



LEGISLATIVE Update

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

May 15, 2015

Budget dance in full swing as House prepares to release its proposal

The budget dance is officially in full swing.

The House is expected to make its proposal public on Sunday night, so it can be debated in a House Finance Committee meeting Monday. The House Appropriations Committee will likely spend most of Tuesday considering amendments. Then it is House Speaker Tim Moore’s hope to have it approved Friday, in time for the Memorial Day weekend.

We don’t have the details yet, but all indications we have received say that the House’s proposal will include a pay raise for state employees and a cost-of-living adjustment for retirees. How big or small those amounts will be is anyone’s guess at this point.

This quick turnaround means SEANC’s lobbyists will be burning the midnight oil at the legislature this week, making sure state employees and retirees are heard.

Last week, legislative leaders and Gov. McCrory touted a [\\$400 million revenue surplus](#) as proof that their tax changes had strengthened the economy. While there are a lot of outstretched hands wanting a piece of the surplus, SEANC continues to remind legislators that pay for state employees and retirees continues to fall below market standards across the board. State salaries have not kept up with the Consumer Price Index for the last five years and have actually resulted in a reduction of real wages when compared to the cost of everything else. Simply put, your salary doesn’t buy nearly as much as it did a few years ago.

Members of SEANC’s Member Strength committee showed up at the legislature on Tuesday to hand out information on this topic to lawmakers.

SEANC Director of Government Relations Ardis Watkins pointed out the need for raises and cost-of-living adjustments in [this report on WNCN NBC 17 Thursday](#).



Salary and Retirement System Increase History

Year	Active Salary Increase	CPI [†] Yearly Average	Total Net Pay Loss	Retiree COLA	Total Net COLA Loss
2014	\$1,000 + 40 hours	1.6%	.74%	1.0%	-.6%
2013	40 hours	1.9%	-1.9%	0	-1.9%
2012	1.2%	2.1%	-0.9%	1.0%	-1.1%
2011	0	3.2%	-3.2%	0	-3.2%
2010	0	1.6%	-1.6%	0	-1.6%
Total	3.5%*	10.4%	-6.9%	2.0%	-8.4%

*Based on Average salary of \$42,700
†Costs of Goods and Services

Bill aims to guarantee retiree COLA

House Bill 759, a bill sponsored by Rep. Larry Bell that would give state retirees a cost-of-living adjustment this year from investment gains, was heard in the House Pensions and Retirement Committee on Tuesday.

The bill originally called for a 2-percent COLA, but a Proposed Committee Substitute (PCS) was filed changing it to 1-percent. Rep. Mickey Michaux filed an amendment returning the original 2-percent language to the bill. Fiscal staff told the committee that the state would have to appropriate \$39 million dollars in order to get the COLA to 2-percent. After debating, the amendment failed.

SEANC continues to advocate for a 2-percent COLA to be included in the state budget.

Contact your legislators

Now is the time for you to [contact your lawmakers](#). Make your voice heard on the need for all state employees to receive a pay raise and all retirees to receive a cost-of-living increase. We need all hands on deck. Help your legislators 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 all 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 or call 800-222-2758.

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](#).