Alaskan residency of at least 5 years and less than 10 years 2 points
- (C) students with continuous Alaskan residency of more than 2 years and less than 5 years 1 point

(3) students attending Alaska colleges or universities 1 point

(b) In awarding loans the selection committee shall award loans to applicants based upon the earliest date of completed applications if

- (1) the applicant has accumulated at least 5 points under (a) of this section, and
- (2) the applicant has filed a completed application not later than May 15 of the year for which the loan is requested.

(Sec. 1 ch 98 SLA 1971; repealed and reenacted Sec. 2 ch 87 SLA 1979)

College tuition breaks the \$7,000 barrier ^{SB} ₁₂₀ _{file}

By LAURIE JOHNSTON
The New York Times

NEW YORK — The price of a college education, which hard-pressed parents have long said is going through the roof, has done just that — only there is apparently no longer a roof.

For 1981-82 undergraduates, tuition charges alone are crashing through the \$7,000 barrier for the first time. Total fees, including room and board, are not only shooting past \$10,000, but also emerging strong on the other side at such pace-setting schools as Harvard, Yale, Brown, Bennington, Columbia, the Massachusetts Institute of Technology, and Stanford.

At several campuses, they carry such canny price tags as Princeton's \$9,994.

Outstripping the inflation rate by several points, the increases will commonly be 15 percent and often more. A benchmark 20 percent rise has been announced by Boston's Northeastern University for four of its colleges, where freshmen will pay \$4,500 tuition, with a 16.7 percent rise to \$4,200 at the other colleges. Cornell's endowed colleges will go up 18 percent to \$7,000 tuition, with housing and dining increases expected to bring the

total to \$9,864.

The increases come at a time of severe concern over the Reagan administration's announced goal of limiting federal financial aid to students, and many schools are increasing their own budgets for student aid.

At Amherst college, which expects a 13 to 15 percent increase above the present \$8,450 comprehensive fee (compared with \$3,600 just 10 years ago), 70 percent of the students have federally guaranteed student loans. The college has budgeted its own financial help for 35 percent of next year's freshmen, as against 27 percent this year.

"If there's no major reduction in government loans and grants, we're in good shape," said Donald Routh, dean for financial aid. "If there are reductions, then we have some very real problems."

Putting the blame on inflation, college officials cite soaring costs of fuel and insulation programs, food and equipment, as well as relatively modest faculty and staff salary increases of 9 to 13 percent. Administrators note in passing that income from endowments and other sources is not keep-

ing pace with inflation.

Announcing that Yale's undergraduate bill would be \$10,340, President A. Bartlett Giamatti called it "as low as it can possibly be" in the face of energy costs, a decline in the purchasing power of endowments and Yale's decision to increase salaries.

Columbia and Barnard, which expect to announce increases of at least 12 percent, to about \$10,300 and \$8,840, respectively, are among the schools citing a need for improved security to justify the rises.

Total fees on nearly all campuses have at least doubled in the past decade — a period when the national consumer price index was rising 112 percent — and most picked up speed in the later years. At Brown University, for example, next year's \$10,242 comprehensive fee is up 110 percent from \$4,890 in 1970-71 and 78 percent from \$5,750 in 1975.

Princeton will break its own records with a 15 percent increase in tuition to \$7,250. The total charges come to \$9,994 — a 133 percent increase in the last decade. However, students and their families are urged to count also on an allowance of

\$1,055 (up from this year's \$975 estimate) for such expenses as books and laundry — not to mention the beer-and-skittles part of education — bringing the recognized total to \$11,049.

With a mere 12.3 percent rise in total fees, Bennington College in Vermont may still present the nation's most expensive undergraduate bill: \$10,560 for tuition, room and board. At Wesleyan University in Middletown, Conn., a planned 15 percent increase will bring student fees to \$9,780, of which \$6,850 is for tuition.

Like many other schools, Harvard University cited "steady inflation and rising energy costs" for its \$1,370 increase in undergraduate charges to \$10,540, with tuition alone up 15.5 percent to \$6,930.

Arch News 5/1/81

Justice cracks down on student borrowers

By THOMAS O'TOOLE
The Washington Post

WASHINGTON — The Justice Department began a broad new crackdown on student-loan defaults Monday with the filing of 501 lawsuits in three Ohio cities to recover more than \$660,000 in defaulted federal loans.

The suits are being filed in U.S. District Courts in Columbus, Dayton and Cincinnati by U.S. Attorney James C. Cissell, who says he is alarmed by the number of defaulted student loans across the country, and especially in the southern district of Ohio.

He said the amount in default in the National Direct

Student Loan Program administered by colleges in the southern district of Ohio was \$23.6 million, 76 percent more than the \$13.4 million taken in all the bank robberies in the country in 1978.

"The average loan in default in this district for this one program was \$947, which exceeded by \$421 the average amount taken by burglars," Cissell said. "Nationally, the amount in default for this single student-loan program was \$732 million, an amount more than four times greater than all robberies in the nation in 1978."

Today's suits to recover \$663,868.46 in defaulted student loans marks the second time in

the last two years that Cissell has cracked down on student-loan defaulters. The new suit brings to court more than three times the number of defaulters involved in the first suit and spotlights a trend in the Justice Department, which is sending out the message that holders of federal student loans can now expect to be sued if they default.

U.S. attorneys in Detroit, Cleveland and Milwaukee are cracking down on student-loan defaults with the same aggressiveness that Cissell's Cincinnati office is. The U.S. attorney in Cleveland is giving the names of alleged student-loan defaulters to local newspapers. The

U.S. attorney in Detroit used a new computerized system and a staff of seven paralegal technicians to track down loan defaulters and collect \$1.2 million last year alone.

Nationwide, the Justice Department network of 96 U.S. attorneys' offices collected more than \$23 million last year in student-loan defaults. Broken down, the collections represented \$12,752,885 in loans granted by the Veterans Administration and \$10,757,593 in loans made by the Department of Education.

To hear Cissell tell it, recipients who defaulted on their federal student loans were just about immune from prosecu-

tion until 1978. He says that U.S. attorneys didn't have the manpower or the machinery to cope with the rising number of defaulters, and that the colleges that administered student-loan programs were less

than enthusiastic about pursuing defaulters.

"One college administrator told me he didn't have the heart to go after loan defaults. He said it was like a father suing his son," Cissell said.

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Alaska Fire Chiefs' Association



TELECONFERENCE TESTIMONY 10-12-81:

The Alaska Fire Chief's Assn became aware of a problem in the PERS at the 1980 conference in Juneau.

One of our members made note that there had been a change made in the Police/Fire section of PERS wherein various police officers were allowed PERS credit for pre-statehood service. Obviously this was of concern to our members.

The Assn passed a unanimous resolution to work toward a change or an amendment to the Act to also include members of the fire service th had served the State in the pre-statehood days. Since the retirement system serves both the police and fire officers of the state, our members were sure that the makers of the 1980 changes left the fire service members out through an oversight only.

This oversight was pointed out to Senator Ray, who sponsored the 1980 change, and he agreed to sponsor the bill to include firefighters -- the result was SB 121.

The only change to the 1980 bill was the inclusion of the words "or fireman" in two places where those people qualified were listed. The 1980 Bill was not changed or amended in any other way.

Our Assn feels very strongly that the legislature agrees that the members of the fire service in Alaska are an important part of the protection services of this State, and are certainly equally entitled to the provisions of the police/fire retirement sections of PERS.

To do otherwise would relegate firemen to a lesser class of employee than the others in the PERS police/fire section. I'm sure that this is not now, or ever in the past, the intent of the Alaska legislature.

If there are any questions that I can answer at this time I will be happy to do so, and as always, our Association places itself at your disposal for assistance, advice, or resource, in this or any other fire and life safety matter.



JAMES R. EVANS, President

1140 Airport Heights Rd.
Anchorage, Alaska 99504

January 11, 1981

Senator Bill Ray
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Ray:

During the 1980 legislative session various changes were made in the Public Employees Retirement Law. These changes, briefly, were to assure that certain people who worked in Public Safety before statehood were credited with the pre-statehood service-time.

As I'm sure you are aware the Public Employees Retirement Law also covers persons working for the various parts of the Fire Service of Alaska. However, the 1980 changes speak only to various police and correctional type officers, totally forgetting about the people who worked in the Fire Service.

I am sure that this was merely an oversight on the part of those who wrote the new language for the law.

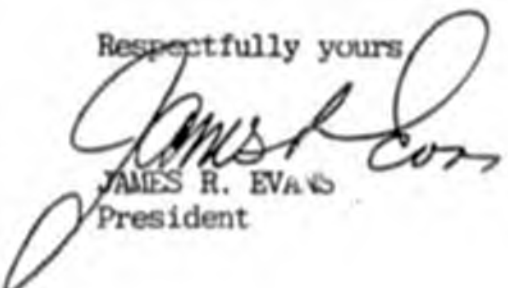
The Alaska Fire Chief's Association took note of this oversight at our annual conference in Juneau, and passed a Resolution to effect correction during the 1981 legislature. I have attached a copy of our Resolution, as well as the 1980 changes. I have also taken the liberty to enclose a draft of a proposed amendment to FOCSSB 26, Chapter 146, Laws of Alaska, 1980, to reflect our Association's suggested changes.

I know that you have always supported fair treatment of all of the public officers of this State, and I felt that you would be the proper sponsor of these changes.

If you have any questions regarding this proposal please feel free to contact me at anytime at my office, 278-4413, or at home, 337-1681.

Thank you in advance for your consideration, and best wishes for a totally productive 1981 session.

Respectfully yours


JAMES R. EVANS
President

Alaska Fire Chiefs' Association

RESOLUTION #80-13

WHEREAS: The Public Employees Retirement System provides that certain territorial and municipal employees receive credited time for the years employed by the territory or municipalities prior to Statehood, and

WHEREAS: Firefighters have been inequitably excluded from this service credit while Public Health Service Officers, employees of the U.S. District Court and U.S. Commissioners Court, U.S. Marshal's, U.S. Deputy Marshals, CAA security guards, U.S. Corps of Engineers security guards, employees of Alaska jail system of the U.S. Department of Justice, CAA radio operators and heavy equipment operators, employees of the U.S. Fish and Wildlife Service, employees of the Alaska Road Commission and Bureau of Public Roads, employees of ACS and peace officers of the territory, or of a political subdivision of the territory, who are employees of the state or a participating political subdivision of the state on July 1, 1978, U.S. Corps of Engineers Civil Service personnel and U.S. Navy Civil Service personnel all receive credit for employment rendered to the State and former Territory of Alaska before January 1, 1961, now therefore be it

RESOLVED: That this membership go on record as stating that municipal firefighters, employed by the territory or subdivision thereof prior to January 1, 1961, should receive credit for such time served under the provisions of the Public Employees Retirement System.

APPROVED IN CONFERENCE
October 31, 1980


PRESIDENT



LAWS OF ALASKA

1980

Source

Chapter No.

FOCSSB 26

146

AN ACT

Relating to public employee benefit programs; amending the duties of the Public Employees Retirement Board; relating to earlier service credit under the teachers' retirement system and the public employees' retirement system; establishing minimum retirement benefits; relating to participation in the state program of supplemental employee benefits; relating to the deferred compensation program; repealing the Legislative Board of Retirement Benefits; creating the Alaska National Guard retirement system; relating to the judicial retirement system; increasing the benefits paid under the territorial public employees' retirement system; relating to retirement benefit eligibility for disabled peace officers and firemen; relating to retirement benefits of the administrative director of courts; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 23

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 30, 1980
Actual Effective Date: Sections 1, 3 - 7, 18, 19, 22, 24 - 26, 29 - 34, 37, 38, 40, 43, 44(2) and (3), 45 and 47 - 57 take effect July 1, 1980 with section 43 retroactive to January 1, 1978; sections 16, 17, 20, 21, 23 and 39 take effect September 28, 1980 and are retroactive to January 1, 1980; sections 2, 27, 28, 35, 36, 41, 44(1) take effect January 1, 1981; sections 8 - 15 and 42 take effect July 1, 1981.

(2) any contributions for services as administrative director refunded to him by the system at the time he became a member of the judicial retirement system.

* Sec. 31. AS 39.35.360(a) is repealed and re-enacted to read:

(a) An employee employed before January 1, 1980, who completes three years of credited service with the state after January 1, 1961, for which the employee makes contributions required by this chapter is entitled to credited service for service rendered (1) before January 1, 1961, as an employee of the State and former Territory of Alaska; (2) before January 1, 1961, as an employee of the United States government in Alaska, excluding service in the armed forces of the United States; or (3) after January 1, 1961, as a peace officer or correctional officer of a participating political subdivision of the state if the employee is vested and is an active peace officer in the system as of July 1, 1980. The retirement benefits payable to an employee under this section shall be reduced by the amount of the retirement pension benefits paid to him by the United States government for the same period of service.

* Sec. 32. AS 39.35.360 is amended by adding a new subsection to read:

(h) An employee of the state is eligible to receive credited service as provided under AS 39.35.300(b) for service rendered as a permanent part-time employee before January 1, 1976. To receive retroactive credited service under this subsection, the employee must claim the service before July 1, 1981. When the employee claims retroactive credited service, an indebtedness of the employee to the system shall be established. The amount of this indebtedness is equal to the contributions the employee would have made if he had been eligible for membership in the system. The rate used to calculate the contributions may not be less than the rate in effect on January 1, 1961. Interest as prescribed by regulation accrues on the indebtedness beginning July 1, 1981. Any

PROPOSED AMMENDMENT TO FCCSSB 26, CHAPTER 146, LAWS OF ALASKA, 1980

Amended to read as follows:

Sec. 31. AS 39.35.360(a) is repealed and re-enacted to read:

(a) An employee employed before January 1, 1980, who complete three years of credited service with the state after January 1, 1961, for which the employee makes contributions required by this chapter is entitled to credited service for service rendered (1) before January 1, 1961, as an employee of the State and former Territory of Alaska (2) before January 1, 1961, as an employee of the United States government in Alaska, excluding service in the armed forces of the United States; or (3) after January 1, 1961, as a peace officer, correctional officer or fireman of a participating political subdivision of the state if the employee is vested and is an active peace officer, correctional officer or fireman in the system as of July 1, 1980. The retirement benefits payable to an employee under this section shall be reduced by the amount of the retirement pension benefits paid to him by the United States government for the same period of service.

NOTE: Underlined text indicates proposed ammendment to Section 31 to include firemen.

It might be well to request a major revision of the entire reference to "firemen" in the text of Part II of the Alaska Public Employees' Retirement System (that is the special provisions for Peace Officers and Firemen) to reflect the more appropriate term "firefighter".

1621 West 15th Avenue
Anchorage, Alaska 99501
March 6, 1981

The Honorable Thelma Buchholdt
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Buchholdt:

I am writing in reference to Senate Bill 121 by Ray.

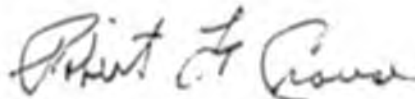
I support the concept of granting firemen the same credit for prior service with municipalities that is already granted to peace officers and correctional officers.

However, under the amendments in this bill, those of us who served with municipal fire departments prior to January 1, 1961, still are unable to receive credit for time served.

I served with the City of Anchorage as a fireman and officer from April 6, 1953 until September 15, 1959, and would like to have the January 1, 1961 date on line 17 of SB 121 moved back to at least April 6, 1953, so the time I served could be credited to my retirement. I would otherwise qualify under AS 39.35.360(a), having served as State Fire Marshal from September 15, 1959 until October 3, 1967, and as Fire Protection Engineer for the Division of Fire Prevention from March 26, 1975 until December 31, 1980.

When the Fire Marshal Office was established, all firemen were required to assist the State Fire Marshal in enforcing the State Fire Safety Code without compensation from the state, as the word "shall" was used, making it mandatory for those of us serving on municipal fire departments to do so.

Sincerely,



Robert F. Crouse

cc: Ronald A. Hendrie
State Fire Marshal

THE FOLLOWING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

The State Affairs Committee considered SENATE BILL NO. 168 (relating to earlier service retirement credit for territorial employees) and recommends it be replaced with COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 168 and reports it back as follows: Senator Mulcahy, Chairman and Senators Ziegler, Kelly, Bradley and Rodey signed "do pass". The Committee further attaches a letter of intent.

SB 168

From
Dep. Comm
Tered
Muller
4-14-81

SENATE BILL NO. 168 was referred to the Finance Committee.

Letter of intent accompanying SENATE BILL NO. 168 follows:

FOR SENATE BILL NO. 168

SB

121

AS 39.35.360 provides that State employees may receive credited service in the Public Employees' Retirement System (PERS) for periods of employment prior to 1961 with the Territory of Alaska; however, it further provides that service in a variety of employment categories, primarily with federal agencies, may also be credited. Inasmuch as the employees receive this service credit for free because no contributions of any type are required, the cost of providing benefits which are derived from this service must be borne entirely by additional State funds paid into the PERS.

AS 39.35.010 states that the purpose of the PERS is to encourage qualified personnel to enter and remain in the service of the State. To fulfill the purpose of the PERS as established by the Legislature, this committee believes that any proposed modifications to the PERS which would increase costs to the State must be based on a demonstrated need to recruit or retain personnel, and should be served by amending the law. The members of this committee believe that after nearly twenty years of statehood, little, if any, need remains to recruit personnel from the pre-statehood era; most of those choosing to pursue a public service career are already in the employ of the State or local government. Permitting the crediting of additional service in the PERS, particularly at no cost to the employee, only encourages employees to retire earlier than they otherwise would.

Therefore, it is the intent of the Senate State Affairs Committee that, following the enactment of SB 168 and SB 174, there be no further amendments to AS 39.35.360 which would have the effect of allowing service with agencies or in employment categories, other than those

SB 168 already enumerated therein, to be credited under the Public Employees' Retirement System. It is the determination of this Committee that the purpose of the chapter as stated in AS 39.35.010 will not be served by other agencies or employment categories being added to Sec. 360 by subsequent amendment.

Bob Mulcahy
Senator Bob Mulcahy, Chairman
Senate State Affairs Committee

Tim Kelly
Senator Tim Kelly, Vice-Chairman
Senate State Affairs Committee

Archie "Bud" Bradley
Senator W. L. "Bud" Bradley, Member
Senate State Affairs Committee

Patrick Hooey
Senator Patrick Hooey, Member
Senate State Affairs Committee

Robert Stegler
Senator Robert Stegler, Member
Senate State Affairs Committee

SB 202 The Commerce Committee considered SENATE BILL NO. 202 (special appropriation from the International Airports Construction Fund to the Fairbanks International Airport) and reports it back as follows: Senator Bradley, Chairman and Senators Kelly, Stimson and Sturgulevski signed "do pass". The Committee further attaches a letter of intent.

SENATE BILL NO. 202 was referred to the Finance Committee.

Letter of intent accompanying SENATE BILL NO. 202 follows:

LETTER OF INTENT

The Senate Commerce Committee has considered Senate Bill No. 202, "An Act making a special appropriation from the International Airports Construction Fund to the Fairbanks International Airport; and providing for an effective date," and a majority of the Committee reports it back with a recommendation of "Do Pass" with the following intent:

THE PRECEDING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 121
 Title An Act Authorizing Credited Service Under PERS for Certain Firemen
 Requested by Senator Vic Fischer Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Labor Services
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-01 (PERS)

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS	-0-	16.9	18.6	20.4	22.5	24.7
TOTAL	-0-	16.9	18.6	20.4	22.5	24.7

FUNDING (Thousands of Dollars)

GENERAL FUND		13.8	15.2	16.7	18.4	20.2
FEDERAL FUNDS		.8	.9	.9	1.0	1.1
VETERAN'S FUND		.1	.1	.1	.1	.1
FISH & GAME FUND		.1	.1	.1	.1	.2
HIGHWAY FUND		.2	.2	.3	.3	.3
AIRPORT FUND		.5	.5	.6	.7	.7
CAPITAL FUND		1.4	1.6	1.7	1.9	2.1
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate that approximately 18 members could qualify for benefits under this bill.
2. Estimate that these members will receive an average of two years additional service credit under this bill.
3. Estimate FY 82 State covered payroll to be \$296,614,000; increasing 10% annually.
4. Increase in State contribution rate would be .0057% of covered payroll.

IV. DATE April 7, 1981 PREPARED BY Paul B. Arnoldt, Director *John A. Logan* *gc*

AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Senator Ray
 Office of the Governor (Keith Specking)

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Alaska State Legislature

Senate

Committee on State Affairs

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

FEB. 16, 1981

SENATE STATE AFFAIRS COMMITTEE REPORT

ON

CSSB 124 ENTITLED "AN ACT RELATING TO
A STATE OFFICE COMPLEX AT ANCHORAGE;
AND PROVIDING FOR AN EFFECTIVE DATE."

BILL SUMMARY

Committee Substitute SB 124 provides for the following:

- 1) The Department of Administration shall plan, design, and acquire by lease or lease-purchase a state office complex in the Municipality of Anchorage;
- 2) The Commissioner of Administration shall analyze potential sites and acquire one or more sites in the central core area which is convenient to the public and other federal and municipal offices, served by mass transportation and has adequate parking facilities;
- 3) Requires the Commissioner of Administration to request proposals from parties interested in providing office space to the state and to provide interested parties with the details of the proposals;
- 4) Gives the Commissioner of Administration the authority to enter into lease agreements if specific standards are met; and
- 5) The completion date for the complex shall be three years from the date the lease agreements are signed.

BACKGROUND

In Anchorage, locations for state offices have been chosen on the basis of the lowest bid, regardless of the inconvenience of the location. Currently, there are 63 leases, 80 different locations, and 1000 to 1500 employees accounting for 350,000 square feet of office space. The distance between locations varies from blocks to miles. These existing factors promote inefficiency of government and inconvenience to the general public.

In 1979 the Department of Administration conducted an in-house study to poll the needs of the various departments doing business in Anchorage. The outcome of the study showed the need for consolidated office space. Findings were reported to the Governor and the Legislature in February, 1980.

The Department of Administration then conferred with the Municipality of Anchorage's Assembly and planning department and the Downtown Business Association. Each group endorsed the idea and expressed the desire that this state complex be tied in with downtown area development.

Bid proposals were then solicited to plan the details. The RFP was awarded to CCC Architects and Planners, a local Anchorage firm. A report will be released in May, 1981, giving detailed recommendations in the following areas:

- 1) Alternatives include choice of a site and a decision on whether to build one large multi-story structure or to build and/or acquire smaller interconnecting modules. Consideration will be given for accessibility to the public, parking, mass transportation and greenspace;
- 2) Cost variables comparing the downtown area with other locations; and
- 3) Evaluation of any potential economic impact on existing private office space in Anchorage.

The final step is to award contracts to build the complex. The target date to commence construction is August 15, 1981.

PURPOSE OF COMMITTEE SUBSTITUTE 124

CSSB 124 is designed to consolidate the state offices currently in Anchorage to achieve more efficient operation of government and convenience to the general public. This bill should not affect the capital move either directly or indirectly. The state office complex is to house only offices now located in Anchorage. These offices are in that city because it was deemed their logical location, and they need not be located in the state capital.

A complex of this type would be a "first for Alaska" because it would be a privately designed building built to customer specifications, and leased to the state with an option to purchase. Acquiring the state office complex by lease or lease purchase will stimulate development in the private sector and maintain taxes in the community. Furthermore, the complex can be built more economically and speedily by the private sector.

The location of the state office complex is to be within the central core area which is defined as the area from Gambell Street west to the Bluff and from Ninth Street north to the Bluff. Other factors to be considered in acquiring a site are convenience to the public, accessibility to other federal and municipal offices and service by mass transportation. Parking areas should complement the parking needs of Project 80's. It is essential that the site be determined before building bids are solicited in order to assure that the complex ties in with downtown area development.

Committee concerns dealt with the effect of a new state office complex on the Anchorage rental market. The Commissioner of Administration stated that only a portion of state employees in the region would be housed in the complex. Timing of construction will take into account existing lease terms and market conditions. Part of current analyses and site investigations deals with utilization of existing private office structures as part of the new complex.

Provision of funds for site acquisition and the financial costs and benefits of state office complex construction and operation were left to further review by the Finance Committee, the committee of next referral.

Emphasis was given to the need for joint state-municipal planning to meet transit needs and for adequate parking for the public.

SECTION ANALYSIS

Section 1. Specifies the Findings and Purpose.

Section 2. Gives the Department of Administration the authority to plan, design and acquire by lease or lease purchase a state office complex in the Municipality of Anchorage with sufficient office space for agencies of the executive branch currently located in Anchorage. This section further delineates the factors to be considered in site selection and the standards to be used in awarding bid proposals. The completion date for the complex shall be three years from the date the lease agreements are signed.

Section 3. Provides for the effective date of the Act to be at 12:01 a.m., Pacific Standard Time, on the day after it is signed by the governor or on the day after the governor's veto is overridden or on the day after the expiration of the period allowed for gubernatorial action.

Senate State Affairs Committee
Report on CSSB 114
Page Four

SENATOR VIC FISCHER, CHAIR

SENATOR BRAD BRADLEY

SENATOR MIKE COLLETTA

SENATOR DICK ELIASON

SENATOR TERRY STIMSON

CSSB 124 entitled "An Act relating to a state office complex; and providing for an effective date."

BILL SUMMARY

Committee Substitute SB 124 provides for the following:

- 1) The Department of Administration shall plan, design and acquire by lease or lease purchase a state office complex in the Municipality of Anchorage;
- 2) The Commissioner of Administration shall analyze potential sites and acquire one or more sites in the central core area which is convenient to the public and other federal and municipal offices, served by mass transportation and has adequate parking facilities;
- 3) Requires the Commissioner of Administration to request proposals from parties interested in providing office space to the state and to provide interested parties with the details of the proposals;

~~and~~
4) Gives the Commissioner of Administration the authority to enter into lease agreements if specific standards are met; and

Laura see reverse side for 5)
~~The complex shall be certified for occupancy not later than 3 years after the Commissioner of Administration accepts a bid proposal.~~

BACKGROUND
~~In Anchorage, locations for state office buildings are currently being leased at the lowest bid regardless of the inconvenience~~
In Anchorage, locations for state offices are chosen on the basis of the lowest bid regardless of the inconvenience of the location. Currently, there are 63 leases, 80 different locations, and 1000 to 1500 employees occupying 370,000 square feet of office space. The distance between locations varies from blocks to miles. These existing factors promote inefficiency of government and inconvenience to the general public.

5) The completion date for the complex shall be 3 years from the date the lease agreements are signed.

In 1979, the Department of Administration conducted an in-house study to poll the needs of the various departments doing business in Anchorage. The outcome of the study ~~was~~ ^{showed} the need for a consolidated office space. Findings were reported to the Governor and the Legislature in February, 1980.

The Department of Administration then ~~met~~ conferred with the Municipality of Anchorage's Assembly and planning department and the Downtown Business Association. Each group endorsed the idea and expressed the desire that this ~~state~~ state complex be tied in with ^{downtown area} ~~development~~ ^{development}.

Bid proposals were then solicited to plan the details. The RFP was awarded to CCC Architects and Planners, a local Anchorage firm. A report will be released in May, 1981 giving detailed recommendations in the following areas:

- Alternatives include:*
- 1) Choice of a site and a decision on whether to build one large multi-story structure or to build ^{and/or acquire} smaller interconnecting modules. Consideration will be given ^{for} accessibility to the public, parking, mass transportation and greenspace;
 - 2) Cost variables comparing the downtown area with other locations; and
 - 3) Evaluation of any potential economic impact on existing private office space in Anchorage.

The final step is to award contracts to build the complex. The target date to commence construction is August 15, 1981.

PURPOSE OF COMMITTEE SUBSTITUTE 124

CSSB 124 is designed to consolidate the state offices currently in Anchorage for more efficient operation of government and convenience

to the general public. *This bill will not affect the capital move either directly or indirectly.* *This bill is not related to the capital move either directly or indirectly.*

A complex of this type would be a "first for Alaska" because it would be a privately designed building built to customer specifications ~~with~~ a lease, and leased to the state with an option to purchase.

Acquiring the state office complex by lease or lease purchase will stimulate development in the private sector, ^{and} maintain taxes in the community. Furthermore, the complex can be built more economically and speedily by the private sector.

K

The location of the state office complex is to be within the central core area which is defined as the area from Gambell Street west to the Bluff and from Ninth Street north to the Bluff. Other factors to be considered in ~~an~~ acquiring a site ^{are} convenience to the public, ~~readily~~ ^{accessibility} and ~~close~~ ^{accessibility} to other federal and municipal offices and ~~service~~ ^{service} by ~~adequate~~ ^{adequate} free parking. ~~It is the Committee's~~ ~~Parking facilities must~~

~~also be considered for the public free~~ Parking areas should be complimentary ~~to~~ the parking needs of Project 80's. It is essential that the site be determined before ^{building} bids are solicited in order to assure that the complex ties in with downtown area development.

Section ANALYSIS

Section 1. Specifies the Findings and Purpose.

Section 2. Gives the Department of Administration the authority to plan, design and acquire by lease or lease purchase a state office complex in the Municipality of Anchorage/ with sufficient office space for agencies of the executive branch currently located in Anchorage. This section further delineates ~~the factors for~~ the factors to be considered in site selection and the standards to be used in awarding bid proposals. The completion date for the complex shall be three years from the date the ~~bid proposal~~ lease agreements are signed.

Section 3. Provides for the effective date of the Act to be at 12:01 a.m., Pacific Standard Time, on the day after it is signed by the governor or on the day after the governor's veto is overridden or on the day after expiration of the period allowed for gubernatorial action.

LAW OFFICES OF
SMITH & GRUENING
605 WEST SECOND AVENUE
ANCHORAGE, ALASKA 99501
(907) 278-4691

JOHN ANTHONY (TONY) SMITH
CLARK S. GRUENING
CHARLES G. EVANS
ROBERT S. SPITZFADEN

9 February 1981

The Honorable Victor Fisher
and Members of the Senate
State Affairs Committee
Pouch "V"
Juneau, Alaska 99811

Dear Senator Fisher and Members of the Committee:

I am a partner in the law firm of Smith & Gruening which has an office building in downtown Anchorage. Additionally, I own a residence and have lived and worked in downtown Anchorage for the past four years.

As a concerned citizen, employer, and member of the CBD community, I have followed with great interest the possibility of the State constructing a consolidated office complex in downtown Anchorage. I heartily support this development. I am concerned, however, that the previously conducted transportation studies have not taken into account the Project 80's developments, and now, a major State office complex. As well, private development in the CBD, including midtown, is occurring rapidly. The previous assumption that high density development, although to be encouraged, was not possible, thus, appears questionable at best.

Previous studies have also assumed low mass transit ridership, such as a 5.8% capture of 330,000 possible trips in the "C" Street corridor, while current use of the Peoplemover bus system exceeds expectations. Ridership capture did not account for the long term gas crisis we experience, nor land use planning. Air quality advantages received little emphasis although Anchorage chronically violates permissible standards.

I am also aware that the Municipality of Anchorage has committed funds to conduct an analysis of the transportation needs and alternatives available for the CBD community. Additional funds to expand the study to include an integrated "C" Street corridor are needed. I suggest to you and the members of the committee that, in conjunction with the site location of the State office complex, an immediate commitment of additional

The Honorable Victor Fisher
and Members of the Senate
State Affairs Committee
9 February 1981
Page No. 2

funds to augment the Municipality's previous substantial
commitment would be a worthwhile and wise planning investment.

I appreciate this opportunity to express my concerns to
the committee and strongly encourage you to investigate the possi-
bilities of a joint effort with the Municipality. We need hard
facts and innovative planning before final site location of
a State office complex occurs.

With best regards,


Charles G. Evans
Charles G. Evans

CGE/m

A M E N D M E N T

Offered in the SFNATE

By Bradley

TO: SB 124

Page 2, following line 23, insert new material to read:

(d) Before requesting proposals under (b) of this section, the commissioner of administration shall present to the legislature a report which

(1) compares the number of state employees that will be relocated to the new capital city chosen by the voters under AS 44.06.-150 with the number of state employees that will remain assigned to regional offices in Anchorage;

CURRENTLY OCCUPIED
→ (2) compares the annual costs to the state for maintaining office space under lease with the annual costs of the proposed office space authorized by (a) of this section; and

(3) analyzes the vacancy rate and the effect on the business community in Anchorage if all offices of state government in Anchorage are consolidated in the state office complex authorized by (a) of this section.

(e) The commissioner of administration may not request proposals under (b) of this section until the report required under (d) of this section is accepted by a vote of a majority of the members of each house of the legislature.

Page 2, line 24: Change "(d)" to "(f)"

PASSED AND APPROVED

1-20-81

Sponsored by: Assemblyman
Don Smith and Assemblyman Walsh

Prepared by: Assemblyman
Don Smith

For Reading: January 13, 1981

ANCHORAGE, ALASKA
AR NO. 81-25

A RESOLUTION URGING THE STATE OF ALASKA TO CONSOLIDATE OFFICES
INTO A STATE OFFICE BUILDING IN THE DOWNTOWN CENTRAL BUSINESS
DISTRICT.

WHEREAS, the State of Alaska presently conducts business from 42 locations in Anchorage, utilizing over 483,000 square feet of office space for 2,316 employees, and

WHEREAS, many existing state office leases expire in the mid 1980's; and

WHEREAS, the concept of centralized government makes doing business with government easier; and

WHEREAS, both the Municipality of Anchorage and the Federal Government have consolidated their operations within the past few years; and

WHEREAS, a state office complex in the downtown core area would allow the public to more easily handle their business with all levels of government as well as governmental agencies being able to more easily transact business among themselves; and

WHEREAS, the number of state employees is expected to grow from the 2,300 presently employed to over 4,500 by the year 2000; over the next twenty years.

NOW THEREFORE BE IT RESOLVED BY THE ANCHORAGE MUNICIPAL ASSEMBLY that it strongly supports the state's efforts to consolidate its many offices and that it further recommends that the new state office building be located within the CBD close to existing municipal and federal offices.

PASSED AND APPROVED by the Anchorage Municipal Assembly this 20th day of January, 1981.

- BE IT FURTHER RESOLVED that copies of this resolution be forwarded to the Governor, the Lt. Governor, the Commissioner of Administration and the Anchorage legislative delegation.

B. J. Ward

Chairman

Attest:

Reuben E. Smith
Municipal Clerk

SB 124

2/4 T/C Judy Crousdale - request for
F.N. & informed her of hearing

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 124
 Title State Office Complex at Anchorage
 Requested by Fischer, Bradley, Colletta, Dankworth, Kelly, Rodey, Stimson, and Sturgulewski Date January 30, 1981

II. FISCAL DETAIL

Agency Affected Department of Administration - All State Agencies
 Program Category Affected General Services & Supply
 BRU, Program, or Subprogram(s) Affected Leasing & Facilities Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL	100.0	850.0	700.0	3,350.0	6,157.5	6,320.5
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

	100.0	850.0	700.0	3,350.0	6,157.5	6,320.5
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
Planning & Design	100.0	350.0	200.0	100.0	-----	-----
Land Acquisition (1)		500.0	500.0	500.0	500.0	500.0
Office Space Lease (2)				2,250.0	4,657.5	4,820.5
Telephone (3)				200.0	400.0	400.0
Systems Furniture (4)				300.0	600.0	600.0
TOTAL	\$100.0	\$850.0	\$700.0	\$3,350.0	\$6,157.5	\$6,320.5

IV. DATE 2-10-81

PREPARED BY George Elgee
 AGENCY Administration
 PHONE 465-2250

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

CONTRACTUAL SERVICE

Land Acquisition/Lease

- (1) The lease of one block in downtown Anchorage
- Purchase Price Estimate at \$5 Million
Lease for 10 yr. = \$500,000 per year
 - Approximately 90,000 sq. ft. @ \$55 per sq. ft.

Office Space Lease

- (2) Estimated cost per sq. ft. \$3.25 - Less \$1.75 average cost
of current leases by FY 84 = Additional cost for lease
space \$1.50
\$1.50 x 250,000 sq. ft. x 6 mo. (Assumes Occupancy 1/1/84)
= \$2,250.0

. Assume 3.5% Increase Annually

Calculated for 6 months for FY 84 and 12 months thereafter.

Telephones

- (3) Lease purchase of telephone system (Purchase Price \$2,000.0)
\$400,000 per year - 6 months = \$200,000

Calculated for 6 months FY 84 and 12 months thereafter.

Modular Furniture

- (4) Lease purchase of modular furniture (Purchase Price \$3,000.0)
\$600,000 per year - 6 months = \$300,000

Calculated for 6 months FY 84 and 12 months thereafter.

CSSB 124 entitled "An Act relating to a state office complex at Anchorage; and providing for an effective date."

BILL SUMMARY

Original sponsors: Fischer, Bradley,
Colletta, et al

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 124 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a state office complex at
7 Anchorage; and providing for an effective date."

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

9 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

10 (1) the number of state employees in Anchorage is larger than the
11 number of state employees in any other community of the state;

12 (2) the growth of population and of the economy of metropolitan
13 Anchorage and of southcentral Alaska suggests that additional positions in
14 state employment will be transferred to or created for assignment to
15 Anchorage; and

16 (3) state office locations are scattered throughout metropolitan
17 Anchorage, precluding efficient communication between agencies and prevent-
18 ing easy access to all state agencies by the general public.

19 (b) It is the purpose of this Act to bring together state government
20 activities by planning for and acquiring by lease the occupancy of an office
21 complex in Anchorage to house offices of state government now located in
22 that community.

23 * Sec. 2. ANCHORAGE STATE OFFICE COMPLEX. (a) *Amend.* (The Department of Admin-
24 istration shall plan for, design, and acquire by lease, *or lease purchase* a state office complex
25 in the Municipality of Anchorage which meets the standards of (d) of this
26 section. The complex shall provide sufficient office space for agencies of
27 the executive branch of the state government presently located in the
28 Municipality of Anchorage whose consolidation is considered to be in the
29 best interest of the state.

1 (b) The commissioner of administration shall analyze potential sites
2 and shall acquire one or more sites to assure the proper location of the
3 office complex. The location of the office complex shall be

- 4 (1) within the central core area of the Municipality of Anchorage;
5 (2) convenient to the public;
6 (3) readily accessible to and served by public mass transportation
7 facilities;
8 (4) served by adequate parking facilities; and
9 (5) close to federal and municipal offices and public hearing and
10 public meeting facilities.

11 (c) In the development of an office complex under (a) of this section,
12 the commissioner of administration shall request proposals from parties
13 interested in providing office space to the state in Anchorage under lease
14 agreement or lease-purchase agreement. At the time he requests proposals
15 under this subsection, the commissioner of administration shall provide
16 interested parties with detailed performance documents, including site
17 development schemes, concept drawings, and performance specifications for
18 materials and systems. The requests for proposals shall advise interested
19 parties of the standards for evaluating proposals which may be received.

20 (d) The commissioner of administration shall evaluate all proposals
21 which he receives. He may enter into lease agreements with one or more
22 parties who propose to furnish necessary office space for state purposes if
23 the state office space complex

- 24 (1) conforms to the specifications and requirements of the per-
25 formance documents furnished by him with the requests for proposals;
26 (2) conforms to building standards applicable to public buildings
27 constructed by the state for its use;
28 (3) meets standards of energy conservation applicable to state
29 buildings;

1 (4) provide access for the handicapped, aged, and infirm in
2 accordance with AS 35.10.015; and

3 (5) is designed in a manner which may reasonably be expected to
4 earn national recognition of the aesthetic qualities of the complex.

5 (e) The state office complex designed and constructed under this
6 section shall be completed and certified for occupancy not later than three
7 years after the commissioner of administration accepts a proposal under (d)
8 of this section.

9 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
10 070(c).



Alaska State Legislature

Senate

Committee on State Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

FEB. 16, 1981

SENATE STATE AFFAIRS COMMITTEE REPORT

ON

CSSB 124 ENTITLED "AN ACT RELATING TO
A STATE OFFICE COMPLEX AT ANCHORAGE;
AND PROVIDING FOR AN EFFECTIVE DATE."

BILL SUMMARY

Committee Substitute SB 124 provides for the following:

- 1) The Department of Administration shall plan, design, and acquire by lease or lease purchase a state office complex in the Municipality of Anchorage;
- 2) The Commissioner of Administration shall analyze potential sites and acquire one or more sites in the central core area which is convenient to the public and other federal and municipal offices, served by mass transportation and has adequate parking facilities;
- 3) Requires the Commissioner of Administration to request proposals from parties interested in providing office space to the state and to provide interested parties with the details of the proposals;
- 4) Gives the Commissioner of Administration the authority to enter into lease agreements if specific standards are met; and
- 5) The completion date for the complex shall be three years from the date the lease agreements are signed.

BACKGROUND

In Anchorage, locations for state offices are chosen on the basis of the lowest bid, regardless of the inconvenience of the location. Currently, there are 63 leases, 80 different locations, and 1000 to 1500 employees accounting for 350,000 square feet of office space. The distance between locations varies from blocks to miles. These existing factors promote inefficiency of government and inconvenience

to the general public.

In 1979 the Department of Administration conducted an in-house study to poll the needs of the various departments doing business in Anchorage. The outcome of the study showed the need for consolidated office space. Findings were reported to the Governor and the Legislature in February, 1980.

The Department of Administration then conferred with the Municipality of Anchorage's Assembly and planning department and the Downtown Business Association. Each group endorsed the idea and expressed the desire that this state complex be tied in with downtown area development.

Bid proposals were then solicited to plan the details. The RFP was awarded to CCC Architects and Planners, a local Anchorage firm. A report will be released in May, 1981, giving detailed recommendations in the following areas:

- 1) Alternatives include choice of a site and a decision on whether to build one large multi-story structure or to build and/or acquire smaller interconnecting modules. Consideration will be given for accessibility to the public, parking, mass transportation and greenspace;
- 2) Cost variables comparing the downtown area with other locations; and
- 3) Evaluation of any potential economic impact on existing private office space in Anchorage.

The final step is to award contracts to build the complex. The target date to commence construction is August 15, 1981.

PURPOSE OF COMMITTEE SUBSTITUTE 124

CSSB 124 is designed to consolidate the state offices currently in Anchorage to achieve more efficient operation of government and convenience to the general public. This bill will not affect the capital move either directly or indirectly.

A complex of this type would be a "first for Alaska" because it would be a privately designed building built to customer specifications, and leased to the state with an option to purchase. Acquiring the state office complex by lease or lease purchase will stimulate development in the private sector and maintain taxes in the community. Furthermore, the complex can be built more economically and speedily by the private sector.

The location of the state office complex is to be within the central core area which is defined as the area from Gambell Street west to the Bluff and from Ninth Street north to the Bluff. Other factors to be considered in acquiring a site are convenience to the public, accessibility to other federal and municipal offices and service by mass transportation. Parking areas should compliment the parking needs of Project 80's. It is essential that the site be determined before building bids are solicited in order to assure that the complex ties in with downtown area development.

SECTION ANALYSIS

Section 1. Specifies the Findings and Purpose.

Section 2. Gives the Department of Administration the authority to plan, design and acquire by lease or lease purchase a state office complex in the Municipality of Anchorage with sufficient office space for agencies of the executive branch currently located in Anchorage. This section further delineates the factors to be considered in site selection and the standards to be used in awarding bid proposals. The completion date for the complex shall be three years from the date the lease agreements are signed.

Section 3. Provides for the effective date of the Act to be at 12:01 a.m., Pacific Standard Time, on the day after it is signed by the governor or on the day after the governor's veto is overridden or on the day after the expiration of the period allowed for gubernatorial action.

SENATOR VIC FISCHER, CHAIR

SENATOR BRAD BRADLEY

SENATOR MIKE COLLETTA

SENATOR DYCK ELYANOW

SENATOR TERRY STIMSON

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House CS for CS for Senate Bill No. 124
 Title State Office Complex at Anchorage
 Requested by Fischer Date June 12, 1981

II. FISCAL DETAIL

Agency Affected Department of Administration - All Agencies
 Program Category Affected General Services & Supply
 BRU, Program, or Subprogram(s) Affected Leasing & Facilities Management
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		47.7	52.5	57.7	63.5	69.9
200 TRAVEL		5.0	5.0	5.0	5.0	5.0
300 CONTRACTUAL		2,200.0	3,268.8	4,387.1	7,520.4	6,046.6
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		252.7	3,371.3	4,449.8	7,648.9	6,141.5
		** 2,000.0				

FUNDING (Thousands of Dollars)

GENERAL FUND	252.7	3371.3	4449.8	7648.9	6141.5
FEDERAL FUNDS					
OTHER (Specify Fund Source)					
** SEE NOTE	2,000.0				

POSITIONS

FULL TIME	1	1	1	1	1
PART TIME					
TEMPORARY					

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

- ** \$2,000.0: These funds have already been requested in the Executive Capital Budget (Pg. 216). These funds have been requested by DOT/PF and may require an amendment to allow the Department of Administration the ability to use these funds. Both agencies should work together on this common goal. The study did indicate that in some locations it may be more advantageous to construct and own instead of lease. All options should be considered.

See attached page for detailed analysis. The exact fiscal impact of this bill is difficult to analyze at this time, but if all locations are thoroughly studied during FY 82 a detailed Budget should be provided for FY 83.

IV. DATE June 12, 1981 PREPARED BY George Elgee
 AGENCY Administration - General Services
 PHONE 465-2250

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Sen. Vic Fischer
 Office of the Governor, Keith Speckling
 33-001 (Rev. 12/80)

HOUSE CS FOR CS FOR SENATE BILL NO. 124

LOCATION	ESTIMATED SQUARE FOOTAGE NEEDED	FISCAL YEAR OR FIRST YEAR SPACE WILL BE REQUIRED ¹				
		FY 82	FY 83	FY 84	FY 85	FY 86
Planning & Design:		2,000.0	\$ 400.0	\$ 350.0	\$ 300.0	\$ 350.0
Anchorage	426,000 sq. ft.			1,625.4	3,250.8	3,250.8
Barrow	4,200 sq. ft.					83.2
Bethel	10,000 sq. ft.					117.6
Juneau	70,000 sq. ft.		1,176.0			
Fairbanks	60,000 sq. ft.				698.4	
Kenai/ Soldotna	20,000 sq. ft.			57.6		
Ketchikan	10,000 sq. ft.				25.2	
Kodiak	14,000 sq. ft.			15.1		
Kotzebue	4,000 sq. ft.		2.4			
Nome	10,000 sq. ft.		122.4			
Palmer	13,000 sq. ft.			60.8		
Sitka	9,000 sq. ft.			16.2		
Wasilla	10,000 sq. ft.			30.0		
SLBTOTALS	760,200 sq. ft.	\$2,200.0	\$1,700.8	\$2,155.1	\$4,211.4	\$3,801.6
MOVING COSTS			84.0	66.0	70.0	14.2
PHONES			84.0	466.0	870.0	814.2
FURNITURE			1,400.0	1,700.0	2,366.0	1,436.6
TOTAL		\$2,200.0	\$3,268.8	\$4,387.1	\$7,580.4	\$6,066.6

¹ Leases will not expire in many locations for a number of years. New facilities will need to be acquired to coincide with lease expiration dates.

1	POSITION TITLE Leasing Officer I			RANGE/STEP 18A	BARG. UNIT. G	LOCATION Juneau	GOV	APPROV.	DISAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY	FORM 12 PAGE/LINE	LEG.		

3	TYPE OF EXPENDITURE	AMOUNT
	1	2
4	PERSONAL SERVICES: SALARY 2,640/mo.	31,680
5	BENEFITS .1579	5,002
6	FICA .0613	1,942
7	HEALTH INS 150 x 12	1,800
8	TOTAL PERSONAL SERVICES	40.4
9	TRAVEL	1.0
10	CONTRACTUAL	4.0
11	COMMODITIES	.5
12	EQUIPMENT	1.8
13	OTHER	
14	TOTAL COST	47.7

JUSTIFICATION:

There are currently only two leasing officers for the entire state. These two leasing officers are responsible for over 324 leases statewide. In addition they are responsible for the management of 60 state owned facilities along with 90 contracts for building care, janitorial services, sewage/pumping, litter barrel service for state parks and snow removal for state owned facilities.

This position will provide the needed additional time to the leasing officers to properly plan for the maximum utilization and efficiency of state owned and leased facilities.

	CODE	FUNDING SOURCE
15		FED RCPTS
16		GF MATCH
17		GEN FUND 47.7
18		I-A RCPTS
19		PGM RCPTS
20		OTHER

21 CONTINUATION
22 ADDITION

FOR D&M USE ONLY

4A KEY NUMBER _____ COLUMN NO. _____

AGENCY Administration PROGRAM Centralized Administrative Services

BIU General Services

COMPONENT Purchasing

13 REQUEST FOR NEW POSITION

FY 82

REVISED DATE _____

GENERAL GOVERNMENT

Statewide Space Planning

This will fund detailed programming and site selection/acquisition for office and warehouse space improvements in the following areas:

Anchorage	250.0
Juneau	250.0
Fairbanks	200.0
Bethel	300.0
Nome	300.0
Kotzebue	200.0
Statewide	500.0

PRIORITY: 82-1
 REQUEST: 2,000.0
 FUNDING: GF
 BEGIN: 7/81
 COMPLETE: 6/82
 DISTRICT: 4,7,17,
 20,21,22
 OP. COST/YR: -0-

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

Pilot Station School Cost Overrun

These funds are necessary to allow the completion of the Pilot Station School, which was previously funded at an inadequate level.

PRIORITY: 22-2
 REQUEST: 1,100.0
 FUNDING: GF
 BEGIN: 7/81
 COMPLETE: 12/81
 DISTRICT: 13
 OP. COST/YR: -0-

Equipment Replacement, FY82

This funds the scheduled replacement of approximately 500 pieces of vehicular equipment during FY82.

PRIORITY: 82-1
 REQUEST: 11,278.1
 FUNDING: MWCF
 BEGIN: 7/81
 COMPLETE: 6/82
 DISTRICT:
 OP. COST/YR:

Statewide Facilities Improvements, State Equipment Fleet

The Department may allocate these funds among any of the eight specified projects requested in their detailed capital budget. These projects totaled 261.3.

PRIORITY: 82-2
 REQUEST: 200.0
 FUNDING: GF
 BEGIN: 7/81
 COMPLETE: 6/82
 DISTRICT:
 OP. COST/YR:

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House CS for CS for Senate Bill No. 124
 Title State Office Facilities
 Requested by State Affairs Date 6/16/81

II. FISCAL DETAIL

Agency Affected Department of Administration - All Agencies
 Program Category Affected General Services and Supply
 BRU, Program, Or Subprogram(s) Affected Leasing and Facilities Manager
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		52.5	57.7	63.5	69.9	76.9
200 TRAVEL		5.0	5.0	5.0	5.0	5.0
300 CONTRACTUAL		3,175.0	3,192.4	11,420.0	4,864.0	1,000.0
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		3,232.5	3,255.1	11,488.5	4,936.9	1,082.9

FUNDING (Thousands of Dollars)

GENERAL FUND		3,232.5	3,255.1	11,488.5	4,936.9	1,082.9
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, section III)

See attached.

IV. DATE January 15, 1982 PREPARED BY George Elger
 AGENCY Administration - General Services
 Original: Legislative Finance PHONE 465-2250
 cci: Budget and Management
 Prime Sponsor (First Legislator Named) Fischer
 33-001 (Rev. 12/81)

House CS for CS for Senate Bill No. 124

Location:	Estimated Square Footage Needed	Fiscal Impact				
		<u>FY 83</u>	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>
Planning & Design		500.0	1,000.0	1,000.0	1,000.0	1,000.0
Anchorage -Land	426,000	2,675.0		10,000.0		
Barrow	4,200		176.4			
Bethel	10,000		420.0			
Juneau	70,000*					
Fairbanks	60,000				2,520.0	
Kenai/Soldotna	20,000		840.0			
Ketchikan	10,000			420.0		
Kodiak	14,000		588.0			
Kotzebue	4,000		168.0			
Momona	5,000**					
Palmer	13,000				546.0	
Sitka	9,000				378.0	
Wasilla	10,000				420.0	
Totals	<u>760,000SF</u>	<u>3,175.0</u>	<u>3,192.4</u>	<u>11,420.0</u>	<u>4,864.0</u>	<u>1,000.0</u>

* 55,000 sq. ft. was obtained in FY 82

** An Invitation to Bid has just been released for this space.

Bill Summary

Background

Purpose

lect by lect.

24, 25, 26

①

Sen. Fischer commenced discussion of A.B. 124 with an overview of the bill. ~~and~~ He stated that ~~the~~ SB 124 was designed to consolidate the state offices currently in Anchorage. Fischer further stated that this bill had "nothing to do with the capital move either directly or indirectly."

Bill Hudson, Commissioner of Administration then presented testimony. He stated that the Dept of Administration and the Administration wholeheartedly supported the bill. He ~~st~~ said ~~the~~ SB 124 would consolidate the existing office space in Anchorage. ~~and~~

(2)

to better serve the needs of the public.

Commissioner Hudson ^{stated} that this idea grew out of a preliminary study of the efficiency of state government. ~~It~~ in Nuch. locations for office sites ~~were~~ ^{are currently} based on the lowest bid regardless of the inconvenience of the ~~the~~ location.

~~Currently there are 80 different locations, 63 different leases and~~

→ In Nuch., there are 63 leases, ^{1500 employees} and ~~100~~ 80 different locations occupying 350,000 square feet. The distance between locations varies from blocks to miles.

(3)

Comm. Hudson then described the ~~three~~ phases that led to SB 124. ↪

In 1979, the Dept of Admin accumulated in-house information by polling the various departments as to their need for office space in Anch. He received total support for a consolidated state office complex. Findings were reported to the Governor and the Legislature in Feb., 1980

The next step was to confer with the public, the Municipality of Anchorage Assembly and planning department and the Downtown Business Association. Each expressed a need to ~~now~~ consider the ^{interests} ~~needs~~

as parking area
should be
complementing
the parking needs
of project SO.

This section delineates
further the methods for selection
~~the~~ ~~standards~~ ~~for~~ ~~and~~
the standards to be
used in awarding
bid proposals

(4)

and expressed the desired
of the entire municipality and
to maintain the integrity of the
downtown area.

Step 3 was to solicit
bid proposals to plan the
details. The RFP was
awarded to C.C.C. Architects and
Planners, a local Anchorage firm.
A report is expected
in May of 1981 which will
~~consider~~ give detailed
recommendations in the following
areas:

1) choice of a site and
a decision as to build one large
multi-story building or to
~~see~~ build smaller interconnecting
modules. Consideration will be
given as to greenpace, parking

and accessibility to the public;

2) Cost variables comparing the downtown area with other locations; and

3) An evaluation of any potential economic impact on existing private office space in Anch.

The final step is to award ~~to~~ contracts to build the complex. The target date to commence construction is August 15, 1981. Commissioner Hudson said that a complex of this type would be a "first for Alaska" because it is a privately designed building built to customer specifications with

a lease-back option to purchase
~~by the~~

The Committee questioned the reasoning for a lease or lease purchase arrangement. Commissioner Hudson stated that this arrangement would help develop ⁱⁿ the private sector, maintain taxes ~~so~~ in the community and the complex could be built faster and more economically by the private sector.

~~The Senator Collette then~~

The Committee then discussed a definition of a "downtown site" and an amendment was offered to change the language to 'a complex located within

the central core area which
is ~~conveniently~~ conveniently
accessible to the majority of
the people.

SFB

126

COMMITTEE REPORT

SENATE

FURTHER: COMMUNITY & REGIONAL AFFAIRS

1/30/81

Date: _____

Mr. President:

HEALTH, EDUCATION AND SOCIAL SERVICES

The Committee on _____ has had SB 126

labor relations involving teachers and school districts

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

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for SB 126 same title
 new title

and recommends _____

AND attaches a "Letter of Intent" New Fiscal Note

reports it back without recommendation

referred to the _____ Committee

MEMBERS SIGNING DO PASS

[Handwritten Signature]

[Handwritten Signature]

[Handwritten Signature]

MEMBERS HAVING OTHER RECOMMENDATIONS:

[Handwritten Signature]

 CHAIRMAN

SB 125, (cont'd)

Provides Act takes effect immediately.

Introduced January 30 and referred to Finance.

Labor
Relations
(teachers &
sch. dists.)

SENATE BILL NO. 126, by Senators Parr, Fischer and Rodey. Relates to labor relations involving teachers and school districts. Repeals and reenacts AS 14.20.570 (Teachers and School Officials. Mediation) by stating that mediation between employee bargaining agency and the school shall begin if the parties have failed to negotiate a collective bargaining agreement before March 1, and that they may begin at any time before March 1 if the employee bargaining agency and the school board mutually agree or if the agency and board certifies to the other party that, in its opinion, good faith negotiations between the parties are at an impasse and the services of a mediator are necessary to resolve the dispute. (section referred to presently has no set date for beginning of negotiations). Provides that agency and board shall request the services of the United States Federal Mediation and Conciliation Service to act as mediator to resolve the dispute, and that mediator shall have 30 days from his first meeting with disputing parties to secure agreement and a written contract. Provides for extension of mediation period if mutually agreed to by both parties involved.

New sections added to AS 14.20 relating to arbitration, stating that items at impasse shall be submitted to an arbitrator if the agency and board are unable to reach an agreement by the 30th day of negotiations or by the end of the extension period mutually agreed upon. States that mediator appointed by the U.S. Federal Mediation and Conciliation Service shall serve as arbitrator, or if unable, the agency and board shall ask the American Arbitration Association or another recognized arbitration association to name an arbitrator. Provides arbitrator shall make one good faith effort to secure negotiated agreement between parties, and if he cannot he shall select on an "item by item" basis the offer which he judges to be the most reasonable and equitable, and shall issue an award incorporating the selected offers without modification. States that the award of the arbitrator is final and binding on both parties. Provides arbitrator may not make an award which will require a municipality to increase its local tax rate to meet the cost of an award. Provides for court review of award. Repeals AS 14.20.580, The mediation report. States "A right of liability of an employee bargaining agency of a school district arising out of an agreement entered into under AS 14.20.570 - 14.20.580 as these provisions read before their amendment and repeal by this Act is not affected by the enactment of this Act. Provides Act takes effect immediately.

Introduced January 30 and referred to HESS, then to Community & Regional Affairs.



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

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207 SEWARD BUILDING
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Robert Manners
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Anchorage Office

James D. Alter
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Anchorage Office

Mary Ann Eininger
Deputy Executive Secretary
Fairbanks Office

SB 126

SUBJECT: Arbitration as the final step in the
impasse procedure in teacher negotiations.

FROM: NEA-Alaska

MEMORANDUM OF SUPPORT

This memorandum is presented by NEA-Alaska as a general overview of some of the basic reasons relative to the need to change and improve the teacher negotiations law: AS 14.20.550 - 14.20.610. It is intended to provide the reader with some of the basic data, rationale, and arguments for said change. NEA-Alaska welcomes the opportunity to provide additional supportive information, especially as it may pertain to the various problems attendant to teacher negotiations throughout the State.

1. General Reasons to Change the Statute:

The bargaining process has lengthened significantly in recent years. This is due primarily to the fact that the bargaining law as it is presently written does not provide for finality of the process and is ambiguous at best relative to impasse procedures. The result has been significantly increased frustration on both sides of the bargaining table which creates high potential for conflict and confrontation. There is no incentive for early resolution of negotiations. Where there is legislation providing public employees and teachers with the right to negotiate their terms and conditions of employment, it is essential that this legislation define a process which enhances the potential for agreement between the parties.

2. Positive Effect of the Proposed Changes:

In any negotiations process the best agreement is the one which is reached between the parties. The presence of a mediation/arbitration provision within the impasse procedures increases the potential for a voluntary bilateral agreement between the parties. It provides an orderly process with appropriate time frames which lead to clear finality; an Agreement. When final and binding arbitration is the last step in impasse procedures,

both parties are forced to constantly re-examine the reasonableness of their positions on the issues. With the mediator also having statutory authority to function as an arbitrator, thus making final determinations if necessary, the mediator can cause the parties to constantly examine their positions on the issues and more effectively make recommendations which would lead to their resolution short of imposing an arbitration award. Use of the "last best offer" technique on an item by item basis is of significant value to the mediation/arbitration process in that it forces the parties to constantly examine the reasonableness and validity of their positions against the possibility that they may have to stand the tests and scrutiny of objective third party analysis. Additionally, last best offer on an item by item basis clearly restricts the latitude of the mediator/arbitrator and insures that any award will be within the parameters set by the parties themselves.

3. Arbitration in the Teacher Bargaining Law Benefits the Public:

The mere presence of arbitration as the final step in the impasse procedures in the teacher bargaining law significantly diminishes, if not eliminating entirely, the conflict potential which exists in the negotiations process. It is a fair, equitable, and objective mechanism for dispute resolution and clearly increases the potential for a bilateral agreement reached short of implementation of the arbitration process. By so doing, the continuity of the instructional program is assured. Negotiations settlements reached by the end of a given school year also favorably insure the stability of the teaching staff and provide the employer more reliable information to use in the recruitment process. The statutory changes which have been proposed provide the parties with access to the mediation/arbitration process at any time on a voluntary basis while assuring statutory access to either party after March 1. This insures a final agreement by the end of the school year. It further protects the public interest by restricting the arbitrator to an award which does not require a tax rate increase or additional funding from any source. Finally, the changes provide an equity which has been missing. Since 1972, certain categories of public employees in essential services in Alaska, negotiating under the Public Employment Relations Act, have had access to final and binding arbitration. If we are to suggest that teaching and education is so important that disruption of the program is to be minimized, arbitration as the final step in the bargaining process is essential.

4. Criticisms from Opponents:

Some suggest that arbitration may usurp the local control of a school board. This attitude represents a conflict in thinking in that school boards have a statutory obligation to also negotiate with certificated employees on matters pertaining to their employment and fulfillment of their professional duties and enter into Agreements regarding the same. Further, it suggests a possible admission by some that the positions taken on some of the bargaining issues are not reasonable or defensible. Third party intervention as a dispute settlement procedure has long been established as effective in Alaska, around the country and in the private sector for many years. The statutory procedures, which provide for binding arbitration, have been in place and working for a number of years and have been accepted as a means of dispute resolution. The reality of this process shows us that the parties reach agreement on their differences in the vast majority of cases

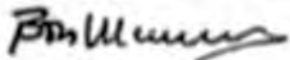
without the need for arbitration. Another argument put forward is that of resisting 'outside' intervention in the dispute. However, as was previously stated, "outsiders" acting as arbitrators are the very people who are effective in the grievance dispute settlement process. Further, school boards are increasingly hiring "outsiders" to represent them in negotiations and to act on their behalf in the process. In agreeing that the current teacher bargaining law is in need of improvement, opponents must recognize that the bargaining process is compatible with the statutory responsibility to make decisions attendant to educational policies. Collective negotiations is a process by which the parties may reach agreement on matters which are of mutual concern.

5. Other Supportive Data and Information:

Two major studies recently conducted within the State of Alaska have concluded that Arbitration is a viable means for the definition of finality to the teacher negotiations process. The Governor's Blue Ribbon Commission on the Teacher Bargaining Law and the Task Force on Labor Relations established by the Anchorage School Board of Education essentially came to the same conclusions in support of arbitration. Recent surveys by various Legislators found significant public support for arbitration, one of them at a level in excess of 75%. States around the nation are moving toward arbitration as the effective, fair, and equitable means of resolution of negotiations disputes as demonstrated by the data which is attached. In speaking before the Blue Ribbon Commission the representative of the Federal Mediation and Conciliation Service advocated consideration of the mediation/arbitration option. Data from around the nation shows an increasing frequency of arbitration being provided for in bargaining laws. This same data reveals no noticeable change in the substance in arbitrated settlements and; where the law has been in place for a number of years, fewer situations where the parties have the need to avail themselves of the arbitration process. In other words, they are successfully reaching bilateral agreements short of intervention by the arbitrator. Further, it should be noted that the use of arbitration is increasing in private sector bargaining and in the judicial arena in civil disputes.

With an increasing number of teacher bargaining disputes going into the impasse process and not coming to resolution until after the school year commences, it is essential that we provide for final and binding arbitration now.

Respectfully submitted;



Robert Manners
Executive Secretary

board or its representatives within 20 days after receiving a written request. The school board and the employee organization may not select more than five representatives each to negotiate for them.

(e) The negotiating meeting may be held in executive session upon mutual agreement of both parties, but all final agreements shall be made at a public meeting of the school board.

(f) Nothing in this section shall be construed to prevent certificated administrative personnel groups, including principals and assistant principals, from having the right to negotiate independently of the other certificated personnel if they choose to do so as the result of a secret ballot. (§ 1 ch 18 SLA 1970; am § 1 ch 43 SLA 1971)

Effect of amendment — The 1971 amendment added subsection (f).

Repealed

Sec. 14.20.570. Mediation. (a) Upon the written request for mediation by an employee bargaining agency or a school board, and upon certification by the requesting party that the parties cannot agree on an independent private mediator and that good faith negotiations have terminated in an impasse, the following occurs:

(1) Within seven days of the certification the requesting party shall ask the United States Federal Mediation and Conciliation Service to serve as the agency to resolve the dispute.

(2) The mediator shall chair all mediation meetings between the disputing parties and attempt to resolve the differences between the disputing parties and reach common acceptance of terms and conditions or other items in dispute wherever possible.

(3) Within 30 days of the initial meeting of the parties to the dispute the mediator shall have reduced all the agreed terms, conditions and other items to a written contract. If mutually agreed the period for reporting the contract to both parties may be extended.

(4) Each party to the dispute may select a team of not more than five persons to present the evidence, thinking and position of the group they represent to the mediator.

(5) If the mediation meetings are held during the school day, teachers representing an employee bargaining agency shall be released from classroom or other assigned duties without penalty or loss of pay. (§ 1 ch 19 SLA 1970; am § 1 ch 201 SLA 1975)

Effect of amendment — The 1975 amendment, effective July 1, 1975, revised this section.

Repealed

Sec. 14.20.580. The mediation report. (a) Within 10 days each party to the dispute shall accept or reject in total the mediation report.

(b) If rejected by either party, the mediator shall have an additional five days to review the objections and prepare a final report.

(c) If appointed by the board, the mediator shall be appointed by the board (1975)

Effect of amendment — this section

Sec. 14.20.580 executed and provided grievance shall be a method 3 ch 201

Effect of amendment — executed

Sec. 14.20.580 chapter individual hearing

Sec. 14.20.580 — 600 of the including

Section 620. Entry 630. Term 640. Description

Sec. 14.20.580 Qualification into in the legally chapter

Revised 1970, AS 14.20.580

(c) If the final report is rejected by either side, the governor may appoint an advisory arbitrator to review the issues and make recommendations for solution. (§ 1 ch 18 SLA 1970; am § 2 ch 201 SLA 1975)

Effect of amendment. — The 1975 amendment, effective July 1, 1975, rewrote this section.

Sec. 14.20.590. Grievance procedures. Negotiations agreements executed after the effective date of this Act shall define "grievances" and provide for grievance procedures for the certificated staff. The grievance procedures shall provide that the final step in the procedure shall be binding arbitration. The negotiations agreement shall provide a method for the selection of an arbitrator. (§ 1 ch 18 SLA 1970; am § 3 ch 201 SLA 1975)

Effect of amendment. — The 1975 Act" and "define 'grievances' and" in the amendment, effective July 1, 1975, inserted first sentence and added the second and third sentences.

Sec. 14.20.600. Individual cases. Nothing in §§ 550 — 590 of this chapter prohibits an employee from addressing a school board, as an individual, through the regular procedures of the school board for hearing individual cases. (§ 1 ch 18 SLA 1970)

Sec. 14.20.610. Legal responsibilities of boards. Nothing in §§ 550 — 600 of this chapter may be construed as an abrogation or delegation of the legal responsibilities, powers, and duties of the school board including its right to make final decisions on policies. (§ 1 ch 18 SLA 1970)

Article 7. Interstate Agreement on Qualification of Educational Personnel.

<p>Section 620 Entry into agreement 630 Terms and provisions of agreement 640 Designated state official to make contract</p>	<p>Section 650 Filing and publishing of contracts</p>
---	--

Sec. 14.20.620. Entry into agreement. The interstate Agreement on Qualification of Educational Personnel is enacted into law and entered into in behalf of the State of Alaska with all other states and jurisdictions legally joining in it in a form substantially as contained in § 630 of this chapter. (§ 1 ch 83 SLA 1970)

Reviser's note (1978). — In ch 83 SLA 1970, AS 14.20.620, 14.20.630, 14.20.640 and 14.20.650 were incorrectly designated AS 14.20.590, 14.20.630, 14.20.640 and 14.20.650, respectively, and Article 7 was designated Article 6.

271-5023
Gene Roche

Fed. Mediation & Conciliation Service

644 - Room - Fedl. Bldg.

915 2nd Ave

Seatt 98174

(206) 442-4555

(owned by State of Alaska)

Kay - Front desk
Library

1-3-

SB126

Gene Roche 243-7783

271-5023

AK. Commission for
Fed. Mediation Service

Fed. Mediation Service

1947.

Taft-Hartly Act

last resort means

↓

enabling act

compensated by gov.

Mediation

in private sector
last resort

public
subdivision

volunteer services
to fill a void

mediator

NO \$\$\$

no legal obligation - but do it!

right or wrong (arbitrators)

mediator

med/arb → works

understands: collective

med - (understands)

arbitrate - knows nothing about process

mediate -

professional neutral

Sandra Withers - Admin.
Labor Relations



Official Business

Alaska State Legislature

Senate

Committee on

Health, Education & Social Services

Charlie Parr, Chairman
Terry Stimson, Vice-Chairman
Vic Fischer
Tim Kelly
Mike Colletta

Pouch V
State Capitol
Juneau, Alaska 99811

465-4907
465-4908

Committee Substitute for Senate Bill 126 (HESS)

Page 1, line 23 - delete (b) and replace with the following:

(b) When mediation is required or requested under (a) of this section and the employee bargaining agency and the school board cannot agree upon a private mediator, they shall jointly request the assistance of the United States Federal Mediation and Conciliation Service. If the United States Federal Mediation and Conciliation Service is unable to provide mediation services the parties shall jointly request the American Arbitration Association or other recognized arbitration association to name an arbitrator.

Page 2, line 14 - after the word "mediation" insert "if any"

Page 3, line 5 - after the word "board." delete "Before" and insert "After"

Page 4, please include a "no-strike" and "no-lockout" provision



Official Business

Alaska State Legislature

Senate

Committee on

Health, Education & Social Services

Charlie Parr, Chairman
Terry Stimson, Vice-Chairman
Vic Fischer
Tim Kelly
Mike Colletta

Pouch V
State Capitol
Juneau, Alaska 99811

465-4907
465-4908

MEMORANDUM

TO: Senate HESS Committee Members

FROM: Rocky *Rocky*

DATE: February 18, 1981

RE: SB 126 - Binding Arbitration

During the hearing on SB 126, a question was raised as to the amount of time spent by the Federal Mediation Service and their fee for that time.

I telephoned Gene Roehle, the Alaska Commissioner for the Federal Mediation Service. He said his agency spends as little time as possible when handling "public sector" cases, which includes teachers. He explained that his agency is under no legal obligation to participate, but they do reluctantly. Also, there is no fee charged by the Federal Mediation Service.

MON
& Wed

NEA
Bob Green
AFT-

Introduced: 1/30/81
Referred: Health, Education &
Social Services and Community &
Regional Affairs

1 IN THE SENATE BY PARR, FISCHER AND RODEY

2 SENATE BILL NO. 126

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to labor relations involving teachers
7 and school districts; and providing for an effective
8 date."

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

10 * Section 1. AS 14.20.570 is repealed and reenacted to read:

11 Sec. 14.20.570. MEDIATION. (a) Mediation between the employee
12 bargaining agency and the school board in accordance with the provisions
13 of this section

14 (1) shall begin if the parties have failed to negotiate a
15 collective bargaining agreement before March 1;

16 (2) may begin at any time before March 1

17 (A) if the employee bargaining agency and the school
18 board mutually agree; or

19 (B) if the employee bargaining agency or the school
20 board certifies to the other party that, in its opinion, good
21 faith negotiations between the parties are at an impasse and the
22 services of a mediator are necessary to resolve the dispute.

23 (b) When mediation is required or requested under (a) of this
24 section, the employee bargaining agency and the school board shall
25 request the United States Federal Mediation and Conciliation Service to
26 serve as the mediator to resolve the dispute.

27 (c) The mediator designated by the United States Federal Mediation
28 and Conciliation Service under (b) of this section shall chair all
29 meetings between the employee bargaining agency and the school board.

1 He shall attempt to resolve the differences between the disputing
2 parties and reach common acceptance of terms and conditions or other
3 items in dispute whenever possible.

4 (d) The mediator shall have 30 days from his first meeting with
5 the disputing parties to secure agreement between the parties and to
6 reduce the agreed terms, conditions, and other items to a written con-
7 tract. The employee bargaining agency and the school board may agree
8 to extend the period during which the mediator may secure agreement and
9 reduce the agreed terms, conditions, and other items to a written
10 contract.

11 (e) If mediation meetings are held during a school day, teachers
12 who represent the employee bargaining agency shall be released from
13 classroom or other assigned duties without penalty or loss of pay.

14 (f) The expenses of mediation under this section shall be shared
15 equally by the employee bargaining agency and the school board.

16 * Sec. 2. AS 14.20 is amended by adding new sections to read:

17 Sec. 14.20.574. ARBITRATION. Items at impasse shall be submitted
18 to an arbitrator under this section if the employee bargaining agency
19 and the school board are unable to reach agreement by the 30th day
20 following the first meeting between the employee bargaining agency and
21 the school board with a mediator appointed under AS 14.20.570(c),
22 except that, if the parties mutually agree to extend the period during
23 which the mediator may secure agreement as provided by AS 14.20.570(d),
24 the extension date agreed to by the parties shall be the date applicable
25 under this section to determine whether arbitration is required.

26 Sec. 14.20.578. APPOINTMENT OF ARBITRATOR. The mediator appointed
27 under AS 14.20.570 shall serve as arbitrator. However, if the mediator
28 is unable to serve as arbitrator, the employee bargaining agency and
29 the school board shall, within 24 hours of the expiration of the period

1 specified in AS 14.20.574, ask the American Arbitration Association or
2 other recognized arbitration association to name an arbitrator.

3 Sec. 14.20.582. ARBITRATION AWARD. (a) The arbitrator shall
4 have at least one meeting jointly with the employee bargaining agency
5 and the school board. Before accepting items submitted by each party
6 to determine an arbitration award, the arbitrator shall make at least
7 one good faith effort to secure a negotiated agreement between the
8 parties.

9 (b) Submission of items to the arbitrator shall be by each party
10 separately. Each submission shall state the final offer on each of the
11 items at impasse, and only on those items, and shall be certified by
12 the authorized representative of the employee bargaining agency or of
13 the school board. The arbitrator shall select on an "item by item"
14 basis the offer which he judges to be the most reasonable and equitable,
15 and shall issue an award incorporating the selected offers without
16 modification. The award of the arbitrator is final and binding on both
17 parties.

18 (c) The arbitrator may not make an award which will require a
19 municipality to increase its local tax rate to meet the cost of an
20 award.

21 (d) The expenses of arbitration shall be shared equally by both
22 parties.

23 Sec. 14.20.586. REVIEW OF ARBITRATOR'S AWARD. (a) The award of
24 an arbitrator under AS 14.20.574 - 14.20.582 may be vacated by a court

25 (1) if the award fails to meet the standards of AS 14.20.-
26 582(c), or

27 (2) on grounds specified in AS 09.43.120.

28 (b) The award of the arbitrator may be corrected or modified by a
29 court only on grounds specified in AS 09.43.130.

1 * Sec. 3. AS 14.20.580 is repealed.

2 * Sec. 4. A right or liability of an employee bargaining agency or a
3 school district arising out of an agreement entered into under AS 14.20.570 -
4 14.20.580 as these provisions read before their amendment and repeal by this
5 Act is not affected by the enactment of this Act.

6 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
7 070(c).

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*Senate Hess Comm
members - Please
let me know if any
problems with this -*

FEB 24 P.M.

Chenoweth

Original sponsors: Parr, Fischer, Rodey
and Stimson

*if not, I'll have put in
final form.*

Senator Parr -

Please see page 4 for suggested

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

IN THE SENATE

changes by Senator Colletta

CS FOR SENATE BILL NO. 126 (HESS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to labor relations involving teachers
and school districts; and providing for an effective
date."

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

* Section 1. AS 14.20.570 is repealed and reenacted to read:

Sec. 14.20.570. MEDIATION. (a) Mediation between the employee
bargaining agency and the school board in accordance with the provisions
of this section

(1) shall begin if the parties have failed to negotiate a
collective bargaining agreement before March 1;

(2) may begin at any time before March 1

(A) if the employee bargaining agency and the school
board mutually agree; or

(B) if the employee bargaining agency or the school
board certifies to the other party that, in its opinion, good
faith negotiations between the parties are at an impasse and the
services of a mediator are necessary to resolve the dispute.

(b) When mediation is required or requested under (a) of this
section, the employee bargaining agency and the school board shall
choose a mediator. If the employee bargaining agency and the school
board are unable to agree upon a mediator, they shall jointly request
the United States Federal Mediation and Conciliation Service to provide
mediation services. If the United States Federal Mediation and Con-
ciliation Service is unable to provide mediation services, the employee