

Alaska State Officers Compensation Commission

Amended Final Findings and Recommendations

March 16, 2023

Commission Members:
Donald Handeland, Chair
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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.

In 2020, the commission recommended no changes for the Governor, Lieutenant Governor, department heads or legislators.

In 2021, the commission recommended salary increases for the Lieutenant Governor and department heads as well as changes to how legislators are paid. The Governor declined a salary increase. Final recommendations were sent to the legislature, but a bill was introduced to reject the recommendations and no changes were made to the current salaries or structure.

Findings and Recommendations

The commission recommends the following:

• 2% increase for each year, due to inflation, since the last salary increase for Governor, Lieutenant Governor and department heads.

The final findings and recommendations, submitted on January 24, 2023, were rejected by the legislature. The commission was then called into session by then Chair Kurt Olson to review the findings. The commission met on March 15, 2023, and amended the findings and

recommendations to set legislative salaries at \$84,000 per year. The commission also ratified waiving the 20-notice requirement for commission members in statute. This report has been updated with the additional legislative pay information. The discussion portion of the Governor, Lieutenant Governor and commissioners' salaries remains the same.

Discussion

Regarding the Governor, Lieutenant Governor and department heads pay, the commission found salaries had not kept up with the 2% per year cost of inflation. The Governor and Lieutenant Governor last received a salary increase in 2011. Department heads last received an increase in 2015. For the Governor, this would result in an increase in pay from \$145,000 to approximately \$176,000 and for the Lieutenant Governor, it would result in an increase from \$125,000 to approximately \$140,000. For department heads, the increase would be from \$141,160.50 to approximately \$168,000 (final amounts to be determined by Division of Finance).

As amended on March 15, 2023, the commission recommends an annual salary of \$84,000 for all legislators. This is approximately half of what was previously recommended for commissioners.

This recommendation is unanimous.

This report is available on the commission's website www.doa.alaska.gov/dop/socc.