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By JIM SAUNDERS

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TALLAHASSEE -- In a victory for Gov. Rick Scott and Republican legislative leaders, a deeply divided Florida Supreme Court on Thursday upheld a 2011 law that requires government workers to chip in 3 percent of their salaries to the state pension system.

Justices, in a 4-3 decision, overturned a Leon County circuit judge who found that the law violated the constitutional rights of government workers hired before July 1, 2011. Legislative leaders had feared that a loss at the Supreme Court would blow a hole in the state budget.

Senate Appropriations Chairman Joe Negron, R-Stuart, said he thinks the state could have been required to repay more than \$1 billion to workers if it had lost the case. He and other supporters of the 2011 law say government employees should help pay for their retirement packages, as private-sector workers do.

"I think the ruling reaffirms the wisdom of having all state employees, including legislators and judges, contribute something toward their retirement benefits," Negron said. "People in the private sector do that. I think that our constituents want us to live by the same rules that exist in their workplace. We can now move forward with crafting our budget."

But opponents described the required contributions as a tax on hundreds of thousands of public employees, ranging from prison guards to teachers. Ron Meyer, an attorney who argued the case for the Florida Education Association, said the law was passed to balance a cash-strapped state budget "on the backs" of government workers, and he dismissed arguments that it was needed to keep the retirement system financially sound.

"That argument is bogus," Meyer told reporters at the teachers union headquarters. "It was bogus from the day it was first uttered."

The case primarily centered on whether a 1974 retirement law created contractual rights that shielded public employees from having to contribute

money into the pension system. The FEA said the law prevented the state from collecting money from workers hired before July 1, 2011, the date that the 3 percent requirement took effect. The union acknowledged that people hired after that date could be subject to the contributions.

But a majority of the court rejected the union's interpretation of the 1974 law and also turned back an argument that such changes to the pension system needed to be subject to collective bargaining. In a concurring opinion, Justice Barbara Pariente said nothing in the 1974 law indicates that the Legislature intended to "bind itself for all time to preclude future legislatures from ever altering the future benefits" in the retirement system.

"Ultimately, I recognize the frustration of state employees who have in effect experienced a 3 percent reduction in their net pay as a result of the Legislature's changes to the retirement plan," Pariente wrote. "Indeed, those changes affect judges and all judicial branch employees as well. However, this case is not a referendum on the Legislature's policy decision. It is not this court's role to express any position on that issue. Instead, as the majority has ably done, it is this court's task to carefully analyze and determine whether the Legislature has acted within its constitutional limits."

But Justice R. Fred Lewis, in a dissenting opinion, wrote that the court could not ignore the contractual rights given to workers in 1974 and go along with the conflicting 2011 law.

"This conflict impacts a significantly important category of Florida workers, our first responders, those who provide safety and security for all citizens, those who provide education and safety for our children, and thousands of other Floridians who provide essential services for all Floridians each and every day," Lewis wrote. "These governmental employees are not second-class citizens but are entitled to the full protection of the law just as all other Floridians enjoy."

Justice Jorge Labarga wrote the majority opinion and was joined by Pariente, Justice Charles Canady and Chief Justice Ricky Polston. Along with Lewis, the dissenters were justices James E.C. Perry and Peggy Quince.

Leon County Circuit Judge Jackie Fulford struck down the law in March 2012, and the state's appeal was fast-tracked to the Supreme Court. Though Fulford ruled against the state, it was able to continue collecting the pension contributions during the appeal.

The 2011 law, which also involved revamping a cost-of-living adjustment in the retirement system, touched off a political battle in the Legislature. Critics argued that government workers should not see their paychecks shrink by 3 percent when many also have not received raises in recent years.

But after Thursday's ruling, Scott issued a statement saying it "supports our efforts to lower the cost of living for Florida families. This means even more businesses will locate and grow in our state, which creates even more opportunities for Floridians to live their version of the American dream."

Scott's statement drew a sharp response from FEA President Andy Ford, who said the multimillionaire governor does not understand what it is like to live on a salary of \$50,000 or less --- as Ford said most of his members do. Ford also vowed to try to unseat Scott and other supporters of the pension law during next year's elections.

"The 2014 campaign begins today," Ford said. "We're going to have to have a focus on changing the politicians in Tallahassee who don't care about working Floridians and making sure the people who come back here in January of (2015) actually care about the working men and women of this state."