

# The **Association** report

from the **Capitol**

May 7, 2008

The deferred compensation issue was settled this week at the Capitol and the Association and state workers were on the winning side.

For the better part of 10 years our employees have waited for an expansion of the benefit which was intended with the passage of legislation in 1998. That decade-old law raised the statutory maximum state contribution from \$25 to \$75 a month.

However any increase in funding above \$25 was never realized - until now. On Tuesday (May 6th) the house and senate voted to approve a conference committee bill (HB2005) that contained a deferred comp raise to \$35 a month.

The vote on Tuesday came after months of work that was initiated by the Association in the fall of '07. It was recommended that full funding of deferred comp be a top priority of the Association for the '08 legislative session.

While several legislators agreed that full funding would benefit employees, a more conservative approach was agreed upon. Discussions on the subject, however, seemed to renew interest in future funding of the benefit. Members from both the house and senate indicated they would support regular increases in it.

Mark O'Dowd, Association President, said he is delighted the legislature is showing renewed interest in deferred compensation. "Even a small increase and the promise that it will be bumped up regularly is certainly encouraging," he said.

An employee pay raise also was given final approval this week. Despite arguments to the contrary, the legislature agreed on a 3% raise for all employees. The house had recommended that money intended for the raise be divided equally among all employees, amounting to about \$1,060 annually.

This legislative session is to conclude at 6:00 p.m. on Friday, May 16th. The appropriations bills, however, are required to be completed one week earlier.

**From Harry Hill, Lobbyist  
Missouri Highway and Transportation Employees' Association**