



State Employees Association of North Carolina • [www.seanc.org](http://www.seanc.org)

# LEGISLATIVE *Update*

Feb. 6, 2015

## **SEANC finds little to cheer in State of the State address** ***Gov. Pat McCrory accuses state employees of fraud and abuse***

[Gov. Pat McCrory gave his State of the State address](#) Wednesday night, laying out his vision for the General Assembly for the next two years.

In it, the governor had a few encouraging remarks about the need to invest more in infrastructure and in the state's crime lab. He also mentioned the need to improve the condition of many of the state's buildings, particularly in Raleigh, and the affect those efforts would have on employee safety.

However, much of McCrory's speech continued his focus on expanding corporate welfare and on teacher pay.

His only mention of other state employees was of those working in the Department of Public Safety and the danger that Highway Patrol troopers and corrections officers face each day. He acknowledged the "constant challenge" of retaining corrections officers and pledged to submit "specific proposals."

However, he did not say what those might be, and while SEANC applauds his recognition of the need to invest in corrections officers (as well as teachers) we also know that ALL state employees perform vital and often dangerous jobs and that ALL state employees deserve a meaningful pay raise.

But then, after that glimmer of understanding, McCrory proceeded to attack state employees on two issues.

### **Workers' compensation**

He attempted to blame state employees for their lack of regular, meaningful raises by saying that over the last six years, their workers' compensation claims would have paid for a 2 percent raise each year. He even accused 40 percent of those state employees drawing workers' compensation of "abuse or outright fraud."

But McCrory's claims of workers' comp fraud and abuse strain the bounds of logic, as [SEANC Government Affairs Director Ardis Watkins told WRAL](#).

“We are disappointed that the governor would attempt to put the burden of lowering workers’ compensation costs on the state employees who put their lives on the line every day for North Carolina, whether in the prisons, on the highways, in psychiatric facilities or elsewhere,” she said. “We cannot find any credible source that shows his 40 percent claim to be anything other than implausible and illogical. This is a serious matter that deserves a serious discussion and we urge the governor to share this data with us so we can work together to make North Carolina a safer place to work and save taxpayer dollars.”

In fact, in an apparent contradiction of facts, McCrory’s own 2014 Health and Safety Leadership Team annual report shows that overall workers’ comp claims have fallen nearly 10 percent since 2012 and that new workers’ comp claims have also fallen about 9 percent.

Also contrary to the picture McCrory tried to paint for the General Assembly on Wednesday, that same report places the blame for high costs on a lack of oversight, training, education and claims management because of administrative changes, budget cuts and changing expectations – not state employees and their physicians attempting to take advantage of the system.

Compounding matters is McCrory’s irresponsible suggestion that employees could have received pay raises if not for the workers’ comp claims of their co-workers.

To blame people working in dangerous environments as they enforce and carry out the state’s laws for their lack of meaningful raises, rather than lawmakers’ decisions to lower taxes on the wealthy and give away special corporate welfare checks is absolutely ludicrous.

### **Pension & healthcare benefits**

McCrory also complained about pension and healthcare costs for current and retired workers – saying those accounted for about 22 percent of all state spending.

But he did not mention that employees also pay into those systems or that those state employees relying on the State Health Plan for their families pay higher premiums than just about any surrounding state. He also did not mention the continued attempts to raise employee State Health Plan premiums through intrusive and punitive wellness surcharges.

And he did not mention the high fees that the state Treasurer’s Office pays to Wall Street money managers for the management of those pension dollars – fees that SEANC has urged time and time again be renegotiated and that have been the impetus for SEANC’s calls for pension transparency and reform.

### **SEANC’s response**

In addition to speaking out in the media, your SEANC lobbyists are in constant contact with legislators, explaining to them our concerns about McCrory’s claims.

We will continue to advocate for ALL state employees and retirees – for a meaningful 5 percent pay raise and the equivalent of a 2.5 percent COLA, for pension reform and transparency, for employee due process rights, for safer workplaces and against privatization and outsourcing.

### **Talk to your legislators**

This year is the General Assembly's long session. That means lawmakers will be setting a new two-year budget and dealing with a number of items important to state employees. That also means lawmakers are expected to be in Raleigh from now through at least July 1 and likely into August. And that means there is plenty of opportunity for you to come sit down with your state senators and representatives and help them put a face to state employees, SEANC and their constituents.

Not sure who your legislators are? [Click here](#). Curious whether they were endorsed by EMPAC? [Click here](#). Want to make note of SEANC's legislative priorities before talking to them? [Click here](#).

SEANC staff can also help you schedule meetings with your lawmakers and make sure you have the most up-to-date information possible about SEANC's legislative priorities, so you can have a good and productive conversation. All you have to do is let us know you're coming. Just email [tbooe@seanc.org](mailto:tbooe@seanc.org) or call 800-222-2758 or 919-810-0272.

Can't make it to Raleigh? No problem. You can call, write or email your legislators – or even schedule your own time to meet with them in your hometown. Again, you can find your lawmakers and their contact information [here](#).