



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

# LEGISLATIVE *Update*

July 31, 2015

## House budget seen as the “reasonable” approach

The state budget debate continues to drag on, and word came this week that [the House and Senate committees still aren't even meeting](#) about it. Privately, there may be a little more cooperation between the two than publicly known.

Groups on the right and left made it clear they see the House's budget proposal as the reasonable one, with the Senate's radical proposal far out of line with the state's values. Public comments at this week's House Appropriations Committee meeting Thursday made it abundantly clear that attempts by some to paint Rep. Nelson Dollar and the vast majority of the House (both parties) who supported the House budget as "extreme" is terribly off base. The House showed through a resounding bipartisan vote of support for the budget as well as the public support from business, public sector, etc. that Dollar and the House actually understand what the state needs.

SEANC Government Relations Director Ardis Watkins spoke out for pay raises, cost-of-living adjustments for retirees, and against the many parts of the Senate's budget that are harmful to state employees during the meeting. She echoed sentiments from groups as wide-ranging from county school officials and community college leaders to the N.C. Chamber of Commerce, all of which panned the Senate's policy-filled budget.

[You can see the Fiscal Research Division's breakdown of salary and compensation differences in the two budget plans here.](#)

This state of flux has given some senators a chance to take jobs at state employees over what they call [the “unfunded liability” of retiree health care coverage](#).

SEANC believes it's worth funding retiree health care coverage for future employees. Why? Because with state salary increases lagging behind the cost of goods and services for the last decade, and the state contributing nothing to dependent coverage, and the fact that only Georgia contributes less to active employee health care than we do currently, retiree health care is one of the last remaining perks to attract and retain new state employees.

If benefits are equal, and the state continues to offer much lower salaries and increases than the private sector or even local government, why would anyone want to work for the state?

SEANC Lobbyist Flint Benson said as much on Monday in front of the Joint Program Evaluation Committee on [a report on this very topic](#). SEANC Director of Operations Chuck Stone [drove the point home to the media as well](#).

Retiree health care coverage has become one of the hottest topics on the radar during this budget debate, and will continue to be.

### **Tata resigns after email telling SEANC members not to lobby**

The early part of the week was a strange one, particularly in the debate over cutting jobs in the Department of Transportation. If you'll recall, last week's update detailed how members in DOT had gone to the legislature to lobby for their jobs in the wake of the Senate's proposal to cut 56 jobs in addition to privatization efforts found in both budget proposals.

Well, after [a few stories in the media](#) both on the cuts and our members' lobbying efforts, then-Transportation Secretary Tony Tata sent out an email stating, among other parts:

*"It has come to our attention that a group of NCDOT employees, organized under SEANC, is currently working to express their concern to members of the General Assembly and to lobby legislators to protect positions. While we certainly support your rights as employees and citizens to express your opinions to elected officials, I would like to remind everyone that this should only be done outside of working hours and that no state email or other resources should ever be used for such efforts."*

We say "then-Transportation Secretary" because the next day, [Tata resigned](#).

DOT members still bravely turned out once again on Monday night to lobby legislators on keeping their jobs. [SEANC Executive Director Mitch Leonard sent out a message](#) to all members from the department reminding them that SEANC isn't asking them to walk off the job and protest. We just need them to talk to lawmakers on their own time.

WE NEED EVEN MORE OF YOU AT THE LEGISLATURE! Even if you feel your job is safe, we all know this is just the tip of the iceberg. Private contractors are hell bent on getting their hands on the entire transportation budget. It's just a matter of time before they come for your job.

This Monday may be the last good chance to change lawmakers' minds before the true budget debate commences behind closed doors. We need as many DOT workers as possible at the legislature. Put on your SEANC blue and lobby against the privatization of the department. It's a bad deal for you and for the taxpayers.

SEANC staff can 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.

## **Nice work if you can get it**

Need proof that privatization is a waste for taxpayers? A public records request from N.C. Policy Watch turned up [a \\$30,000 “stay” bonus paid to the former head of the new public-private partnership for economic development, even though he only “stayed” for three months.](#)

In all, Richard Lindenmuth was paid a little over \$71,770 for three months’ work – almost twice what the average state employee makes in a year.

SEANC’s Watkins spoke out against the dangers of privatization in the article, pointing out that this is a “classic case of what can go wrong when government privatizes its functions and oversight lessens.”

“A \$30,000 bonus for a person that is working for the public, no matter how you couch the terms of the employment, is offensive to a [state-employed] housekeeper or correctional officer,” Watkins told N.C. Policy Watch. “A bonus that is more than they make in a year is offensive.”

Such a bonus wouldn’t be possible if Lindenmuth had to adhere to the same stringent requirements of state employment. This points out the dangers of such “partnerships,” which usually lead to a misuse of taxpayer funds and leaves the state with nothing to show for it.

## **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](#).

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](#).