



Florida Police Benevolent Association, Inc.
CAPITOL REPORT

For the Week Ending April 9, 2010



Matt Puckett
*Deputy Executive
Director*

Our List of Worries is Gradually Shrinking

A few more issues were laid to rest this week, although until the final gavel falls on April 30th, nothing is a guarantee.

It is safe to say that things are starting to come into focus. The Legislature took a budget breather and tried to tie up some of the loose ends of other pending legislation (See *Ken Kopczynski's* Article for more Budget information).

The big news is that an agreement was reached on the Seminole Gaming Compact. This deal gives the Legislature an immediate revenue stream. There are strong indications that the new money will be used to keep the retiree Health Insurance Subsidy (HIS) in place. The savings from eliminating the HIS (**HB 5701**) was about \$200 million; the gaming revenues are expected to provide roughly \$400 million in revenue this fiscal year with over \$1 Billion in collections over a five year period which should allow a shift of other recurring revenues to keep the HIS whole. Definitely not a done deal, but certainly *Positive News*.

SB 1902 was on the Community Affairs Agenda again this week, but time ran out before it was heard. Senator Bennett, the bill's sponsor, stated that a study on all of the retirement issues raised this year will be commissioned this summer. The expectation is some reforms measures will result from this study. We shall see. As for the SB 1902, it is doubtful we will see it again (never say never), but we will keep a sharp eye out for amendments that attempt to enact some of the reforms included in that bad bill. More *Positive News*.

The Legislature is headed for conference over the next couple of weeks to hash out a final budget agreement. The PBA expects to see issues related to the increased funding for private prisons, elimination of the Health Insurance Subsidy, the pay reduction, and employee contributions for FRS resolved during conference, but let's not forget that if something makes it through conference like a pay reduction, or employee contribution for FRS, we still have a chance that Governor Charlie Crist will veto it.

Now for the list of worries:

- 1) SB 2022 which will require every single *active* member of the Florida Retirement System to Contribute a *quarter percentage point* into their retirement account.
- 2) HB 5701 eliminating the Retiree Health Insurance Subsidy for all retirees by December 31, 2010.
- 3) House Budget will enact a 3% across the board salary reduction for all state employees. Under this plan, a department or agency could implement the reduction by cutting salaries, positions, or furloughs.

The Differences in the House and Senate Budgets



Ken Kopczynski

PBA Lobbyist

Currently the Senate budget is \$2.7 billion more than the House's. The reason is that the House does not include supplemental federal Medicaid money, does not assume that all 67 county school boards will levy an additional property tax increase to make up budget shortfalls, and while the House does not include money from a gambling compact with the Seminole Tribe of Florida which the Senate budget does, a House committee voted this week to ratify the compact.

The compact is estimated to bring in over \$1 billion to the state general revenue fund over the next five years with over \$400 million going into the FY 2010 – 11 Budget. The House will still have to vote to ratify the compact. The Senate is expected to vote on the compact this coming *Tuesday, April 13*.

The House budget removes the retiree Health Insurance Subsidy (HIS) to save an estimated \$200 million in recurring costs. The House budget also reduces state employee salaries expenses by 3%, but leaves the task of implementing the reductions to agency heads. The Senate budget does not include either one of these provisions.

The Senate budget includes a 0.25 percent of one-percent contribution for state employees to their retirement plans, including DROP accounts. FRS has been non-contributory for 35 years; this provision would change that principle—with higher contributions sure to follow. The House budget does not include this provision.

PBA Works as a Team

Under the leadership of the *President John Rivera, the PBA Executive Board, and the Executive Director David Murrell*, the Florida PBA is working as a finely tuned machine. Our membership should be very proud. We are sticking to the core areas of concern during a tough budget cycle. It has not always been easy, but we are focused on what matters most to you. We have set a plan in motion and we are working to implement it. The key to our success is our understanding that everyone has a role to play.

The best example of this teamwork effort is our various Charter and Chapter Leaders pulling together to fight FOR each other. These leaders realize at any moment their membership could be the target of something hostile, so when one gets attacked, it is viewed as an attack on all. That's an important aspect of what it means to be part of the PBA.

I want to point out one leader in PBA and his entire Chapter who really stepped up for their fellow brothers and sisters in the Department of Corrections. *Florida Correctional Probation Officer Chapter President Mark Alfieri, the Chapter Board of Directors, and the Chapter Membership* fought hard along with the SCO Chapter to stop the private prison bailout. The Correctional Probation Officers have been through so much adversity over the years with constant threats to their jobs and salaries that everyone in the Chapter immediately stepped up to help the threatened Correctional Officers. It wasn't their turn in the barrel, but they fought back anyway. We appreciate their level of commitment.

We want to thank all of the members who were in Tallahassee this week from Broward County PBA, Dade County PBA, the FDLE Special Agents Chapter, Palm Beach County PBA, the Southwest Florida Chapter, the State Correctional Officers Chapter, State Law Enforcement Officers Chapter, and the West Central Chapter.

Finally, I must thank our superb PBA staff. During session, it takes much more than a few lobbyists and legislative staff to make our operation run smoothly (if anything we complicate it). Our attorneys and their staff work late into the night often crafting legislative language; our membership secretaries field hundreds of phone calls about pending legislative issues; our entire communications staff (publications specialist, mail center specialists, and the IT department) design, print, and distribute countless newsletters, hot sheets, and emails; our field staff meet with our membership in the field to communicate information; and our accounting department keeps everything in order and balance. In the end, everyone does their part to make it work for our membership. We know how hard you (our membership) work to protect us, and our dedication to the operation of the Florida PBA is just our way of saying thanks for all that you do.