

Dear SDSEO Member:

Four days plus the Veto Day left this session. Your compensation and health will be in the very last portion of the final budget-setting hearing, according to the agenda for the Joint Committee on Appropriations. That agenda is <u>here</u>. The hearing is set for Tuesday, March 7 and runs from 9 to noon Central.

Here is the reality, though: the hearing may not actually conclude by noon that day; if it does not conclude by noon, it'll be held after the House and Senate end their day that day; or it could be that way the next day; or it could be the day after that, though that's the last day, unless they "cover the clock." Covering the clock is something that can happen; what it means in practical effect is just continuing that last legislative day of the session until they come to a General Appropriations Bill agreeable to 2/3rds of both the House and the Senate. It's not going to happen Monday, because that's the day when the place is abuzz trying to pass all the bills other than the General Appropriations Bill.

There is a whole lot still up the air, as several of the governor's proposals have been sidetracked, while the separate houses of the Legislature have some competing ideas.

With everything on the line, it's time to contact your legislators and tell them what you need in your career, and that is everything Governor Noem proposed for you and more to keep pace with inflation; the keyword is equity.

You can find your legislators and their contact info here: https://sdlegislature.gov/Legislators/Listing/68.

I'm going to re-run this next section from the last update because it's important:

There are four components to your career every session: Your job, your wage, your health insurance, and your retirement system.

Your retirement system is pretty secure in the present environment due to how integral to that system you are. Public school employees are the largest segment, while you are the second largest; together you provide the base for one of the top public employee retirement systems in the nation (the other top system is Wisconsin's). A consolidated retirement system such as yours was <u>one of the first things the SDSEO</u> <u>pushed for</u> when the SDSEO was created 51 years ago.

Most people call South Dakota's a conservative retirement system, especially the SDRS board itself. What the word means in retirement systems is the board pretty much maintains a balance between the needs of the system and the needs of its retirees and future retirees, seeking overall system stability. The board's mix of elected members and governor appointees aids that stability, as does the continuing deference to them by governors and Legislatures. There will always be individual or groups of legislators who seek to make law outside of the system, but the majority has tended to rely on the system.

As a state government employee, two of the other three parts of your career are more susceptible to lawmaker ideas, as there is not an ongoing system and ongoing board whose advice they will consistently

take. Lawmakers mostly leave your job itself to the state, not making your job classifications or grades or going into details outside of funding and judging overall department effectiveness. So your wage and your health insurance are under their fiscal authority.

So, you have two categories in the <u>proposed budget</u>: compensation and health insurance. In compensation is the market adjustment (\$58.457 million), which moves up the market range for all jobs, and the targeted (\$27.734 million), which goes to most jobs but not all. There is no public list of the targeted jobs other than a <u>very general list</u>.

All three of those parts go together, and all are important. I've been told numerous times that legislators are seeking to give state employees more than the 5%, but we need the other parts of the proposal to go together and not get left by the wayside. Whenever you have multiple moving funding parts, which these three "buckets" would hold, there's multiple possible problems. We need the proposed total targeted and the total health and the total 5% plus. The total proposed by Governor Noem in her budget for you was <u>\$124.577 million</u>. And that doesn't include funding for expanded family leave for state employees, which can be done within state policy and does not require a bill, though the governor had a <u>bill</u> which we supported.

Keep the faith and keep up the fight.

Make sure to spread the word about the SDSEO and encourage membership. Membership is \$10/month. You're likely going to go out with co-workers on lunch or after work: Maybe offer to pay for their lunch that one time (you're probably going to anyway at some point, since you're a South Dakotan) and encourage them to join the SDSEO, which likely costs less than 1 work lunch a month.

To help out with recruiting, I've attached SDSEO recruitment/info docs. (For the Investment Trust brochure, the Reinke Gray email contact is <u>bettejo@reinkegray.com</u>. They have changed their email address.)

We added one new member last week. Welcome aboard, B!

Make sure to let me know if you experience any problems at all as a state employee. Our Facebook: <u>https://www.facebook.com/my.SDSEO/</u>. Our Facebook gets lots of traffic and comments, so try to check it out. Our Twitter handle: @MySDSEO

SDSEO 2023 bill list attached to email

Sincerely

Eric

Eric Ollila Executive Director South Dakota State Employees Organization