House panel proposes raises for state employees, teachers

By MICHAEL MARTZ AND JIM NOLAN Richmond Times-Dispatch | Posted: Wednesday, January 28, 2015 11:00 pm

The House Appropriations Committee will propose pay raises for state employees, teachers, college faculty and state-supported staff, including local sheriff’s departments and constitutional officers, effective Aug. 1.

Citing signs of a stabilizing Virginia economy that has boosted payroll tax revenues, House budget leaders say they will propose a pay raise of at least 1 percent for state employees and state-supported employees, a 1 to 2 percent increase for teachers, and the restoration of $4 million in overtime pay for Virginia State Police.

The budget proposal also will include money to address salary compression for veteran state employees whose pay is lagging the market. House budget officials said the pay adjustment would be based on years of service and would most help lower-paid state employees, such as correctional officers, mental health workers and housekeepers.

“Our employees are our most valuable asset,” Appropriations Chairman S. Chris Jones, R-Suffolk, said in an interview with the Richmond Times-Dispatch on Wednesday.

Senate Finance Co-Chairman Walter A. Stosch, R-Henrico, said he did not know the details of the House proposal but has worked closely with Jones to find ways to raise pay for state employees.

“We will probably be pretty close,” Stosch said. “In every discussion, the House and the Senate both wanted to do something for state employees, particularly state police.”

DATABASE: 2013 SALARIES OF VIRGINIA STATE EMPLOYEES

The total cost of the proposed package would be about $130 million. House budget leaders plan to pay for the raises with expected increases in revenue from rebounding income-withholding taxes and budget
savings.

“It’s a very good package,” said R. Ronald Jordan, executive director of the Virginia Governmental Employees Association. “It’s very good for state employees.”

Jones said finding a way to increase state employee salaries has been a priority of the House and the Senate budget committees, which have been looking for ways to finance a pay raise since before the General Assembly convened Jan. 14.

Both chambers had proposed salary improvements for state employees last year but had to abandon them when revenues fell far short of projections in May.

Gov. Terry McAuliffe also proposed a 2 percent raise for state employees last year, dependent on legislative approval of using federal dollars to expand Medicaid, which the assembly refused to do.

McAuliffe did not include pay raises for state employees in budget amendments he proposed last month, but included money to raise starting salaries for sheriff’s deputies.

That angered representatives of state employees and state police who complained about being left out. The governor has since called for the assembly to find a way to increase state salaries without cutting education and other essential services.

Budget leaders from both chambers have been in consultation with administration officials on revenue projections and possible spending options increased dollars would allow.

Earlier Wednesday, the governor hinted that his administration was working on a potential wage increase for state employees because of improving tax revenue collections.

“Our state employees need a pay raise,” McAuliffe said during his monthly radio show on Washington’s WTOP. “It’s really gone on way too long. ... I’m hoping we can have some good news and work together in the General Assembly” to raise state employee pay.

Jones and Appropriations Director Robert P. Vaughn said the pay package would be contingent on state revenues continuing to improve. They said payroll-withholding collections, which are measured weekly, have been strong this month after posting a 15 percent gain last month compared with the previous December.

Total state revenues were up 6.8 percent compared with the previous fiscal year.

The General Assembly cannot dictate raises for teachers, who are local government employees. But Vaughn said state lawmakers “can provide an incentive for school boards” to help pay for teacher raises.

Jordan credited the legislature for not giving up on state employee raises. “What’s impressed me is this
year they came back and said that if the economy improved, state employees should be a priority for additional spending,” he said. “And they put their money behind it to back it up.”

The proposal also drew praise from the Virginia State Police.

“I’m elated,” said M. Wayne Huggins, a former superintendent who is director of the Virginia State Police Association.

“We have been hit pretty hard, and the fact that the chairman and House Appropriations has heard us and seen fit to address some of the very pressing issues we face is indeed welcome news.”

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Photos from today's legislative session at the Virginia State Capitol.