



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

LEGISLATIVE *Update*

July 7, 2015

General Assembly takes a summer vacation

The week after Independence Day is normally a time for legislators to tie up loose ends and prepare to end the session and head home. Instead, this year it may just be halftime.

[The General Assembly won't return to work until July 13.](#) When they do, they'll be faced with a budget debate that is as contentious as any since the Republicans took over in 2010. [The differences in the House's and Senate's plans are so vast, this session may last into the fall.](#)

This break gives us a chance to take a closer look at a couple of issues facing state employees in the legislature.

State Human Resources Act changes

If you'll recall, SEANC scored a major victory in late June when House members stood firmly in support of the integrity of the State Human Resources Act and voted 115-0 when Rep. Jeff Collins (R-Nash), the bill's sponsor, made a motion not to concur with the Senate's version of House Bill 495.

It may not be as exciting as pay raises or even the State Health Plan, but if state employees wondered why we fight so hard for the integrity of the State Human Resources Act, they need look no further than [Sunday's News & Observer story on the nine firings surrounding the death of an inmate at Alexander Correctional in 2014.](#)

As the story points out, five of the nine employees who were fired in the incident have since been reinstated after successfully proving they weren't at fault through the appeals process, which culminates with a "day in court" with the impartial Office of Administrative Hearings, where employees can present evidence and prove their case.

The story also notes that Gov. Pat McCrory has tried to change this provision to move hearing from the Office of Administrative Hearings to the State Human Resources Commission, which is controlled by the governor, each of his first three years in office. It fails to point out that before McCrory, Gov. Bev Perdue attempted the same thing.

And why have they not been successful? Because each year it comes up, and each year SEANC is able to stop it.

This year's attempt is a little different, but equally as bad. House Bill 495 cedes authority from the General Assembly to the State Human Resources Commission, allowing it to create policies with the effect of law with regard to priority and salary rights of separated employees.

Writing the laws on these rights and restrictions of employees has been and should remain the job of the General Assembly. The power given to the Commission by this language is far too broad and exceeds reasonable limits for agency or commission power over taxpayers.

The State Human Resources Commission is not a truly independent commission, but belongs to the governor's office and answer to him, not the legislature. Ceding this power grants excessive powers to the Commission that should be reserved for the General Assembly. This bill is the antithesis of the regulatory reform efforts taken by the General Assembly in recent years.

SEANC lobbyists have spoken with bill sponsor Rep. Jeff Collins and conference committee members and anticipate that the harmful provision will be removed.

State Health Plan getting short-changed

The media, and yes, even we at SEANC, made a big deal out of the Senate's plan to cut retiree health care benefits for anyone hired after January 1, 2016. And rightly so. It's a wrongheaded approach that will hurt the state's efforts to recruit and retain the best and brightest in state government.

But another part of the budget debate, actually included in both the House and Senate plans, is equally troubling. Both budgets call for the State Health Plan to spend down its reserves rather than the state contributing its employer portion of premiums this year.

These reserves were accumulated by cost-shifting to state employees and retirees through premiums, premium surcharges, higher deductibles, higher co-pays and reduced benefits. So in essence, the state is not contributing anything at all to your health care. You actually prepaid for their contribution. That's not really a "benefit" at all.

What's more, to stay within the budget, the plan would be forced to reduce benefits and increase premiums, deductibles and co-pays despite Board of Trustees proposals for a very conservative funding request. Rather than giving state employees a pay increase, the budgets actually cut overall compensation to state employees because of State Health Plan changes.

Senate honors SEANC lobbyist Kevin LeCount

Before they left town, [the N.C. Senate made a classy move on July 1, honoring SEANC lobbyist and longtime political director Kevin LeCount with a prayer.](#)

Kevin has been diagnosed with Acute Myeloid Leukemia and is currently undergoing treatment at UNC Hospitals in Chapel Hill. Keep up with his journey and offer him words of encouragement online here: <http://www.caringbridge.org/visit/kevinlecount/>

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](#).