

**HOUSE BILL NO. 420**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Introduced: 3/24/10

Referred: State Affairs, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act adjusting the established geographic differentials in pay that apply to certain  
2 employees in state service who are not covered by collective bargaining agreements;  
3 requiring the director of the division of personnel to establish geographic pay  
4 differentials for positions located outside the state; and providing for an effective date."

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

6 \* **Section 1.** AS 39.27.020(a) is amended to read:

7 (a) The following pay [STEP] differentials are approved as an amendment to  
8 the basic salary schedules provided in AS 39.27.011:

9		<u>Multiplier to Determine</u>
10		<u>Percentage of Decrease or</u>
11		<u>Increase in Basic Salary</u>
12		[PAY STEPS ABOVE
13	Election District	BASIC SALARY SCHEDULE]
14	1	<u>1.04</u> [0]

1	2	<b><u>1.04</u></b> [1]
2	3	<b><u>1.17</u></b> [1]
3	4	<b><u>1.11</u></b> [0]
4	5	<b><u>1.06</u></b>
5	<b><u>6</u></b>	<b><u>1.05</u></b> [2]
6	6A (EXCLUDING VALDEZ DUTY STATION)	4
7	6B (VALDEZ DUTY STATION)	5]
8	7	<b><u>0.95</u></b> [1]
9	8	<b><u>1.00</u></b> [0]
10	9	<b><u>1.03</u></b> [2]
11	10	<b><u>1.01</u></b> [2]
12	11	<b><u>1.12</u></b> [2]
13	12	<b><u>1.49</u></b> [7]
14	13	<b><u>1.37</u></b> [7]
15	14	<b><u>1.53</u></b>
16	<b><u>15</u></b>	<b><u>1.16</u></b>
17	<b><u>16</u></b>	<b><u>1.02</u></b> [8]
18	15A (EXCLUDING NENANA DUTY STATION)	9
19	15B (NENANA DUTY STATION)	8
20	16A (SOUTH OF ARCTIC CIRCLE)	4
21	16B (NORTH OF ARCTIC CIRCLE)	9]
22	17	<b><u>1.55</u></b> [9]
23	18	<b><u>1.37</u></b> [9]
24	19	<b><u>1.48</u></b> [8]
25	IN OTHER STATES	MINUS 6]

26 \* **Sec. 2.** AS 39.27.020(c) is amended to read:

27 (c) The director of the division of personnel shall establish salary differentials  
 28 for positions **located outside the state** [IN FOREIGN COUNTRIES]. The  
 29 differentials shall be adjusted annually, effective July 1, to maintain equitable  
 30 relationships between salaries for positions **located outside the state** [IN FOREIGN  
 31 COUNTRIES] and salaries for positions in Alaska.

1 \* **Sec. 3.** AS 39.27.030 is amended to read:

2 **Sec. 39.27.030. Cost-of-living survey.** Subject to an appropriation for this  
3 purpose, the director shall conduct a survey, at least every five years, to review the pay  
4 differentials established in AS 39.27.020. The survey may address factors, as  
5 determined by the director, that are also relevant in review of state salary schedules,  
6 entitlement for beneficiaries of state programs, and payments for state service  
7 providers. The survey must reflect the costs of living in various election districts of the  
8 state [, AND SEATTLE, WASHINGTON,] by using the cost of living in Anchorage  
9 as a base. In this section, "election district" has the meaning given in AS 39.27.020(b).

10 \* **Sec. 4.** AS 39.35.675(d) is amended to read:

11 (d) In this section "cost-of-living differential" means an adjustment to salary  
12 based on the cost of living in the geographic region where the employee works and  
13 includes **the pay differential** [A PAY STEP DIFFERENTIAL] under AS 39.27.020.

14 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
15 read:

16 APPLICABILITY OF SECTION 1 TO PERSONS EMPLOYED BEFORE  
17 EFFECTIVE DATE OF THIS ACT. The compensation of a person who is employed for at  
18 least 30 consecutive days immediately preceding the effective date of this Act in a position  
19 that is subject to a basic salary decrease under sec. 1 of this Act

20 (1) may not be decreased for that position as a result of sec. 1 of this Act to  
21 below the amount of compensation the person was eligible to receive in the position on the  
22 day before the effective date of this Act; and

23 (2) may not be increased for that position, until the increased compensation  
24 exceeds the amount the person would have been eligible to receive under sec. 1 of this Act,  
25 absent the provisions of (1) of this section.

26 \* **Sec. 6.** This Act takes effect July 1, 2010.