



Alaska State Officers Compensation Commission

Preliminary Findings and Recommendations

November 14, 2017

Commission Members:

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Introduction

The Alaska State Officers Compensation Commission is directed by law to “review the salaries, benefits, and allowances of members of the legislature, the governor, the lieutenant governor, and each principal executive department head and prepare a report on its findings at least once every two years, but not more frequently than every year.” [AS 39.23.540(a)] The commission is to prepare preliminary recommendations by November 15, and, after soliciting public comment, submit final recommendations to the governor and legislature by the tenth day of the next legislative session.

On January 10, 2009, the commission recommended salary adjustments for legislators and department heads and on January 26, 2011, the commission recommended salary adjustments for the governor and lieutenant governor. These salary increases were not rejected by the legislature, and they became law according to AS 39.23.540(d). The commission recommended salary adjustments for executive salaries in 2014; however, those recommendations were rejected by the legislature. Finally, on December 15, 2016, the commission recommended that the salary of a deputy commissioner who accepts the office of department head with the same department with no break in service and is paid a salary higher than the salary authorized for the department head, shall retain his or her current salary while holding the position of department head. This recommendation was not rejected by the legislature and was subsequently became law.

On October 25, 2017, the commission met in Anchorage to consider recommendations for 2018. With regards to the Governors, Lieutenant Governor and executive salaries, the commission decided to not make any recommendations. With regards to legislative salaries and per diem, the commission decided to make the recommendations described below. The commission will solicit public comment on these findings and recommendations before making a final submission to the governor and legislature by the tenth day of the legislative session beginning in January 2018.

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The commission proposes that the salaries of the legislature be reduced by 10%. In addition, the commission proposes that the legislature follow the State of Alaska per diem, travel and lodging rates as found in the Alaska Administrative Manual.

Discussion

Due to budget constraints, various groups within the State of Alaska are seeing reductions in areas such as wages and the Permanent Fund Dividend. While many legislators do spend more

time serving the public than the 90-day session, it is important that their wages reflect some reduction to be in line with reductions found elsewhere and to assist in overall budget reductions.

Additionally, reductions can be found through the use of per diem. Currently, legislators are paid the federal rate which most recently was as high as \$295 per day. State of Alaska employees follow the Alaska Administrative Manual (AAM). Under the AAM, long-term lodging is paid at \$45 per night and meals and incidentals are paid at \$33 per day. There is some increase in these rates for short term which is defined as 30 days or less. The short-term rates would be in effect for any special sessions, but the regular session would be paid at the long-term rates. Travel would also be paid under the AAM. It is anticipated that these changes will result in significant savings to the State. These savings will be available for review and discussion at the next scheduled meeting.

This report is available on the commission's website www.doa.alaska.gov/dop/socc. Comments may be sent to the commission by email to kate.sheehan@alaska.gov. A Public Hearing is scheduled for December 5, 2017 at 11 a.m. in the Atwood Building, 550 w. 7th, 19th Floor, Suite 1270, Anchorage, Alaska. The commission welcomes public input on these preliminary findings and recommendations.