Gov. Perdue Tries to Break State Employees' Hearts

SEANC had an incredibly eventful week kicked off by Gov. Bev Perdue's State of the State address on Monday, Feb. 14. In her Valentine's Day address, Perdue made clear who her sweethearts were and whose hearts she intended to break as she outlined her love for lower taxes for wealthy corporations and protecting teacher jobs while also laying off "thousands and thousands" of state employees.

Following up on Perdue's remarks, SEANC held a press conference Tuesday morning to unveil findings from the "Save our State" program. The "Take Pride in Carolina" report released that morning provides the governor and legislators with over \$10 billion in budget-saving answers that do not cut a single state job. The report is a compilation of suggestions that came directly from SEANC members and ranged from ending tax credits that tobacco retailers get for simply filing their taxes on time, to consolidating all state-funded health care into an efficient and organized system that would save \$1 billion.

The report provides a stark choice for legislators to make when addressing the budget crisis: working families or wealthy corporations. During the Tuesday press conference, SEANC Executive Director Dana Cope addressed numerous state employees and reporters gathered in front of the General Assembly building, telling the crowd, "We're trying to bring North Carolina out of this economic crisis that we face, and in order to do that, you shouldn't add anybody – I don't care who they are or where they work – no one should be added to the unemployment line." Find additional media coverage of this week's events here.

On Thursday morning, Perdue revealed that she did not take advantage of SEANC's report when she released her budget suggestions, which proposed eliminating 10,000 non-teaching state positions while also cutting taxes for wealthy corporations! The governor's office announced that only 3,000 of the positions are currently filled.

Other aspects of Perdue's budget recommendations included:

- **Early Retirement Package -** Perdue's office estimated this would account for 1,000 positions yet no details were given regarding eligibility
- **Health Care Premium for 80/20 Plan -** A monthly premium of \$21.50 for employees in the State Health Plan unless they opt to leave the 80/20 Plan for the 70/30 Plan, which costs employees about \$600 extra per year
 - A charge of \$16 per month for Medicare-eligible retirees who wish to stay in the 80/20 Plan
- Retirement System Perdue suggests contributions to the retirement plan that do not cover funding needed in the first year

The most important thing to remember is that Perdue's recommendations are simply the starting point in the budget process. Her budget will now be sent to House and Senate leaders, where it will be debated and fought over. All parties should also expect a major fight from SEANC, in a full-scale battle to protect the quality public services that you provide to taxpayers.

As always – we encourage you to join the SEANC Warriors, our member lobbyists who come to the legislature on Monday evenings. If you are interested in becoming a SEANC Warrior, please call Tony Booe at 800-222-2758. And make your plans now to attend a SEANC Regional Lobby Day event (March 15, 23, 30) or one of the "Take Pride in Carolina" Hometown Rallies (April 9, 16, 30). Check the <u>SEANC event calendar</u> to register and join the fight to make politicians choose a side – working families or wealthy corporations!