

# The **Association** report

## from the **Capitol**

April 24, 2008

As the deadline looms, negotiations continue at the state capitol on issues in the '09 budget. Five senators and five members of the house are meeting regularly to resolve any differences in their respective budget positions. One of those issues left to complete is the house-sponsored increase in the contribution to the deferred compensation program.

Our Association has urged the legislature to fund a state law passed 10 years ago that would increase the state's contribution to the deferred comp plan. The house responded to our request and included in its budget proposal a deferred comp increase from \$25 to \$35 a month. In its version of the budget, the senate recommended no increase in the benefit. This discrepancy between the two chambers means that the issue would be decided by a 10-member "appropriations conference committee."

That committee began its deliberations on Wednesday (Apr. 23rd) and started moving through the appropriations bills in numerical order. When the committee came to HB2005, which contains the deferred comp issue, the discussion was brief and inconclusive.

"Let's leave the deferred comp open and look at it in conjunction with the pay plan," said Sen. Gary Nodler, the Senate Appropriations Committee Chairman. The committee agreed to do that.

The state employee pay plan is another area where the house and senate have different proposals. The senate has agreed to follow the governor's recommendation of a 3% increase for all employees. The house, on the other hand, voted to take the total dollars in the governor's pay recommendation and divide it equally among all employees. That would amount to approximately \$1,060 for each state worker.

Any differences in the house and senate budgetary items, including pay and deferred comp, must be decided soon. State law mandates that the budget be completed and on the way to the governor by 6:00 p.m. on May 9th.

**From Harry Hill, Lobbyist  
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