



LEGISLATIVE *Update*

State Employees Association of North Carolina • www.seanc.org

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N.C. Department of Public Safety Deals Blow to Privatization

Report Commissioned by General Assembly in 2011 finds privatization of prison maintenance operations would do more harm than good.

Work continued at the General Assembly this week with several hundred bills filed already and more expected by Wednesday. SEANC's professional lobbying staff is reviewing all bills to ensure that state employees and retirees and the vital public services they provide are protected.

The highlight of the week, though, was not a bill, but rather the release of a report by the N.C. Department of Public Safety on the potential privatization of prison maintenance operations.

Report says no to prison maintenance privatization

The Department of Public Safety confirmed this week what SEANC has said all along – privatization of prison maintenance is a losing proposition for the state and for taxpayers.

“Based on the analysis contained in this report, the department has concluded that there are no significant savings to be realized through the privatization of prison maintenance operations,” the report's conclusion states.

That was the finding of a report issued Monday by the Department of Public Safety to Senate President Pro Tem Phil Berger (R-Rockingham) and Speaker of the House Thom Tillis (R-Mecklenburg).

The report stemmed from a contentious debate over a bill to privatize all prison maintenance operations in North Carolina, House Bill 335, in the 2011 General Assembly.

SEANC members turned out in droves to lobby legislators not to make this costly mistake, while SEANC's lobbyists worked to defeat it behind the scenes. In the end, the bill's language was replaced to restrict the department from privatizing any additional prisons while requesting a study of the issue, which resulted in Monday's report. [Click here to read the entire report.](#)

State employees provide a more efficient operation and allow the department to maintain a higher level of internal security, among many other advantages, according to the report. Further, it states that in studying privatized operations already in place at three state prisons, “there is no conclusive evidence that privatized maintenance produces significant savings benefits over in-house, departmental maintenance operations.”



SEANC members lobbied the General Assembly in 2011 to defeat a bill that would have privatized prison maintenance operations.

SEANC commends David Guice, commissioner of the Division of Adult Correction and Juvenile Justice, and Joe Prater, Juvenile Justice Deputy Commissioner, for the thorough and detailed study of this critical operation, and for recognizing the dedicated, professional state employees who provide these vital services to help keep North Carolinians safe.

SEANC members have long pointed to the risks and dangers of privatizing our prisons.

Wayne Talbert, who retired in 2012 as the Assistant Superintendent of Custody and Operations of Dan River Correctional Institution, said the findings were common sense for the people in his department.

“We’ve always known we can do a much better job than some private company can,” Talbert said. “Hopefully legislators will take this report to heart and realize that privatization is costly and dangerous in our prisons. For a private contractor, it’s just a job. But as a state employee, we serve the people of North Carolina and help keep our neighborhoods safe.”

SEANC’s lobbyists will continue to monitor any efforts to privatize any part of state government as the 2014 General Assembly session continues and are ready to enlighten legislators on the perils of turning over taxpayer dollars to private companies.

Protecting employee due process

After defeating Gov. Pat McCrory’s efforts last year to strip employees of their due process rights by moving two administrative law judges from the Office of Administrative Hearings to the Office of State

Human Resources, SEANC is once again working with the leadership in the General Assembly to protect state employees.

The governor included the proposal this year in his budget, and if it were to take effect, state employees filing any sort of grievance would no longer face the impartial panel of the past, but rather appointees of the governor's office. That loss of impartiality would be a loss of due process.

However, we are confident that as it did last year, common sense and the 14th Amendment of the U.S. Constitution Bill of Rights will once again prevail at the legislature.

State Health Plan premium hike not needed

State Treasurer Janet Cowell announced this week that a planned 2.14 percent hike to premiums under the State Health Plan would not be necessary.

After enrollment process failures resulted in higher employee and retiree premiums and surcharges last year, the state treasurer's office announced that the planned increase is not needed, which means the state will see a savings of \$23 million.

Cowell has said that money should be put toward employee raises. However, that \$23 million would only cover a small fraction of the amount necessary for employee and retiree raises. SEANC's position is that this savings would be better returned to state employees and retirees by lowering premiums and eliminating the punitive wellness surcharges implemented last year.

We also believe that if Cowell really were serious about wanting to provide for employee and retiree raises, she would renegotiate the state pension plan's bad and secret investment contracts and use those savings to pay for a retiree cost-of-living adjustment.

UNC-Charlotte joins pay raise fight

SEANC would like to recognize Betty Doster, special assistant to the chancellor for constituent relations at University of North Carolina at Charlotte, for her efforts lobbying the General Assembly for pay raises for state employees. Securing pay raises is a top priority of both SEANC and the UNC Board of Governors.

Members! Make Your Action Plan Now!

- Members interested in securing a meaningful pay raise and a retiree COLA, as well as advocating for public services are invited and encouraged to [sign up for a Monday-night lobbying session](#)

with SEANC's professional lobbyists, who will guide you through the halls of the General Assembly and work with you to make sure that your message is heard.

- If you cannot personally advocate for yourself at the General Assembly, please make your voice heard by emailing or calling your legislator. Not sure who your legislator is? [Find out here.](#)
- Please know if legislators do not hear directly from state employees and retirees, they will believe you are satisfied with whatever the current legislative proposal is regarding your pay raise and retiree COLA. This is a team effort!
- Finally, if you hear that your job is in jeopardy due to potential legislative action, please contact [SEANC's Legislative Affairs team](#) as soon as possible. The earlier we know of potential concerns in your workplace, the quicker we can help you.
- To follow what's happening in the General Assembly this year and what SEANC is doing to protect state employees and retirees and taxpayer dollars, [subscribe to the SEANC Scoop](#) and read our weekly [Legislative Update](#). [Also, be sure to sign up for our email alerts.](#)

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