



Alaska State Officers Compensation Commission

Final Findings and Recommendations

January 29, 2025

Commission Members:
Jomo Stewart, 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.

On November 9, 2021, the commission met in Anchorage to consider recommendations for 2022. The commission also met on November 29, 2021, December 16, 2021 and January 4, 2022. The first meeting of the commission was scheduled to take place on September 29, 2021 but due to travel restrictions related to COVID, the meeting was postponed.

In 2021 and 2022, the commission met multiple times and issued both a Preliminary Findings and Recommendations as well as a Final Findings and Recommendations. Eventually, an Amended Final Findings and Recommendations were issued on March 16, 2023. This final report found that salaries for the Governor, Lieutenant Governor and department heads had not kept up with the 2% per year cost of inflation. The Governor and Lieutenant Governor had not received a pay increase since 2011 and department heads since 2015. As a result, the commission recommended the Governor’s salary be increased from \$145,000 to approximately \$176,000 and the Lieutenant Governor's salary be increased from \$125,000 to approximately \$140,000. Department heads would increase from \$141,165.50 to approximately \$168,000. The

commission also recommended that legislators' salaries be increased to \$84,000. These increases were not rejected by the legislature and subsequently became law.

The committee met on November 14, 2024, and proposed the Preliminary Findings and Recommendations

The commission proposed the following:

- Increase the salaries of the Governor, Lieutenant Governor, department heads and legislators every two years (to coincide with the statutory meeting requirements of the commission). These increases should be tied to the CPI.
- These CPI increase will be calculated off the current base pay.

Discussion

The commission discussed the increases last recommended and implemented and agreed that while necessary, the increases were quite large since regular salary increases had not been granted. The members agreed that there should be some sort of algorithm or data points to review and evaluate to determine the appropriate salary increases.

The commission discussed the importance of having the best and brightest in these positions and increased compensation and knowing what those potential increases would be is important for state employees and legislators to know and understand. There was discussion of looking at the CPI, salaries that other state employees (outside the scope of the commission) receive, and the health of the state when determining increases.

It was determined that tying wage increases to the CPI is consistent with other industries and avoids the appearance of granting wage increases for political or arbitrary reasons. The consideration for increases should happen every other year which is consistent with the statute that requires the commission to meet at least every two years. It was also discussed that any future wage increases should be applied to the current base salary. It was also noted that this method would allow for legislators to not vote on their own salaries but those of future legislators.

The commission discussed not making any changes to per diem since it is tied to the federal rate. Chair Stewart shared that he wrote a letter in support of a bill for last session, however that bill was not passed. He explained the bill and why he wrote the letter of support. All members agreed that the process should be open and transparent.

It was determined that the commission will further discuss implementing regular, incremental wage increases at the December meeting.

Final Findings and Recommendations:

The commission met on December 11, 2024, and proposed the final findings and recommendations:

The commission recommends the following:

- Automatic salary adjustments, based on Anchorage CPI, for Governor, Lieutenant Governor, department heads and Legislators commencing in calendar year 2027.
- Adoption of revisions to the operations of the Alaska State Officers Salary Commission, and legislative treatment of ASOCC recommendations, reflective of those found in Committee Substitute for House Bill 140 of the 33rd Legislature

There was unanimous consent among the Commission to approve the above recommendations at the meeting on January 29, 2025.

This report will be available on the commission's website www.doa.alaska.gov/dop/socc after adoption by the commission. These final findings and recommendations will be forwarded to the legislature within in ten days of the beginning of session.