

**State Officers Compensation Commission Meeting**

December 5, 2017, 11 a.m.

Atwood Building, 550 W. 7<sup>th</sup>, 19<sup>th</sup> Floor, Suite 1270

Anchorage, Alaska

Meeting Minutes

Members:

Glenn Clary, Chairperson

Duane Bannock

Scott Cunningham

Richard Strutz

Others present:

Kate Sheehan, Department of Administration, Secretary

**I. CALL TO ORDER**

Chair Clary called the meeting to order at 11:01 a.m.

**II. ROLL CALL**

All members were present.

**III. APPROVAL OF AGENDA**

MOTION: *Mr. Bannock moved to approve meeting agenda.*

APPROVED: Moved and approved unanimously

**IV. APPROVAL OF MINUTES**

MOTION: *Mr. Cunningham moved to approve the minutes from the October 25, 2017 meeting.*

There was discussion of inserting a phrase into the minutes to reflect discussion of a \$300 daily lodging allowance subject to a cap.

APPROVED: Moved and approved unanimously

**V. CONSIDERATION OF PUBLIC TESTIMONY AND WRITTEN COMMENTS**

DISCUSSION:

Only one written comment was received. There was no public testimony.

**VI. FINALIZATION OF FINDINGS AND RECOMMENDATIONS**

MOTION: *Mr. Strutz moved to recommend the Preliminary Findings and Recommendations on the table for approval. Seconded by Mr. Cunningham.*  
APPROVED: Moved and approved unanimously

Mr. Strutz disclosed that he may have a perceived conflict in that as a consultant, he represents two native corporations in which several legislators serve on the board. There was discussion as to his level of involvement with the legislators which was very little. The issue of a potential conflict was put on the table for a vote by the remaining members and it was determined with a vote of 3 ayes that Mr. Strutz does not have a conflict.

MOTION: *Mr. Bannock moved for a split discussion between the pay reduction recommendation and the per diem recommendation.*  
Chair Clary granted approval to split the discussion.

This motion was debated. Mr. Bannock requested making an amendment to the existing findings as to salary and was approved to do so.

MOTION: *Mr. Bannock moved to amend the existing findings to take effect on January 1, 2019.*

This motion was debated. There was discussion that 83% of legislators will need to seek re-election prior to January 1, 2019. By moving the effective date, members and those in the public would be able to choose to seek or not seek re-election or election.

APPROVED: Moved and approved unanimously

MOTION: *Mr. Strutz moved to not reduce the salary of legislators and have it remain at the current rate of \$50,400 per year. Seconded by Mr. Bannock.*  
MOTION FAILED TO CARRY: Two ayes and two nays.

Motion was debated. There was discussion on a way to tie the salaries to the State's finances or price of oil. It was determined this would be difficult. There was also discussion if this would lead to a reduction of good, qualified legislators.

The commission then moved on to discuss the preliminary findings on per diem.

MOTION: *Mr. Bannock moved to approve the findings of October 25, 2017 regarding the per diem of legislators. Seconded by Mr. Cunningham.*

This motion was debated. It was discussed that the rules approved (found in the Alaska Administrative Manual) are written from an executive branch point of view and don't really work for legislators.

MOTION: *Mr. Bannock moved to make replace the October 25, 2017 recommendation with the State of Alaska duty station definition for per diem purposes. Seconded by Mr. Cunningham.*

This motion was debated. There was discussion that by adopting the policy found in a July 26, 2017 Duty Station, Tax Home and Per Diem document, legislators would not receive a per diem (both lodging and meals and incidentals) when attending a session within 50 miles of their primary residence. There was further discussion as to whether this amendment accomplishes what the commission would like to recommend.

MOTION: *Mr. Bannock moved to remove his motion. Unseconded by Mr. Cunningham.*

MOTION: *Mr. Bannock moved to delete the findings of October 25, 2017 specific to per diem. Seconded by Mr. Cunningham.*  
APPROVED: Moved and approved unanimously.

This motion was debated. There was discussion of implementing actuals for lodging with a cap.

There was further discussion that by approving the motion, the per diem for legislators would be what it currently is- the federal per diem rate for all.

MOTION: *Mr. Bannock moved to go back to the federal per diem rates but implement the 50-mile rule found in the July 26, 2017 Duty Station, Tax Home and Per Diem document for legislators. Seconded by Mr. Cunningham.*  
APPROVED: Moved and approved unanimously

MOTION: *Chair Clary moved to adopt the entire findings and recommendations before the commission as amended.*  
APPROVED: Moved and approved unanimously

## **VII. OTHER BUSINESS**

It was determined that the Secretary would process the amended findings and schedule dates for the final meeting.

The meeting adjourned at 12:08 p.m.