

## Sebelius budget includes pay raise

### Governor requests 2.5 percent hike for state workers

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Gov. Kathleen Sebelius wants to slip a few more coins in the pockets of state employees and retirees. She has asked the 2008 Legislature to approve a \$55 million program to boost base pay for all workers by 2.5 percent and start a five-year project to make state salaries more competitive with private sector wages. Her proposal follows recommendations of a state commission studying state employee compensation.

"Some job classes are more out-of-market than others," Duane Goossen, the governor's budget director said Tuesday in a budget briefing. "This first year starts with the job classes that are most out-of-market." The Democratic governor, who set out her legislative agenda Monday in the State of the State address, also proposed three consecutive years of 1 percent cost-of-living increases for thousands of retirees in the Kansas Public Employees Retirement System. This would add \$6.4 million annually to the system's payment to former employees and culminate in an annual \$20 million obligation.

"That's an additional \$20 million forever," said Senate President Steve Morris, R-Hugoton. "That's a consideration."

Topeka-area legislators applauded Sebelius' proposal. The Legislature last approved a COLA for KPERS in 1998.

"It's a very, very long time coming," said Rep. Vaughn Flora, D-Topeka. "It almost seemed impossible to get done."

The recommendations by Sebelius were contained in a \$13.6 billion budget for the 2009 fiscal year starting July 1.

Sebelius would raise overall expenditures 3.6 percent over current levels. Her plan draws upon \$218 million in state reserves to produce an ending balance of \$318 million. The budget incorporates \$81 million in anticipated revenue from construction of casinos and placement of slot machines at dog and horse racing tracks.

Goossen said Sebelius targeted public education, social services, health, corrections, aging, transportation and public safety. Special appropriations went for job creation, disaster aid, early childhood, college scholarships, water projects and providing free admission to state parks.

Sebelius' budget didn't include \$60 million that would be generated by a proposed increase in the state tobacco taxes. She endorsed the tax to raise money for health care reforms, but many legislators doubt a higher tax will be approved in an election year.