

November 3, 2017

TO: Senator Gazelka

FROM: Cal R. Ludeman
Secretary of the Senate

RE: Senate Operations Update

I want to give you an update on the Senate's operating budget.

Since October 1st, the Governor has forced the Senate to spend from the Carry Forward account to sustain operations. Despite cost saving efforts that began in July, such as the hiring freeze you put in place, the Senate Carry Forward account will be exhausted the first week of December 2017. Senate staff payroll is a high priority as the Senate tries to continue to fulfill its financial obligations, including the MSB lease payment.

If new funding is unavailable, it will be necessary to fully suspend all Senate operations after the close of business on December 1, 2017. This includes placing all Senate employees on furlough by December 1, 2017 and not meeting certain contractual obligations, including the MSB lease payment for December.

The proposed Senate employee furlough would function much like an unpaid leave of absence. This would mean that accruals for vacation, sick leave, and length of service would remain in place. Senators and Senate employees would continue to receive employer-paid health insurance through January 31, 2018. Employees would not, however, receive a paycheck or any retirement matching contributions during the furlough. Under the present circumstances, it is my intention to ensure that furlough notices are sent to employees by November 9, 2017.

Senators will receive a salary for the month of December, but beginning in January, salaries will not be paid to Senators until the Senate receives an appropriation. In addition, all housing, per diem, mileage, communications, or any other reimbursable expense incurred after December 1, 2017 will not be paid. Senators will be reimbursed for approved expenses after an appropriation for the Senate operating budget has been enacted.

This information is specific to the Senate as it relates to its financial standing. The House of Representatives may have different timelines based on their financial situation.

The Secretary's Office will continue to refine numbers and information and communicate those to you directly.