State staff could see cut

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Tallahassee — To state employees like Diane Drake of Temple Terrace, it's the ultimate insult from the Legislature: a possible pay cut after three straight years of going without a raise.

Drake, 54, is a single grandmother who is trying to put her grandson through college. She has worked for the state 15 years and earns $46,400 a year as a negotiator of professional contracts for the Department of Transportation. A proposed 4 percent pay cut would shrink her pay by $1,856.

"Once again, the middle class takes the hit," Drake said.

As lawmakers huddle in private to find some way to bring the House and Senate versions of the budget into alignment, the latest sticking point is this: how much to cut the wages of state workers.

From clergymen to state university presidents, advocates for state workers want lawmakers to scrap the House plan for a 4 percent pay cut for workers who earn between $26,400 and $80,000 a year. Workers who make more than $80,000 would take a 5 percent cut, and people earning less than $26,400 would not be affected under the plan, which would save an estimated $140-million.

Senators strongly oppose the House cut and suggest a 1 percent cut for people making more than $100,000 a year, which would save about $4 million.

"I can't justify cutting people's pay like that," Sen. J.D. Alexander, the Lake Wales Republican who is the Senate's chief budget writer, said of the House proposal. "For someone making thirty thousand, forty or fifty thousand, a cut would make it tougher to pay the rent or the mortgage, make car payments."

The pay cut issue is one of several major differences thwarting a deal on the state budget. In several rounds of talks, the House has proposed exempting the university system from pay cuts.

Also complicating budget talks: The House's insistence on cutting a transportation fund and higher education, and the Senate's refusal to bank billions of dollars in savings in future years.

Lawmakers in both chambers, as well as Gov. Charlie Crist, said Monday that it will be nearly impossible for the Legislature to finish by Friday, the scheduled date for adjournment.

But lawmakers also said budget talks were productive Monday and an announcement on a preliminary deal could come as early as today. If so, the Legislature could approve a balanced budget of about $65 billion by the middle of next week.

Critics of cutting workers' paychecks rallied again on Monday outside the Capitol and urged Gov. Charlie Crist to veto any budget that includes pay cuts. Their allies are led by Democratic legislators such as Senate Minority Leader Al Lawson, whose Tallahassee district includes a heavy concentration of state workers.

"We've given $12 billion in corporate tax breaks over the past 12 years, saying it's for economic development, and look where we are today," Lawson said. "It has not helped the less fortunate in this state."

House leaders aren't proposing a pay-cut with glee but defend their plan as necessary to balance the state budget.

"We're dealing with a very difficult reality," said Rep. Marcelo Liorente, R-Miami, one of two House budget chairmen, in a recent floor debate on the state's fiscal condition. "We have less revenue this year. We put together a budget that is responsible and reasonable."

And certainly, public entities aren’t the only ones looking to trim personnel costs. When Hewitt Associates, a major human resources firm, conducted its annual survey of companies last January, about half predicted that in 2009 they would make "significant" changes this year in their base salary structures.

The Rev. R.B. Holmes of Tallahassee, a member of the Florida A&M University board of trustees, said salary cuts for university system employees would make recruitment and retention of teachers more difficult. Educators agree.

"We have to compete on so many levels with other states, and we would lose our best faculty and employees," University of South Florida president Judy Genshaft said of a pay cut.

House Republicans are highlighting the high salaries and benefits of university presidents at a time when they are asking to be spared cuts in programs. A GOP document lists Genshaft's yearly pay package of $502,000, third-lowest of seven on a list.

According to the state Department of Children and Families, about 2,600 full-time state workers earn so little that they qualify for food stamps, including about 350 who work for DCF. Tallahassee's Leon County is home to the largest number of state workers with 25,000. Miami-Dade is second with about 9,400, followed by Broward and Hillsborough, which have about 5,700 each.

"I love my job, but that's not the point," said Drake, the DOT employee. "The point is, we'd just like a fair dollar for the work that we do."

Her last pay adjustment was in November 2007, when the state gave workers a $1,000 bonus (about $700 after taxes). As a one-time adjustment, the bonus was not included as part of workers' salaries in calculating their pensions.

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