

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
6919 HOUSE JUDICIARY

103

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Bill No. HB 91

Revision Date: _____ Department Affected: Alaska Court System
 Title: An Act relating to the jurisdiction of BRU: Trial Courts
the District Court Components: _____
 Sponsor: Judiciary
 Requestor: Judiciary Committee COMPONENT SERIAL NO.

000 000	000 768
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel *C. S. Christensen III* Phone: 264-8228
 Division: Alaska Court System Date: 02/08/91

Approved by: Arthur H. Snowden, II, Administrative Director *Stephanie Cole*
 Agency: Alaska Court System Date: 02/08/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Bill No. HB 91

Revision Date: 01/21/92 Department Affected: Alaska Court System
 Title: An Act relating to the jurisdiction of BRU: Trial Courts
the District Court Components: _____
 Sponsor: Judiciary
 Requestor: Judiciary Committee COMPONENT SERIAL NO.

000 000	000 768
-----------	-----------

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel *CS* Phone: 264-8228
 Division: Alaska Court System Date: 01/21/92

Approved by: Arthur H. Snowden, II, Administrative Director *AS* Date: 01/21/92
 Agency: Alaska Court System

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

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RECEIVED MAR 22 1991



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

303 K Street
Anchorage, AK 99501
(907) 264-8228

March 20, 1991

The Honorable Dave Donley
Chairman, House Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Donley:

I am writing to request that the Judiciary Committee schedule House Bill 92, relating to the Judicial Retirement System (JRS), at its earliest convenience. This bill was introduced at the request of the Alaska Court System.

HB 92 proposes amendments to AS 09.38.015(b), a provision of the Alaska Exemptions Act. As you know, that act provides debtors with certain protection from creditors. AS 09.38.015(b) specifically provides that a creditor (other than a bankruptcy creditor) may not seize amounts held in an individual debtor's Teachers' Retirement System (TRS) account or Public Employees' Retirement System (PERS) account.

Through an oversight, this statute does not provide the same protection to participants in the JRS. HB 92 merely adds the JRS to the existing exemption list, giving participants in that system the same protection currently granted to participants in the TRS and PERS.

The Conference of Alaska Judges passed a resolution in support of the judicial exemption in 1986; a copy of this resolution is attached. The bill has no fiscal impact.

The Honorable Dave Donley
March 20, 1991
Page 2

Please feel free to contact me if you have any questions or comments.

Very truly yours,



C. S. Christensen III
Staff Counsel

CSC:bh

Attachments


CONFERENCE OF ALASKA JUDGES

Resolution No. 86 - 03


A RESOLUTION SUPPORTING EXEMPTION OF JUDICIAL RETIREMENT FUNDS FROM EXECUTION

IT IS HEREBY RESOLVED by the Conference of Alaska Judges that the Court Administration propose the amendment of Alaska Statutes Section 09.38.015 to exempt funds held in the Judicial Retirement System from execution.

PASSED this 2nd day of July, 1986, at Anchorage, Alaska, by the members of the Conference of Alaska Judges.


HERSCHEL "ED" CRUTCHFIELD
President

ATTEST:


Secretary

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Bill No. HB 82

Revision Date: _____ Department Affected: Alaska Court System
 Title: An Act establishing an exemption for BRU: Trial Courts
the Judicial Retirement System Components: _____
 Sponsor: Judiciary
 Requestor: Judiciary Committee COMPONENT SERIAL NO.

000 000	000 768
-----------	-----------

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

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


POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: C. S. Christensen III, Staff Counsel  Phone: 264-8228
 Division: Alaska Court System Date: 02/08/91

Approved by: Arthur H. Snowden, II, Administrative Director  Date: 02/08/91
 Agency: Alaska Court System

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Patrick M. Rodey
Senator

Alaska State Legislature



Senate

3111 C. St., Suite 510
Anchorage, Alaska 99503
(907) 561-7618

During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 465-3793

April 4, 1991

To: Representative Dave Donley, Chair
House Judiciary Committee

From: Senator Pat Rodey *Pat*

Subj: HB-92, establishing an exemption for the judicial
retirement system.

HB-92 seeks to include Judicial Retirement System (JRS) employees in the exemptions listed in AS 09.38.015 (b), now enjoyed by TRS and PERS employees.

I am requesting you also consider adding members of the now defunct Elected Public Officials Retirement System (EPORS) to the statute.

There are a handful of people who fall under the EPORS system which was terminated in 1976. Adoption of the amendment will ensure equal treatment under the law for all state employees.

I have attached a copy of CSSB-99(STA) which adds both JRS and EPORS members to AS 09.38.015 (b).

Thanks for your consideration.



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

303 K Street
Anchorage, AK 99501
(907) 264-8228

February 15, 1991

The Honorable Gene Kubina
Chairman, House State
Affairs Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Kubina:

I am writing to request that the State Affairs Committee schedule House Bill 92, relating to the Judicial Retirement System (JRS), at its earliest convenience. This bill was introduced at the request of the Alaska Court System.

HB 92 proposes amendments to AS 09.38.015(b), a provision of the Alaska Exemptions Act. As you know, that act provides debtors with certain protection from creditors. AS 09.38.015(b) specifically provides that a creditor (other than a bankruptcy creditor) may not seize amounts held in an individual debtor's Teachers' Retirement System (TRS) account or Public Employees' Retirement System (PERS) account.

Through an oversight, this statute does not provide the same protection to participants in the JRS. HB 92 merely adds the JRS to the existing exemption list, giving participants in that system the same protection currently granted to participants in the TRS and PERS.

The Conference of Alaska Judges passed a resolution in support of the judicial exemption in 1986; a copy of this resolution is attached. The bill has no fiscal impact.

The Honorable Gene Kubina
February 15, 1991
Page 2

Please feel free to contact me if you have any questions or comments.

Very truly yours,



C. S. Christensen III
Staff Counsel

CSC:bh

Attachments

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 1, 1991

FURTHER REFERRALS:

Judiciary
Finance

Date of Committee Action: 3-6-91

The STATE AFFAIRS Committee considered:

HB 92

HOUSE BILL NO. 92

JRS BENEFITS/ACCTS EXEMPT FROM LEVY

"An Act establishing an exemption for the judicial retirement system."

RECOMMENDATIONS:

be replaced with _____ [] the same title

[] have attached amendments(s)

[] do pass

[] do not pass

[] no recommendations

[] individual recommendations

[] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[] fiscal impact _____

[] fiscal note(s) _____

[] zero fiscal note AK Court System 2-8-91

[] zero fiscal note(s) _____

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

	Check appropriate column:	Do Not Pass	No Rec	Amend
<i>Gene Kubina</i>				
<i>T. Onley</i>				
<i>E. Spudis</i>				
<i>John W. ...</i>				
<i>Mike Miller</i>				
<i>D. ...</i>				
<i>David ...</i>				

Gene Kubina
Chairman's Signature



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

303 K Street
Anchorage, AK 99501
(907) 264-8223

March 19, 1991

The Honorable Dave Donley
Chairman, House Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Donley:

I respectfully request that the Judiciary Committee schedule a hearing on the following legislation at its earliest convenience:

HB 92 "An Act establishing an exemption for the Judicial Retirement System."

HB 93 "An Act relating to the factors to be considered when awarding shared child custody."

Thank you for your courtesy.

Very truly yours,

A handwritten signature in dark ink, appearing to be "C.S. Christensen III", is written over the typed name.

C.S. Christensen III

HOUSE COMMITTEE REPORT

(7)
 Date Referred: March 8, 1991 FURTHER REFERRALS: Finance

Date of Committee Action: 4-8-91

The JUDICIARY Committee considered: HB 92

HOUSE BILL NO. 92 JRS BENEFITS/ACCTS EXEMPT FROM LEVY

"An Act establishing an exemption for the judicial retirement system."

RECOMMENDATIONS:
 be replaced with CS HB 92 (Jud) the same title
 a new title
 have attached amendments(s)
 do pass
 do not pass
 no recommendations
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date)
 fiscal impact _____ fiscal note(s) _____
 zero fiscal note _____ zero fiscal note(s) Alaska Court System 3/8/91

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Daniel Donley</i>	✓				
<i>Terry Marston</i>	✓				
<i>Mark Stanley</i>	X				
<i>Spencer</i>	-				
<i>J. Ellis</i>	/				
<i>Kevin Redburn</i>	✓				

Daniel Donley

 CHAIRMAN'S SIGNATURE

HOUSE BILL NO. 92

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE JUDICIARY COMMITTEE BY REQUEST

Introduced: 2/1/91

Referred: State Affairs, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED.

from execution

1 "An Act establishing an exemption for the judicial retirement system."

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

3 * Section 1. AS 09.38.015(b) is amended to read:

4 (b) The right to benefits held by the state on behalf of an individual that [WHICH] may
5 become payable by reason of disability, unemployment, or illness, amounts held in the teachers',
6 judicial, or public employees' retirement system, and child support collections made by the child
7 support enforcement agency are exempt.

8 * Sec. 2. AS 22.25 is amended by adding a new section to read:

9 Sec. 22.25.100. EXEMPTION OF RETIREMENT FUNDS AND BENEFITS. Employee
10 contributions and other amounts held in the judicial retirement system and benefits payable under
11 this chapter are exempt from garnishment, execution, and levy as provided in AS 09.38 (Alaska
12 Exemptions Act).

mv. by Max
adopt as CS HB 92 (Jud)

CS FOR SENATE BILL NO. 99 (STATE AFFAIRS)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/15/91
Referred: Judiciary

Sponsor(s): SENATE JUDICIARY COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing an exemption for the judicial retirement system and the former
2 elected public officers' retirement system."

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

4 * Section 1. AS 09.38.015(b) is amended to read:

5 (b) The right to benefits held by the state on behalf of an individual that [WHICH] may
6 become payable by reason of disability, unemployment, or illness, amounts held in the teachers',
7 judicial, or public employees' retirement system, or in the elected public officers' retirement
8 system under former AS 39.37, and child support collections made by the child support
9 enforcement agency are exempt.

10 * Sec. 2. AS 22.25 is amended by adding a new section to read:

11 Sec. 22.25.100. EXEMPTION OF RETIREMENT FUNDS AND BENEFITS. Employee
12 contributions and other amounts held in the judicial retirement system and benefits payable under
13 this chapter are exempt from garnishment, execution, and levy as provided in AS 09.38 (Alaska
14 Exemptions Act).

H

B

g

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Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

February 15, 1991

303 K Street
Anchorage, AK 99501
(907) 264-8228

The Honorable Georgianna Lincoln
Co-Chairman, House HESS Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Lincoln:

I am writing to request that the HESS Committee schedule a hearing on House Bill 93, relating to the factors for consideration in awarding shared child custody, at its earliest convenience. This bill was introduced at the request of the Alaska Court System.

In December, 1988, Chief Justice Warren Matthews created the Task Force on Mediation in response to an instruction from the Fifteenth Legislature. The purpose of the task force was to evaluate the potential benefits of mediation to consumers and to the court system. In its report, issued in June, 1990, the task force recommended the statutory change contained in HB 93.

Currently, AS 25.20.090 reads in pertinent part:

In determining whether to award shared custody of a child the court shall consider

. . . .

(7) any findings and recommendations of a neutral mediator;

. . . .

After study, the task force concluded that this statute as currently written endangers the mediation process and runs

Court system correspondence

The Honorable Pat Carney
February 15, 1991
Page 2

contrary to the majority view that mediation communications be kept confidential. The majority view also does not envision a mediator making a recommendation about the resolution of a dispute, should mediation be terminated without agreement. The mediator's role is to guide the parties to a mutual decision, and not to impose a decision (even in the form of a recommendation) upon the parties if they cannot reach a decision.

To correct this problem, HB 93 would substitute the term "custody investigator appointed by the court" for the term "neutral mediator." The court system currently employs custody investigators who are appointed in specific cases to assist the court in obtaining the facts needed to make custody decisions. The findings and recommendations of a custody investigator are more appropriate for a court's consideration than are the findings of a neutral mediator.

Thank you for your courtesy. Please contact me if you have any questions or comments concerning this legislation.

Very truly yours,



C. S. Christensen III
Staff Counsel

CSC:bh

Task Force on Mediation
for the Supreme Court of Alaska

June 8, 1990

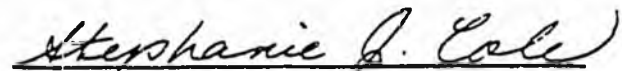
Chief Justice Warren W. Matthews
Alaska Supreme Court
303 K Street
Anchorage, Alaska 99501

Dear Chief Justice Matthews:


We are pleased to transmit to you the final report of the
Mediation Task Force.


Sincerely,



Honorable Niesje Steinkruger
Co-Chair



Stephanie J. Cole
Co-Chair


Honorable Michael I. Jeffery


Patrick J. McKay


Marla N. Greenstein


Pam Kirk


Jeane Moore

Executive Summary

In the Alaska Court System's fiscal year 1989 budget appropriation document (May 1988), the Alaska State Legislature inserted the following provision:

It is the legislature's intent that the court system educate judges, attorneys and the public on the potential benefits of mediation. The court system should evaluate and quantify the potential benefits to the consumers as well as the court system of mediation, as an option.

In December 1988, Chief Justice Warren Matthews appointed a Task Force on Mediation, and asked the task force members to focus on the uses, availability and limits of mediation, and to issue a report on the subject to the supreme court. Fairbanks Superior Court Judge Niesje Steinkruger and Deputy Administrative Director Stephanie Cole were designated co-chairs for the task force. Other members were Patrick J. McKay, an attorney in private practice; Pam Kirk, representing the Alaska Dispute Settlement Association; Marla N. Greenstein, an attorney with research administrative experience in alternate dispute resolution programs; Barrow Superior Court Judge Michael I. Jeffery; and Jeneane Moore, serving as task force reporter.

The task force held seven meetings between February 24, 1989 and May 29, 1990. The task force's final report includes the history of mediation in Alaska and current practices within the court system, and makes 10 recommendations to the supreme court:

1. The Alaska Court System should undertake a mediation pilot project.
2. Efforts should be made to provide for a wider distribution of an existing public information pamphlet about mediation, and the Alaska Court System should ask the Alaska Bar Association to form a standing committee on Alternative Dispute Resolution. The Alaska Court System should consider preparing public service announcements about mediation for radio broadcasts in rural Alaska.
- * 3. The Alaska Court System should seek a statutory change to AS 25.20.090 to ensure the confidentiality of the mediation process.
4. The Alaska Court System should adopt a new court rule allowing for expanded use of mediation.
5. The Alaska Court System should make training about mediation available to judges.

6. The Alaska Court System should encourage judges to utilize mediation settlement techniques.
7. The Alaska Court System should consider imposing a requirement in pretrial orders that attorneys advise their clients of available alternative dispute resolution services.
8. A system should be developed which allows for the provision of mediation services to indigents.
9. The Alaska Court System should support local efforts throughout Alaska to establish and implement mediation and conciliation programs.
10. The Alaska Supreme Court should appoint a standing committee on mediation.

The task force also recommends that the court system ask the Alaska Bar Association to form a standing committee on Alternate Dispute Resolution, consisting of attorney members who are interested in fostering mediation services in Alaska.

The task force recommends that the court system consider preparing public service announcements for radio broadcasts in rural Alaska, suggesting mediation as an alternative to court action.

3. Confidentiality in mediation

Currently, AS 25.20.090 ("Factors for consideration in awarding shared child custody") reads, in pertinent part:

In determining whether to award shared custody of a child the court shall consider....
(7) any findings and recommendations of a neutral mediator;...

The task force suggests that this statute as currently written endangers the mediation process and runs contrary to the majority view that mediation communications be kept confidential. The majority view also does not envision a mediator making a recommendation about the resolution of a dispute, should mediation be terminated without agreement. The mediator's role is to guide the parties to a mutual decision, and not to impose a decision (even in the form of a recommendation) upon the parties if they cannot reach a decision.

The task force recommends that the court system seek a statutory change which would substitute the term "custody investigator" for the term "neutral mediator." The findings and recommendations of a custody

investigator are more appropriate for the court's consideration.

In the future it may be necessary to adopt statutes to provide specifically for the confidentiality of mediation sessions.

4. Expanded authority for mediation

Currently, references in state statutes to the court's authority to refer cases to mediation are limited to specific types of cases (for example, divorces.) The task force recommends that the supreme court adopt the following court rule, which would enable courts to refer to mediation all types of civil cases when a judge determines that such a referral would be appropriate:

Proposed Civil Rule 10
Mediation

(a) Application. At any time after a complaint is filed, a party may file a motion with the court requesting mediation of the action for the purpose of achieving mutually agreeable settlement. The motion must address how the mediation should be conducted as specified in paragraph (b), including the names of any acceptable mediators. The court may order mediation in response to such a motion, or on its own motion, whenever it determines that mediation may result in a settlement of the action.

(b) Order. A court order of mediation must state:



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

303 K Street
Anchorage, AK 99501
(907) 264-8228

March 19, 1991

The Honorable Dave Donley
Chairman, House Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Donley:

I respectfully request that the Judiciary Committee schedule a hearing on the following legislation at its earliest convenience:

HB 92 "An Act establishing an exemption for the
Judicial Retirement System."

HB 93 "An Act relating to the factors to be
considered when awarding shared child
custody."

Thank you for your courtesy.

Very truly yours,

A handwritten signature in cursive script, appearing to read "C.S. Christensen III".

C.S. Christensen III

RECEIVED MAR 22 1991



Alaska Court System
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

CHARLES S. CHRISTENSEN III
Staff Counsel

March 20, 1991

303 K Street
Anchorage, AK 99501
(907) 264-8228

The Honorable Dave Donley
Chairman, House Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Donley:

I am writing to request that the Judiciary Committee schedule a hearing on CSHB 93 (HES), relating to the findings and recommendations of a neutral mediator when awarding shared child custody, at its earliest convenience. This bill was introduced at the request of the Alaska Supreme Court.

In December, 1988, Chief Justice Warren Matthews created the Task Force on Mediation in response to an instruction from the Fifteenth Legislature. The purpose of the task force was to evaluate the potential benefits of mediation to consumers and to the court system. In its report, issued in June, 1990, the task force recommended the statutory change contained in HB 93.

Currently, AS 25.20.090 reads in pertinent part:

In determining whether to award shared custody of a child the court shall consider

. . . .

(7) any findings and recommendations of a neutral mediator;

. . . .

After study, the task force concluded that this statute as written endangers the mediation process and runs contrary to the

The Honorable Dave Donley
March 20, 1991
Page 2

majority view that mediation communications be kept confidential. The majority view also does not envision a mediator making a recommendation about the resolution of a dispute, should mediation be terminated without agreement. The mediator's role is to guide the parties to a mutual decision, and not to impose a decision upon the parties, even in the form of a recommendation, if they cannot reach a decision.

To correct this problem, CSHB 93 (HES) would simply delete from the statute the requirement that the findings and recommendations of a neutral mediator be considered by the court.

Thank you for your courtesy. Please contact me if you have any questions or comments concerning this legislation.

Very truly yours,



C. S. Christensen III
Staff Counsel

CSC:bh

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

No. 1
Bill Version: CSHB 93 (HES)
(H) Publish Date: 3/11/91

Revision Date: _____ Department Affected: Alaska Court System
Title: An Act relating to factors to be BRU: Trial Courts
considered when awarding shared child custody Components: _____
Sponsor: By Judiciary Committee by request
Requestor: HESS COMPONENT SERIAL NO.

000	000	000	768
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

RECEIVED
MAR - 7 P.M.

Prepared by: C. S. Christensen III, Staff Counsel *C. S. Christensen III* Phone: 264-8228
Division: Alaska Court System Date: 03/04/91

Approved by: Arthur H. Snowden, II, Administrative Director *Stephanie Cole, for*
Agency: Alaska Court System Date: 03/04/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

COMMITTEE COPY

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 1, 1991

FURTHER REFERRALS:

Judiciary

Date of Committee Action: 3-8-91

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 93

HOUSE BILL NO. 93

CHILD CUSTODY INVESTIGATORS

"An Act relating to the factors to be considered when awarding shared child custody."

RECOMMENDATIONS:

be replaced with CS HB93 (HES) the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note AK Court System

zero fiscal note(s) _____

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

	Check appropriate column:	Do Not	No Rec	Amend
		Pass		
Patricia Carney (CARNEY)				
Betty Davis	J. G. Gonzales (GONZALES)		✓	
	Mark Hanley (HANLEY)		✓	
Cheri Davis	Mary Miller		✓	

[Signature] (LINCOLN)
CO-Chairman's Signature

HOUSE COMMITTEE REPORT

(7)

Date Referred: March 11, 1991

FURTHER REFERRALS:

Date of Committee Action: 4-8-91

The JUDICIARY Committee considered:

HB 93

HOUSE BILL NO. 93

CHILD CUSTODY INVESTIGATORS

"An Act relating to the factors to be considered when awarding shared child custody."

RECOMMENDATIONS:

be replaced with CS HB 93 (Jun) the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) Alaska Court System 3-11-91

SIGNING <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>[Signature]</i>		<i>[Signature]</i>		✓	
<i>[Signature]</i>		<i>[Signature]</i>		✓	
<i>[Signature]</i>		<i>[Signature]</i>		✓	
<i>[Signature]</i>		<i>[Signature]</i>		✓	

[Signature]
CHAIRMAN'S SIGNATURE

H B

g g

c/o 315 Barnette Street
Fairbanks, AK 99701
February 21, 1991

State of Alaska, House of Representatives
Committee on Labor and Commerce
P.O. Box V
Juneau AK 99811

Re: HB 99

Dear Chairman Finkelstein and Members of the Committee:

We encourage your full support for HB 99 which would guarantee equal pay for work of comparable worth. We believe in equal pay between positions that are substantially equal in:

1. Required Education
2. Required Training
3. Consequences of Work Errors
4. Value to the Organization of Work Produced
5. Hazards Involved in Performing Work
6. Other Job Related Characteristics.

Opponents to this bill may argue that the forces of the marketplace equitably establish wages. This argument ignores the fact that female wage discrimination is built into the market forces. Women earn less than men. This is not fair. HB 99 regarding comparable worth will redress the natural discrimination built into the market forces.

Opponents will argue that implementing Comparable Worth legislation will be too expensive to private and public employers. We believe that continuing the injustice of pay inequities between jobs of comparable worth is more expensive. In the current market it is largely women who are paying the economic price of sex discrimination. It is now the time to spread the economic burden of fair pay throughout the marketplace. Current employees deserve justice. Our daughters and sons deserve justice.

We ask you to fully support HB 99 and equal pay for work of comparable worth in Alaska.

Sincerely,

Teresa L. Anderson
Wichi C. SPEAR - Shupley
Barbara Smailell
Sonna DeToss
Wmannon VanQuaten
Vicki C. Clark
KATHY M. Bunker

Kent Larnie
Pat Lundgren
Pamela McQuay
David Williams
Dick Jarvis
Linda Benjamin
Keeum K.
Dawn White
Janice Rogers
Charles S. Eckert
Lloyd Johnson
Norma L. Moman
Rena J. Mesch
Valley G. Dykema
Lynn M. Jensen
Gregory Cook
Lynne M.
Paula Skilling

SEE
REVERSE

Alia Grogan
Jackie Chouvard
Rose Elmer?
Deborah Wicken
Kittie Witten
John J Bernd
Dottie Hase
Hubert Sniffin
Suzie Morrin
Linda Zangge
Darnelo Ford
Kate Babb
Blaney D Anderson
Nicholas T. Miller
Jung A Stitt
Joe A. Pfl
Robert J. Poekmann
~~Robert J. Poekmann~~



STATE OF ALASKA

OFFICE OF THE GOVERNOR

ALASKA WOMEN'S COMMISSION
3801 C STREET - SUITE 742
ANCHORAGE, ALASKA 99503

February 21, 1991

TO: Representative David Finkelstein
Chair, House Labor and Commerce

FROM: Ruth Lister
Alaska Women's Commission *RL*

RE: HB99, Comparable Worth

The Alaska Women's Commission is in support of HB99.

The Dept. of Labor recently published an excellent piece of research comparing male and female wages in Alaska. Women earn 62% of what men earn. Occupations dominated by women are paid substantially less than occupations dominated by men. In every occupation women earn less than men. Even with the same education and working full time women earn less. With high school education women earn an average of \$15,100/year, men average nearly \$9,000 more earning \$23,900/year. With four years of college women earn an average of \$21,300/year and men earn over \$10,000 more, averaging \$31,600/year. Similar disparities exist on the basis of race.

Pay equity is not an easy issue to address because it costs money. So do public assistance and other programs which assist unemployed and low income people, disproportionately women and minorities. Most women will, for some period of their lives, be the sole support for themselves and their children. Poverty has more impact than any other factor on children's lives and future. Pay equity is worth our support.

c/o 315 Barnette Street, Suite 104
Fairbanks, AK 99701
February 22, 1991

State of Alaska, House of Representatives
Committee on Labor and Commerce
PO Box V
Juneau, AK 99811

Re: House Bill 99

Dear Chairman Finkelstein and Members of the Committee:

We ask you to fully support House Bill 99 which would insist on equal pay for work of comparable worth. We believe that when jobs require comparable levels of education and training, exposure to hazards, and levels of responsibilities, then those jobs should receive equal pay.

Making Comparable Worth the standard for setting wages in Alaska would go far to righting the injustice of Alaskan women making significantly less than Alaskan men in the workforce. Some say that the forces of the marketplace ought to determine wages. We say that sexual discrimination is one of the forces of the marketplace. This pervasive sexual wage discrimination ought to be eliminated through the standard of Comparable Worth.

House Bill 99 is a fair and reasonable remedy for past wrongs in setting wages for male and/or female dominated jobs. The cost of implementation of HB 99 should be balanced by the current cost of wage injustice to women throughout the State.

Please give your full support to passage of HB 99.

Sincerely,

R.C. De
Nancy M. Adutola Edwards
Ruth D Rogers
Michelle J. Fry
Judith A. Hogenson
Patricia Aragon
Georgia Muecher

Cammi S. Burton
Laura A. McCarthy
Melissa R. Johnson
Charlene Bamford



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536
FAX: (907) 274-0551

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090
FAX: (907) 586-2744

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435
FAX: (907) 456-2159

February 28, 1991

To: **Representative Finkelstein, Chair**
Members, House Labor & Commerce Committee

Re: **HB 99: "An Act requiring equal pay for work of comparable worth."**

NEA-Alaska strongly supports and encourages your favorable consideration of HB 99. For too long wage and salary discrimination has been evident in Alaska's work force.

"Comparable worth" or "pay equity" simply asserts that employers should pay all employees on the basis of equal pay for equal work and for work of equal value, thereby eliminating the effects of sex and race bias in determining wages.

The courts have consistently ruled that Title VII of the 1964 Civil Rights Act prohibits wage discrimination on the basis of race, color, sex, religion, or national origin. In *Gunther v. the County of Washington*, the U.S. Supreme Court made it clear that Title VII prohibits wage discrimination, even when the jobs are not identical. While court decisions have varied on defining just what constitutes discrimination, the Supreme Court has established that pay based on gender is illegal.

It is time for Alaska to eliminate all wage and salary discrimination and to join Iowa, Michigan, New York, Minnesota, and many local governments across the nation by passing this critical piece of legislation.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Director

Don Oberg
President

cc: **Representative Donley**

Alaska State Legislature

Legislative Research Agency



P.O. Box Y
Juneau, AK 99811-3100
Phone: (907) 165-3991
Fax: (907) 163-3351

March 15, 1991

MEMORANDUM

TO: Representative Larry Baker

FROM: Linda J. Snow *L. Snow*
Legislative Analyst

RE: Impact of Comparable Worth
Research Request 91.150

You asked this agency about the potential financial impact of House Bill 99 (comparable worth) on the business community in Alaska. It is beyond the resources of this agency within the time frame given to undertake an original study of the economic impact of comparable worth legislation on Alaska's private sector. However, we have reviewed comparable worth cost studies undertaken in several other states and one Canadian province. In this memorandum we speculate about possible economic impacts on the basis of findings of studies performed elsewhere.

Background

Comparable worth is a method used to correct wage discrimination between jobs which are dominated by females and those which are dominated by males, but which are of similar value to society. The goal of comparable worth is to achieve pay equity, or equal pay for equal or comparable work.¹ Comparable worth efforts have been underway in the U.S. for more than ten years. According to the National Committee on Pay Equity, between 1979 and 1989, 20 states had made pay equity adjustments in the state and/or local government sectors which amount to more than \$450 million in additional pay to employees. Pay equity adjustments are changes in the wages or salaries of employees in order to achieve pay equity, or equal pay for equal or comparable work.

Comparable Worth Cost Studies

Several states have studied the cost of implementing comparable worth legislation with respect to state employees. Minnesota has required local governments to implement comparable worth employment practices and has estimated those costs. Only Ontario, Canada has passed a pay equity law which

¹Some groups advocate equal pay for equal work, while others take the broader view of equal pay for comparable work.

requires that private industry implement pay equity. Ontario has made preliminary estimates of cost to the private sector.

Studies of the economic impact of comparable worth laws may not be strictly comparable because state legislation may differ in such areas as the definition of pay equity, and where and how to implement it. Also, the economic sectors affected by the programs may differ (for example, Alaska's private sector is dominated by service industries rather than heavy industry and manufacturing). House Bill 99 addresses the private sector, as does Ontario's pay equity law. However, Ontario's law is more detailed than HB 99 and sets out specific requirements to be met on a specific time schedule by private businesses in that province.

Table 1 lists the results of some comparable worth cost studies performed in several states and one Canadian province. The third column is an estimate of the incremental cost to employers of implementing the comparable worth program. A brief description of each study follows the table.

Table 1
Employers' Cost to Implement Pay Equity
in Selected States/Provinces

<u>State/Province</u>	<u>Effected Sector</u>	<u>Employer's Cost as a Percent of Payroll</u>
Alaska	Public - State	0.48% - 1.27%
Minnesota	Public - State	3.7%
Minnesota	Public - Local	2.0% - 4.0%
Ontario, Canada**	Private - 500+ emp.	0.63%
Washington	Public - State	4.09%

* These costs are strictly additional pay given to employees and do not include administrative or study costs.

** The private sector in Ontario began implementing wage adjustments on January 1, 1991. The only private group yet affected are those businesses with 500 or more employees. This is a preliminary figure.

Alaska

In 1986, the State of Alaska performed a classification study of state jobs. This study differed from a pay equity study mainly in that it addressed pay equity of all job classes, not only job classes which were male or female dominated. Although the state never implemented the study, it is comprehensive

and examines several implementation options. Table 2 presents some results of that study.

Table 2

Costs of Pay Equity for State Employees
 as Determined by Alaska's 1986 Classification Study
 (in thousands of dollars)

<u>Fiscal Year</u>	<u>Authorized Payroll</u>	<u>Cost of Option I</u>	<u>Percent of Payroll</u>	<u>Cost of Option II</u>	<u>Percent of Payroll</u>
FY 87	642,794.7	19,967.5	3.11%	9,824.6	1.53%
FY 88	603,102.3	18,592.1	3.08%	8,503.1	1.41%
FY 89	651,085.1	-2,896.6	-0.44%	-2,896.6	-0.44%
FY 90	673,100.0	-3,042.6	-0.45%	-3,042.6	-0.45%
Total	2,570,082.1	32,620.4	1.27%	12,388.5	0.48%

*Based on authorized appropriations excluding the Legislature, Court System, University and Office of the Governor.

**Option I uses present personnel rules and contracts when implementing pay equity. Option II uses a conservative method of implementation that places employees in the correct salary ranges with no salary adjustment or the smallest possible adjustment (requires legislation).

Attachment A contains further detail of the Alaska classification study.

Minnesota

In 1982, the Minnesota legislature passed a law that would grant pay equity to 30,000 state employees over a four-year period. Subsequent legislation added pay equity requirements for local government and the state university system. Implementation of comparable worth practices in the local government sector will be completed by 1992. According to Faith Zwemke, pay equity coordinator in the Minnesota Department of Employee Relations, implementation at the state level cost 3.7 percent of state payroll (or \$33.4 million) annually. Between 1985 and 1988, 1,600 compliance reports were filed by local government entities in Minnesota. These reports show an average annual cost of pay equity implementation at the local level of between 2.0 and 4.0 percent of payroll. It was reported that a major reason for the lower cost in local government is that fewer women work in local government than in state government. Attachment B contains a copy of a presentation to the National Commission on Pay Equity by the Minnesota pay equity coordinator in 1986.

Representative Baker
March 15, 1991
Page 4

Ontario, Canada

The province of Ontario, Canada passed a pay equity law that became effective in 1988. This law affected both the public and private sectors. Public implementation began January 1, 1990, and private sector implementation began a year later according to a specified time schedule for businesses of different sizes. The first group of private sector employers affected are those with 500 or more employees. Although only one phase of private sector implementation has begun, the Ministry of Labour in Ontario has completed a survey of affected private businesses, and has estimated a monetary impact for the first phase. Thus far, implementation of pay equity in the private sector has cost Ontario businesses 0.63 percent of payroll.

According to Steve Crossman in the policy and research section of the Ontario pay equity commission, there is greater potential for pay equity requirements abuse in the private sector. Although Canadian federal law does not allow the lowering of wages to remedy wage discrimination, private employers need only raise female wages to the lowest male pay scale. Some assert that there are loopholes in the law which allow large companies with unions to keep pay adjustments low. Hospitals have received approval for a year's delay in pay adjustments. There are fewer women in the private sector than in the public sector, and some private sector businesses which employ many women (e.g., day care centers and libraries) are not yet affected. Also, reported costs did not include the cost to perform the required job comparison studies, or administrative costs. In Mr. Crossman's opinion, it will take two or three years for the actual cost to private industry to become visible. Attachment C contains a brochure of questions and answers about Ontario's pay equity law.

Washington

Washington state implemented pay equity for state employees in 1986. The implementation plan did not consider gender, but examined all job classes in state government for pay discrimination. There were no salary reductions, only increases. According to Ann Davis, personnel analyst with the Washington Department of Personnel, the first pay equity adjustment occurred in April of 1986 and encompassed 23,796 employees (half the system). The cost was 4.09 percent of payroll. Employees' wages increased an average of \$66.00 per month. Attachment D contains a state of Washington memorandum addressing the cost of the initial pay equity adjustment in April 1986.

Factors Affecting Costs to the Private Sector

Many factors influence the cost of implementing pay equity in the private sector. Factors which would tend to make the cost lower in the private sector than in the public sector include:

- fewer women in the private sector work force;²
- more flexibility in the range of wages offered; and
- greater turnover and greater competition for jobs (which would allow the employer to hire at the lowest possible pay scale).

Factors which would raise the cost of implementation above that of the public sector would include:

- each employer must undertake a wage comparison study (the state does only one study for their entire sector);
- the private sector tends to use proportionally more labor than machinery than does the public sector. Therefore, private sector costs will increase by a greater proportion than those in the public sector as labor costs increase;
- as employee costs rise and productivity remains the same, layoffs are likely to occur; industries may seek less labor-intensive forms of production; and
- businesses may avoid hiring women for fear that they will create a female-dominated job class, and must raise wages.

Impact on Alaska's Private Sector

To estimate a cost for implementation of a pay equity strategy for Alaska's private sector, the following assumptions will be made:

- the foregoing sets of factors neutralize each other and cost to the private sector is the same as cost to the public sector;
- private businesses will not lower wages as a remedy for wage discrimination; and
- all private businesses which report to the federal government for federal unemployment compensation insurance will comply with the law.

The results of the cost studies we have examined here vary greatly. Therefore, we will use the range of cost estimates that they represent (from 0.48 to 4.09 percent of payroll) for the purpose of this analysis.

From the fourth quarter of 1989 to the third quarter of 1990 (the last full year of available information), 164,187 employees in Alaska's private sector

²In Alaska, the private sector accounts for 75 percent of female employment and 79.2 percent of male employment, according to a 1990 Alaska Department of Labor publication entitled *The Gender Gap*.

Representative Baker
March 15, 1991
Page 6

earned \$4,599,388,061.³ Thus, the cost to Alaska's private sector of implementing pay equity given the above assumptions would have been between \$22,077,063 and \$188,114,972 during that period.⁴ This would result in an average monthly salary increase of between \$11.21 and \$95.48 per employee (between \$134.46 and \$1,145.74 annually). These costs are only salary adjustments and do not include costs of administration or job comparison studies.

I hope this information is helpful to you. If you would like further assistance or have any questions, please don't hesitate to call this agency.

Attachments

³This is the latest information available for Alaska from the Alaska Department of Labor. Personal communication with Jo Donner, research and analysis section, Alaska Department of Labor, March 1990.

⁴ $\$4,599,388,061 \times 0.0048 = \$22,077,063$ and $\$4,599,388,061 \times 0.0409 = \$188,114,972$.

REPRESENTATIVE DAVE DONLEY

ALASKA STATE LEGISLATURE
DISTRICT ELEVEN
SEAT A

3111 "C" STREET, SUITE 450
ANCHORAGE, ALASKA 99503
(907) 561-7629 (FAX) 562-4376

ALASKA LANDINGS • BENTZEN • BIRCHWOOD • CHESTER CREEK • HEATHER MEADOWS • LINCOLN PARK • MIDTOWN • NORTHSTAR
NORTHWOOD • ROMIG • ROOSEVELT PARK • SPENARD • THOMPSON • TURNAGAIN • WINDEMERE • WOODLAND PARK



CHAIRMAN
JUDICIARY COMMITTEE
VICE CHAIRMAN
REGULATION REVIEW COMMITTEE
MEMBER
RULES COMMITTEE
LABOR AND COMMERCE COMMITTEE

M E M O R A N D U M

TO: All House Members
FROM: Representative Dave Donley *LD*
DATE: March 31, 1992
RE: Request for Support of HB 99

I am writing to request your floor support of HB 99 (currently in the House Rules Committee), a bill designed to eliminate sex-based wage differences in public employment. Because wage differences based on sex are illegal under federal law, the bill simply provides a mechanism to bring the state into compliance with federal requirements.

Since it was introduced, HB 99 has been completely rewritten and eliminates the sections that mandated pay equity under state law. The current version of the bill is based on legislation from other states that has been used to implement federal pay equity requirements in a cost effective manner.

We know that a woman working for state government in Alaska earns, on average, 67 cents for every dollar a man makes. Failure to adopt HB 99 makes the state vulnerable to expensive, time consuming, and divisive litigation. In states like Washington, where pay equity was achieved through litigation, attorneys fees and back pay awards made the cost significantly greater than in states like Minnesota, which voluntarily phased-in pay equity. CSHB 99 (FIN) is based directly on the Minnesota legislation.

Under CSHB 99 (FIN), public employers have until 1995 to develop a plan for achieving pay equity. At that time, the employer must request an appropriation from the legislature to implement the pay equity plan. If the legislature does not agree with the plan, or does not appropriate the necessary funds, the public employer's obligation is limited to reevaluating the plan and asking the next legislature to consider the issue.

DD:lc

JUNEAU OFFICE

(During Legislative Session January through May)

P.O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3892 (FAX) 463-5661



• rmc

HB 99

Teresa L. Anderson
832 16th Ave Apt 1
Fairbanks, AK 99701

March 27, 1991

RECEIVED APR 01 1991

Representative Dave Donley
P.O. Box U
Juneau, AK 99811

B
TFT

Dear Representative Donley:

I am writing to you about HB 99. Where it now sits is in the House Judiciary Committee which you chair.

Please take action on this bill this year. Families have been waiting a long time for pay equity. A lot of people think that this bill is supported by women as single parent families. This is not true! A lot of support for the bill comes from men as well as women. They see their wives, sisters, daughters and mothers supporting not only the children in their families but their spouses on low wages. Men work a lot in seasonal professions or labor intensive professions and these jobs depend on ^{Alaska's} economic structure. Therefore, they are unemployed a lot depending on the females

is the life to support them. The primary wage earner in Alaska and across the U.S. is turning toward women, yet our wages in our job professions is kept low by the very men who depend on us for support. I don't see a good future for Alaska if this continues, unless we want more families dependent on the social services this state has to offer or more people in the streets then HB99 needs to be passed. I know it will be difficult to put this to practical use in the public sector right away. But if we start this year with State government and expand it in years to come it will work. Yes it cost! But how much more is it costing by not enacting this bill now.

In 1982 Minnesota became the first state requiring that all State employees be paid on the basis of comparable worth. The legislature then extended the comparable worth change in 1984. The law required that by Oct. 1985 local governments present a plan to institute pay equity and by 1987 the plans be implemented. Cities then joined

for ~~to~~ develop a task base approach
to evaluate diverse jobs.

The cost of implementing the plan for civil
service employees was 37.4 million which
amounted to 4% of the State's annual
budget which was spread over four years.

It can be done and should be done!
Is Alaska going to be the last
state to require pay equity? That's
sad!

Please don't bury this bill this year,
your own children may suffer because
it is not enacted and pay inequities
continue.

Sincerely,

Teresa L. Anderson
A.S.E.A. Member
Community Charity Worker
and Concerned
Citizen.

**Municipality
of
Anchorage**



RECEIVED APR 29 1991

P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 343-4433

TOM FINK,
MAYOR

OFFICE OF THE MUNICIPAL MANAGER

April 26, 1991

Representative Dave Donley, Chairman
House Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Re: HB 99, an Act requiring equal pay for work of comparable worth.

Dear Representative Donley:

Attached is a copy of the Municipality of Anchorage's position on HB 99, an Act requiring equal pay for work of comparable worth. We would appreciate your consideration of our position during your hearing on this bill.

Sincerely,

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

Larry D. Crawford
Municipal Manager

Municipality of Anchorage



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 343-4425

TOM FINK,
MAYOR

DEPARTMENT OF EMPLOYEE RELATIONS

April 26, 1991

To whom it may concern:

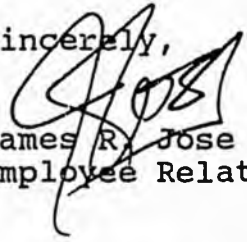
The Municipality of Anchorage favors equal pay for equal work and is opposed to House Bill No. 99 that is "an Act requiring equal pay for work of comparable worth."

Reasons:

1. The language of the Bill is vague and does not define comparable worth adequately or appropriately nor how it is to be implemented. A quantifiable system for determining the relative value of different jobs to an organization has not been established. Consequently, the development of implementing regulations will be difficult and confusing, if not impossible.
2. The concept of equal pay for equal work ensures that wages will be established by the free-market process through the forces of supply and demand. Comparable worth, however, would replace this free-market process with a highly costly and government-imposed job evaluation process which would purport to make accurate comparisons of the worth of unlike jobs. Further, such job evaluations are too subjective to be relied upon exclusively for determining the "worth" of work.
3. The implementation of comparable worth will result in higher labor costs and therefore higher costs for goods and services, thereby contributing to an increase in inflation. In short, the cost of doing business and providing public services would necessarily increase.

In conclusion, the complex issue of comparing the relative value of unlike jobs has not been addressed definitively by the courts or the human resource management profession and until they do so the concept of comparable worth will continue to be vague, subject to serious question in a free-market economy, and suggestive of a further erosion of employer's rights. A better solution to any pay discrimination problem is the continued enforcement of the Equal Pay Act and the Equal Employment Opportunity Act.

Sincerely,


James R. Jose
Employee Relations Director

**Municipality
of
Anchorage**



RECEIVED APR 29 1991

P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 343-4433
TOM FINK,
MAYOR

OFFICE OF THE MUNICIPAL MANAGER

April 26, 1991


Representative Dave Donley, Chairman
House Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Re: HB 99, an Act requiring equal pay for work of comparable worth.

Dear Representative Donley:

Attached is a copy of the Municipality of Anchorage's position on HB 99, an Act requiring equal pay for work of comparable worth. We would appreciate your consideration of our position during your hearing on this bill.

Sincerely,


Larry D. Crawford
Municipal Manager

Municipality of Anchorage



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 343-4425

TOM FINK,
MAYOR

DEPARTMENT OF EMPLOYEE RELATIONS

April 26, 1991

To whom it may concern:

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Sincerely,


James R. Jose
Employee Relations Director

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

P.O. Box Y, Juneau, Alaska 99811
(907) 465-3867 or 465-2450
FAX (907) 465-2029

Deliveries to: 240 Main Street
Court Plaza, Room 500
Mail Stop 3101

MEMORANDUM

May 13, 1991

SUBJECT: Sectional summary of CSHB 99 (Judiciary) (Equitable employee compensation)

TO: Representative Dave Donley
Attn: Laurie Otto

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

You have requested a sectional analysis of the above described bill. As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1 creates new statutes concerning equitable employee compensation for school districts and regional education attendance areas (REAA's).

Sec. 14.03.200 requires school districts and REAA's to establish equitable compensation relationships, based on comparable work value among positions, between female-dominated, male-dominated, and balanced classes of employees who are subject to merit system hiring.

Subsection (b) directs that if there is interest arbitration under the Public Employment Relations Act (PERA) or mediation under the statute for teacher collective bargaining for a class that is not a balanced class, as defined later in the bills, the mediator or arbitrator shall consider the job evaluation study. The mediator or arbitrator may consider the study in mediation or interest arbitration for a balanced class.

Sec. 14.03.210 directs school districts and REAA's to assure equitable compensation for positions when preparing management positions for collective bargaining negotiations and compensation plans for employees not covered by collective bargaining by assuring that the compensation meets certain listed criteria.

Representative Dave Donley

May 13, 1991

Page 2

Sec. 14.03.220 requires school districts and REAA's to use a job evaluation system to determine the comparable work value of classes of employees and to meet and confer with employee representatives in developing the system. Under subsection (b), the district or REAA must submit a report to the bargaining organizations representing its employees to be used in collective bargaining negotiations.

Subsection (c) permits the district or REAA to earmark money to correct inequitable compensation relationships even though that earmarking may be contrary to other collective bargaining requirements.

Sec. 14.03.230 permits the job evaluation system results to be used as evidence.

Sec. 14.03.240 limits application of the requirements enacted by this section to school districts and REAA's that employ at least 10 full-time employees during a 12-month period.

Sec. 14.03.250 defines terms used in the new statutes.

Sec. 2 directs that the board of regents of the University of Alaska comply with the new statutes enacted by sec. 3 of the bill.

Sec. 3 enacts statutes relating to the University of Alaska that are comparable to those that apply to school districts and REAA's under the statutes enacted in sec. 1 of the bill.

Sec. 4 includes eliminating sex-based wage disparities in public employment in the state in the policies that apply to the Public Employment Relations Act (PERA).

Sec. 5 requires home rule municipalities to comply with the requirements of the statutes enacted by sec. 7 of the bill.

Sec. 6 requires that municipalities establish compensation policies in accordance with the statutes enacted by sec. 7 of the bill.

Sec. 7 enacts statutes relating to the home rule and general law municipalities that are comparable to those that apply to school districts and REAA's under the statutes enacted in sec. 1 of the bill.

Sec. 8 enacts a compensation policy for the classified service of the executive branch of state government. It is similar to the policies adopted for other state agencies and political subdivisions by the bill.

Sec. 39.25.300 sets out the compensation policy.

Sec. 39.25.310 requires the commissioner of administration to use a job evaluation system to determine comparable work value.

Subsection (b) directs the commissioner to consult with the state office of equal employment opportunity in compiling a list of female-dominated and male-dominated classes in the classified service for which compensation inequity exists.

Subsection (c) requires a report of the results of the job evaluation system to be given to collective bargaining organizations.

Subsection (d) directs the commissioner to prepare a plan to create pay equity for the classes in which pay inequity exists.

Subsection (e) addresses legislative review and funding of the plan.

Subsection (f) directs the commissioner to work with the collective bargaining organization when distributing to members of the collective bargaining unit any money appropriated by the legislature to remedy a pay inequity.

Subsection (g) permits the state to specify that a certain amount of money be set aside to remedy pay inequities.

Sec. 39.25.320 permits the pay inequity list and the pay equity plan to be used as evidence in a proceeding or action alleging discrimination.

Sec. 39.25.330 sets goals for compensation to be used by the commissioner of administration in collective bargaining and preparing the classification and pay plans for employees not covered by collective bargaining.

Sec. 39.25.400 sets out definitions.

Sec. 9, enacts a compensation policy for the employees of the Alaska Railroad who are subject to merit system hiring. It is comparable to the policy that applies to school districts and REAA's under the statutes enacted in sec. 1 of the bill. Changes are made to conform to the collective bargaining statutes specific to the railroad.

Sec. 10, limits enforcement of the provisions of the bill to causes arising on or after the effective date of the bill. (The bill does not contain a special effective date clause, so it would take effect 90 days after signature by the governor.)

Representative Dave Donley
May 13, 1991
Page 4

Sec. 11, requires reports from the employers covered by the bill, other than the state, to the commissioner of administration.

If I may be of further assistance, please advise.

TC:pl:gc
91-358.plm

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 02/24/86

REQUEST
 Bill/Resolution No.: HB 676
 Title: "An act relating to implemen-
 tation of a classification study . . ."

FISCAL DETAIL
 Agency Affected: All
 BRU: _____

Sponsor: Rules at request of Governor
 Requestor: _____
 Date of Request: _____

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES		9,824.6	17,461.4	12,820.9	8,048.1	3,518.8
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		9,824.6	17,461.4	12,820.9	8,048.1	3,518.8

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		6,670.7	11,630.3	8,618.6	5,521.1	2,581.6
FEDERAL FUNDS						
OTHER		3,153.9	5,831.1	4,202.3	2,527.0	937.2
TOTAL		9,824.6	17,461.4	12,820.9	8,048.1	3,518.8

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Michael P. McMullen *Michael P. McMullen* Phone: 465-2200
 Division: Commissioner's Office Date: 2/25/86
 Approved by Commissioner: Eleanor Andrews *Eleanor Andrews* Date: 2/25/86
 Agency: Department of Administration

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

CONTINUATION of FISCAL NOTE ANALYSIS

For HB 676

This revised Fiscal Note incorporates two refinements referenced in the original Fiscal Note of February 13, 1986: 1) An estimate of the savings effect of turnover has been included, and 2) the costs have been broken out by General Fund and all other.

An attachment has been developed showing the costs by department for fiscal years 1987 and 1988.

The Legislature appropriated \$500.0 thousand in 1983 to fund the only comprehensive review of the total classification system since statehood. The study results are scheduled for implementation on January 1, 1987. This bill amends the Personnel Act to allow for implementation in the manner normally used by public employers on studies of this scope. The bill provides a one-time exception to the current Personnel Rules (AS 39.25.150, 2 AAC 07) regarding pay upon the upward movement of an employee. This one-time change will reduce the cost of implementation by more than half. This bill provides the only mechanism to express and discuss the financial impact of the study.

Under current collective bargaining agreements and Personnel Rules, when a position is reallocated to a higher range, the employee is entitled to a pay increase of at least one step on the pay schedule. When all positions in a job class are assigned a higher pay range, all incumbents retain the same step in the higher range. The FY 87 cost for implementing the Classification Study under this approach would be \$19,967.5.

This bill will provide, instead, that the pay of all employees moving to higher pay ranges will be set at the lowest step that does not provide a decrease.

An example of this difference is shown below:

MONTHLY SALARY (Partial Table from AS 39.27.011)

Range	Step	A	B	C	D	E	F
12		2,082	2,145	2,217	2,286	2,365	2,445
13		2,217	2,286	2,365	2,445	2,531	2,623
14		2,365	2,445	2,531	2,623	2,715	2,818

Under current provisions, an employee at Range 12, Step E (\$2,365) would move to Range 14, Step B (\$2,445) upon reclassification, and to Range 14, Step E (\$2,715) if the pay range for the employee's job was changed from Range 12 to Range 14. Under this bill an employee would move to Range 14, Step A (\$2,365) in either case.

The Personal Services cost estimates are based on a computer model developed by the Division of Personnel. It is based on changes projected on a class-by-class basis. It considers bargaining unit; actual rates of pay, including current and projected step within a range and geographic

differentials; vacancy factor; benefits, including appropriate retirement system, the Supplemental Benefits System (SBS) cap, and departmental variable rates; and premium pay experience (except sea duty) by department. The model assumes that current pay rates will continue and that the study will be fully implemented on January 1, 1987.

Current Personnel Rules and collective bargaining agreements provide for "frozen" pay for employees who are reclassified or have their ranges changed to lower levels. This bill will not affect these provisions. Beginning in FY 88, the effect of such freezes begins to reduce Personal Services costs.

In addition, as employees with frozen salaries separate from State employment and are replaced by new workers, the new workers enter the work force at lower pay rates. Normally, such savings are offset by current employees receiving merit increases. However, the number of employees who will have frozen salaries as a result of the Classification Study will upset this balance. As turnover occurs, real reduction in Personal Services costs will be realized. A turnover rate of 15 percent has been assumed across all bargaining units and departments. The appropriate adjustment has been made to the savings expected from current employees with frozen salaries forgoing merit increases to reflect this turnover rate.

The combined savings from frozen salaries and turnover of those with frozen salaries is projected at \$2,187.8 in FY 88 (half year). For FY 89, these savings are \$4,640.5. Following FY 91, these savings fall rapidly.

The following table displays the Personal Services costs considering the prior year as the base for each year:

FY 87	\$9,824.6
FY 88	7,636.8
FY 89	-4,640.5
FY 90	-4,772.8
FY 91	-4,529.3

Governor Sheffield will be submitting an FY 87 Budget Amendment for the FY 87 costs. Costs for FY 88 and beyond will be routinely included in preparation of agencies' Personal Services line items..

Attached is a breakdown by department of incremental costs for FY 87 and FY 88.

Attachment 1

General Fund and Other Fund Personal Services Cost by Department, FY 87 and FY 88, to Implement the Classification Study under HB 676.

<u>Department</u>	FY 87		FY 88	
	<u>G.F.</u>	<u>Other</u>	<u>G.F.</u>	<u>Other</u>
Office of the Governor	23.5	.1	23.5	.1
Administration	1,123.1	169.3	1,077.4	125.0
Law	97.4	48.9	87.6	43.9
Revenue	179.5	95.8	115.1	61.4
Education	190.1	94.5	125.2	62.2
Health and Social Services	1,818.4	288.7	1,718.4	272.8
Labor	127.4	310.3	101.9	248.4
Commerce and Economic Development	74.5	38.0	-17.6	-9.0
Military and Veterans Affairs	37.0	27.4	33.5	24.9
Natural Resources	575.9	57.7	465.3	46.6
Fish and Game	769.2	370.4	748.8	360.6
Public Safety	418.7	9.9	-464.6	-10.9
Environmental Conservation	110.6	34.8	89.0	27.9
Corrections	700.3	4.9	659.3	4.6
Community and Regional Affairs	75.8	36.2	31.0	14.8
Transportation and Public Facilities	349.0	1,567.3	166.1	1,403.3
Total	6,670.4	3,154.2	4,959.9	2,678.6

Note: Totals do not match page 1 due to rounding.

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. HB 99

Revision Date: _____ Department Affected: OFFICE OF THE GOVERNOR
 Title: EQUAL PAY FOR WORK OF COMPARABLE WORTH BRU: HUMAN RIGHTS COMMISSION
 Component: HUMAN RIGHTS COMMISSION

Sponsor: REPRESENTATIVE DONLEY
 Requestor: HOUSE LABOR & COMMERCE

COMPONENT SERIAL NO.

0	0	0	1
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	110.6	304.1	304.1	304.1	304.1	304.1
TRAVEL	10.8	16.2	13.6	13.6	13.6	13.6
CONTRACTUAL	7.2	83.0	153.2	153.2	153.2	153.2
SUPPLIES	1.8	4.6	4.6	4.6	4.6	4.6
EQUIPMENT	13.1	14.8	-	-	-	-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	143.5	422.7	475.5	475.5	475.5	475.5

CAPITAL	-	-	-	-	-	-
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REVENUE	-	-	-	-	-	-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	143.5	422.7	475.5	475.5	475.5	475.5
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	143.5	422.7	475.5	475.5	475.5	475.5

POSITIONS:

FULL-TIME	*1.5	4	4	4	4	4
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

* 2 positions start 10/1/92

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

PLEASE SEE ATTACHED ONE-PAGE ANALYSIS

Prepared By: PAULA M. HALEY, EXECUTIVE DIRECTOR Phone: 276-7474

Division: HUMAN RIGHTS COMMISSION Date: February 19, 1991

Approved by Commissioner: [Signature] D. Max Hodel, Chief of Staff

Agency: Office of the Governor Date: 2/21/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

**Attachment to Fiscal Note for HB 99
Office of the Governor
Human Rights Commission
February 19, 1991**

ANALYSIS

Currently AS 18.80.220(a)(5) requires equal pay for work of "comparable character" in the same business and locality. The Commission interpreted this to allow comparison of related jobs which did not have substantially the same duties. In July of 1990 the Alaska Supreme Court ruled against the Commission and held that Alaska law only requires equal pay for substantially equal work. HB 99 vastly expands the class of persons who can file complaints under AS 18.80.220(a)(5). It permits comparisons between employees in unrelated jobs working for different employers in different localities.

Currently, 16% of the cases in the ASCHR inventory involve comparable character claims. Even if all these cases were to be dismissed under the existing statute, the new law will make it easier for the complainants to demonstrate that their jobs and those of the male comparators are of comparable worth. Therefore, the agency anticipates these cases will be refiled under the new law shortly after it becomes effective. The agency anticipates that many new cases will be filed under this expanded statute.

The agency expects to investigate at least 30 new cases starting in FY 92, if HB 99 becomes effective by September of 1991. It will take a senior investigator a full 1 to 2 months to perform each investigation of this type. The agency will require two investigators in FY 92 to deal with the first cases filed under the amended law. An additional two investigators will be needed in FY 93 as more complaints are filed.

Recently proposed budget cuts forced the agency to substantially reduce its clerical work-force. The paper work generated by comparable worth investigations will require restoration of these two clerical positions. ASCHR will need an additional Clerk IV in FY 92. The agency will need a Legal Secretary beginning in FY 93 as staff completes investigations and those cases which are not conciliated are prepared for public hearings.

The agency expects most complaints to involve claims for a substantial amount of back-pay. The nature of the claims does not lend itself to compromise solutions. The agency expects a low settlement rate for these cases until all legal questions arising under HB 99 are resolved by the Alaska Supreme Court.

Employers do not always maintain extensive job documentation. As a result many investigations will require on-site interviews of affected employees to compare the jobs in question. Since the Bill allows comparisons of jobs in different locations the travel costs associated with these investigations will increase. It will also be necessary to train investigators in job evaluation techniques.

HB 99 Fiscal Note Summary

Personal Services:

This fiscal note provides for two Human Rights Field Representative (HRFR) III and a Clerk IV to begin 10/1/91 in Anchorage. Staffing for FY93 consists of an additional HRFR III in Fairbanks and Juneau and a Legal Secretary in Anchorage.

Travel:

We anticipate on-site investigations at locations such as Barrow, Bethel, Dillingham, Dutch Harbor, Fort Yukon, Galena, Haines, Kodiak, Nome, Petersburg, Prudhoe Bay, Sitka, and Valdez. Funding is also included for investigator participation in a training seminar/workshop on comparable worth and job classification.

Contractual:

Funds will be necessary for operating expenses such as telephone and communications, rent, and equipment maintenance. Also, we estimate that three (3) cases per year will go to public hearing beginning in mid-FY93. Hearing expenses, including hearing officers, court reporters, transcripts, depositions, and expert witnesses are estimated at \$46,400 per case

Commodities:

This line item includes office supplies for new staff.

Equipment:

Each investigator will require a personal computer (PC) and office equipment such as desk, chairs, file cabinet, dictation unit. The legal secretary will also require a PC.

data\115

Position Title HUMAN RIGHTS FIELD REPRESENTATIVE III		No. of Positions 2	Range / Step 18/A	Barg. Unit PX
Time Status Full Time	Staff Months FY92-18: FY93-24	Location Anchorage		Election District
TYPE OF EXPENDITURE		Amount		
Salary	61.0			
Benefits	23.8			
Premium Pay				
Other				
Total Personal Services	84.8			
Travel	10.8			
Contractual	6.8			
Commodities	1.6			
Equipment	11.6			
Other				
Total Cost	115.6			
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
I-A Receipts	1007			
CIP Receipts	1061			
Other				
		<p>Justification</p> <p>As indicated in the agency analysis of HB 99 additional HRFR IIIs will be required to investigate cases generated by the proposed amendment to AS 18.80.220(a)(5). Two positions, located in Anchorage, will begin October 1, 1991. One position located in Fairbanks and one in Juneau will begin July 1, 1992.</p> <p>These HRFR III positions are independent working level positions. Duties consist of interviewing complainants, preparing investigative plans, conducting interviews of witnesses, preparing interrogatories and requests for production of evidence, writing interview reports, and conducting resolution conferences. The HRFR III is also responsible for preparing predetermination settlement agreement and conciliation conferences, and serving as a witness as required at public hearings before the Commission.</p> <p>Included in the funding for this position is travel to rural communities for on-site investigations and attendance at a national training seminar or workshop on comparable worth and job classification. Minimal expenses are expected for telephone, rent, and office supplies. Equipment purchases for each of these positions will consist of a personal computer and office furniture and equipment.</p>		

Request For New Position

AGENCY OFFICE OF THE GOVERNOR

BRU HUMAN RIGHTS COMMISSION

COMPONENT HUMAN RIGHTS COMMISSION

FY 92

Page 1 of 5

Revised Date: _____

Position Title CLERK IV		No. of Positions 1	Range / Step 9/B	Barg. Unit PX
Time Status Full Time	Staff Months FY92 - 9 mos.; FY93 - 12 mos.	Location Anchorage		Election District
TYPE OF EXPENDITURE		Amount		
Salary		17.5		
Benefits		8.3		
Premium Pay				
Other				
Total Personal Services		25.8		
Travel		-		
Contractual		.4		
Commodities		.2		
Equipment		1.5		
Other				
Total Cost		27.9		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	27.9		
I.A. Receipts	1007			
CI' Receipts	1061			
Other				

Justification

As indicated in the agency analysis, HB 99 will require restoration of the clerk position deleted in the FY92 budget.

This position will provide clerical support to the two Human Rights Field Representative III positions in Anchorage and assisting the two Human Rights Field Representative III positions located in Fairbanks and Juneau. This consists of assigning docket numbers, setting up case files, preparation of case related documents such as complaints, interrogatories and determinations, transferring via pc case related documents to and from field offices, insuring that complaints are served, insuring the completeness of case files, and compiling data for entry into the agency management information system.

The field offices in Juneau and Fairbanks do not have assigned clerical staff.

Funding for this position includes minimal contractual services, supplies and office furniture.

**Request For
New Position**

AGENCY OFFICE OF THE GOVERNOR

BRU HUMAN RIGHTS COMMISSION

COMPONENT HUMAN RIGHTS COMMISSION

FY 92

Page 2 of 5

Revised Date: _____

Position Title HRFR III		No. of Positions 1	Range / Step 18/A	Barg. Unit PX
Time Status Full Time	Staff Months 12	Location Juneau		Election District
TYPE OF EXPENDITURE		Amount		
Salary	40.7			
Benefits	15.8			
Premium Pay				
Other				
Total Personal Services		56.5		
Travel		4.5		
Contractual		1.6		
Commodities		1.0		
Equipment		5.8		
Other				
Total Cost		69.4		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004	69.4		
IA Receipts	1007			
CI? Receipts	1061			
Other				

Justification

As indicated in the agency analysis of HB 99 additional HRFR IIIs will be required to investigate cases generated by the proposed amendment to AS 18.80.220(a)(5). Two positions, located in Anchorage, will begin October 1, 1991. One position located in Fairbanks and one in Juneau will begin July 1, 1992.

These HRFR III positions are independent working level positions. Duties consist of interviewing complainants, preparing investigative plans, conducting interviews of witnesses, preparing interrogatories and requests for production of evidence, writing interview reports, and conducting resolution conferences. The HRFR III is also responsible for preparing predetermination settlement agreement and conciliation conferences, and serving as a witness as required at public hearings before the Commission.

Included in the funding for this position is travel to rural communities for on-site investigations and attendance at a national training seminar or workshop on comparable worth and job classification. Minimal expenses are expected for telephone, rent, and office supplies. Equipment purchases for each of these positions will consist of a personal computer and office furniture and equipment.

Request For New Position

AGENCY Office of the Governor

BRU Human Rights Commission

COMPONENT Human Rights Commission

FY 93

Page 3 of 5

Revised Date: _____

Position Title Human Rights Field Representative (HRFR) III		No. of Positions 1	Range / Step 18-A	Barg. Unit PX
Time Status Full Time	Staff Months 12	Location Fairbanks		Election District
TYPE OF EXPENDITURE		Amount		
Salary	46.6			
Benefits	17.3			
Premium Pay				
Other				
Total Personal Services	63.9			
Travel	4.5			
Contractual	1.6			
Commodities	1.0			
Equipment	5.8			
Other				
Total Cost	76.8			
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
G.F. Match	1003			
General Fund	1004			
IA Receipts	1007			
CIP Receipts	1061			
Other				
		Justification As indicated in the agency analysis of HB 99 additional HRFR IIIs will be required to investigate cases generated by the proposed amendment to AS 18.80.220(a)(5). Two positions, located in Anchorage, will begin October 1, 1991. One position located in Fairbanks and one in Juneau will begin July 1, 1992. These HRFR III positions are independent working level positions. Duties consist of interviewing complainants, preparing investigative plans, conducting interviews of witnesses, preparing interrogatories and requests for production of evidence, writing interview reports, and conducting resolution conferences. The HRFR III is also responsible for preparing predetermination settlement agreement and conciliation conferences, and serving as a witness as required at public hearings before the Commission. Included in the funding for this position is travel to rural communities for on-site investigations and attendance at a national training seminar or workshop on comparable worth and job classification. Minimal expenses are expected for telephone, rent, and office supplies. Equipment purchases for each of these positions will consist of a personal computer and office furniture and equipment.		

**Request For
New Position**

AGENCY Office of the Governor

BRU Human Rights Commission

COMPONENT Human Rights Commission

FY 93

Page 4 of 5

Revised Date: _____

Position Title LEGAL SECRETARY I		No. of Positions 1	Range / Step 10-B	Barg. Unit PX
Time Status Full Time	Staff Months 12	Location Anchorage		Election District
TYPE OF EXPENDITURE		Amount		
Salary	24.8			
Benefits	11.5			
Premium Pay				
Other				
Total Personal Services	36.3			
Travel				
Contractual	.6			
Commodities	.5			
Equipment	3.2			
Other				
Total Cost				
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts	1002			
C.F. Match	1003			
General Fund	1004			
EA Receipts	1007			
CHP Receipts	1061			
Other				

Justification

As indicated in the agency analysis, the additional hearings and probable appeals under HB 99 will require restoration of the Legal Secretary position deleted in the FY92 budget.

This position, will provide legal secretarial support to the Hearing Unit's Human Rights Advocate. These duties consist of preparing and typing correspondence, forms and legal documents; maintaining a calendar to insure that appearances, appointments and deadlines are met and arranging depositions, scheduling and monitoring court reporters and witnesses, and arranging Hearing Unit travel. In addition, this position will assist the Clerk IV in providing secretarial and administrative support for the four Human Rights Field Representative III positions required under this bill.

Funding for this position also includes minimal contractual services, supplies, a personal computer and office furniture.

**Request For
New Position**

AGENCY Office of the Governor

BRU Human Rights Commission

COMPONENT Human Rights Commission

FY 93

Page 5 of 5

Revised Date: _____

FISCAL NOTE

**STATE OF ALASKA
1991 LEGISLATIVE SESSION**

BILL NO. CS HB99 (Juel)

Revision Date: _____ Department Affected: University of Alaska
 Title: An Act requiring . . . equitable compensation BRU: Statewide Programs & Ser
for employees who are subject to merit system employment Component:
 Sponsor: Dunley, Koponen, et al.
 Requestor: House Judiciary Committee Component Serial No. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY92	FY93	FY94	FY95	FY96	FY97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	1,025.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1,025.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)	FY92	FY93	FY94	FY95	FY96	FY97
GENERAL FUND	1,025.0					
FEDERAL FUNDS						
OTHER						
TOTAL	1,025.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:	FY92	FY93	FY94	FY95	FY96	FY97
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)
 To provide the "Job Evaluation System" as provided in the bill the following expenses would be incurred.
 Classified Employees (1500 x \$300.00= \$450,000) + APT employees (700 x \$300.00= \$275,000)
 + Faculty (1000 employees x \$300.00= \$300,000) = \$1,025,000.

Prepared by: Marsha A. Hubbard
 Division: Statewide Budget Office
 Approved by: Wendy Redman
 Agency: University of Alaska

Phone: 474-7593
 Date: 5/13/91
 Date: 5/13/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO : HB 99

Revision Date: _____
 Title: "An Act requiring equal pay for work of comparable worth."
 Sponsor: Donley, et al.
 Requestor: House Labor & Commerce

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: _____
Wage & Hour
 COMPONENT SERIAL NO. 345

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURLS						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

The Human Rights Commission would be responsible for administering the provisions of this bill.

Prepared by: Robert Libbey Phone: 264-2452
 Division: Labor Standards & Safety Date: 2/15/91

Approved by Commissioner: Nancy Bear Users *NBU*
 Agency: Department of Labor Date: 2/15/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. HB 99

Revision Date: _____

Department Affected: Administration

Title: An Act requiring equal pay for work of comparable worth.

BRU: Personnel

Component: Personnel

Sponsor: Donley

Requestor: House Labor and Commerce

COMPONENT SERIAL NO.

0	0	5	6
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	120.0	0	0	0	0	0
TRAVEL	20.0	0	0	0	0	0
CONTRACTUAL	40.0	0	0	0	0	0
SUPPLIES	20.0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	200.0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	200.0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	200.0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	2.0	0	0	0	0	0

Estimate of current year impact: Zero.

ANALYSIS: (Attach a separate page if necessary.)

This legislation would force the State to change its classification system from the "whole job" system currently in use. The costs shown are required to complete the development of the Alaska Quantitative Evaluation System (AQES) which reached a preliminary stage with a \$500.0 appropriation in 1983.

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 Date: 2-14-91

Approved by Commissioner: Millett Keller *Millett Keller*
 Agency: Administration

Date: 2/14/91

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NFIB Alaska

National Federation of
Independent Business

POSITION PAPER

OF

NATIONAL FEDERATION OF INDEPENDENT BUSINESS
(NFIB/ALASKA)

ON

HB 99

AN ACT REQUIRING EQUAL PAY FOR WORK OF COMPARABLE WORTH.

State Office
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The Guardian of
Small Business

Mr. Chairman, members of the Committee, my name is Resa Jerrel, and I represent the National Federation of Independent Business - NFIB/Alaska. NFIB/Alaska is comprised of 5400 small and independent business owners.

As I have testified before this committee previously - the legislative agenda of NFIB/Alaska is determined by our ballot. Our members have repeatedly voted against the government interfering in the employer and employee relationship.

The fact that women earn less than men leads few people to ask why. The wage gap between men and women is a complex phenomenon. There are many factors, such as education, on-the-job experience, skills, seniority and continuity in the workplace that account for discrepancy in wages.

I caution you to be careful in looking at the total wage gap between the earnings of all men and women. This method is not wholly accurate. Women work fewer hours and have less seniority than men. The best numbers I have been able to come up with are: women are 2-3 times more likely to work part-time than men; and, women average 3.3 years with their current employer, compared with 5.1 years for men. In the real world of employment in the private sector this makes a difference. These figures support the fact that factors other than discrimination can and do account for the wage differential.

Women continue to choose to work at different jobs than men, despite strides and expanded opportunities in higher paying, traditionally male occupations. Earnings play only a partial role in a woman's decision to work in a limited number of jobs. Of far greater importance is the need that most women have to balance the demands of a job with the responsibilities of family life. Working mothers may be willing to take less pay to get other benefits - a job

that provides regular working hours, health insurance and proximity to a telephone in case of a child-related emergency. Back in the mid-60's I had a job as a IBM Key-punch operator - high-tech in those days - I chose to take a job at a day care center - earning the minimum wage - so I could be with my preschool son. The non-monetary benefits of certain types of jobs definitely have their appeal. The key word is I "chose".

I would like to turn now to the practical aspects of what comparable worth would mean to the small employer. It has been a frustration of ours, in the small business community, that when the legislature speaks of business, they tend to think of big business and feel that whatever legislation is passed, business can cope with it. That is not true for your local dry cleaner, hardware store or print shop.

Small firms are labor intensive as opposed to capital-intensive, primarily the realm of big business. The cost of carrying an employee is the most expensive part of running a small business. All the administrative jobs in a small firm are often rolled up into one person--the employer. There is no Department of Human Resources, Department of Labor Relations or Division of Personnel. There is no such beast as a formal job description for small business, let alone a full-blown job evaluation based upon some point factor system.

Another problem I see with the comparable worth concept is it address only the worth of the job. It totally ignores the worker and productivity of the worker - the human element. For example - here you have two jobs called "clerk", they are determined to be of comparable worth so they are assigned box 1. You have two clerks, so you have box 1a and box 1b. Now you put people in the boxes. Box 1a is always drinking coffee, on the telephone with friends, not too polite to customer or late to work because her/his car breaks down.

Box 1b worker - comparable worth job classification - who is always friendly, out going, a worker-bee and really a producer for business. Here is where the concept of comparable worth of a work box breaks down. The reality of the people in those boxes and their productivity.

NFIB/Alaska believes that the existing law already provides a remedy to employees that believe they have been discriminated against in the amount of their wages.

The members of NFIB/Alaska would urge extreme caution on the part of the Legislature as you begin deliberations on this matter. Thank you.

REPRESENTATIVE DAVE DONLEY

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HB 99 clarifies AS 18.80.220(a) (5).

The Alaska Supreme Court in its ruling in Alaska State Commission for Human Rights v. State Department of Administration (Opinion No. 3619, July 27, 1990) (See attached summation of this case) decided that as currently written that term "comparable character" in AS 18.80.220(a) (5) only means equal pay for substantially equal work.

Under that interpretation Alaska women no longer have a means to seek redress for the systematic undervaluing of their work. A recent Alaska Department of Labor study, The Gender Gap, found that "women earn about 18 percent less than men of the same age, location, industry group and occupational group." and that "women earn less than men in every occupational category".

At present thirteen states, Georgia, Idaho, Kentucky, Maine, Maryland, Massachusetts, Montana, Nebraska, North Dakota, Oklahoma, South Dakota, Tennessee and West Virginia have comparable worth laws that apply to both public and private employers, and additional six, California, Hawaii, Iowa, Minnesota, Oregon and Washington have comparable worth laws that cover public employees. In their findings these states have said:(ie: North Dakota)

"the practice of discriminating on the basis of sex by paying wages to employees of one sex at a lesser rate than the rate paid to employees of the opposite sex for comparable work on jobs which have comparable requirements unjustly discriminates against the person receiving the lesser rate; leads to low work morale, high turnover and frequent labor unrest; discourages workers paid the lesser wage rates from training for higher level jobs; curtails employment opportunities, decreases worker's mobility and increases labor costs; impairs purchasing power and threatens the maintenance of an

