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FISCAL IMPACT REPORT

SPONSOR <u>Campos</u>	LAST UPDATED _____
	ORIGINAL DATE <u>1/30/2024</u>
SHORT TITLE <u>County Elected Official Salary Caps</u>	BILL NUMBER <u>Senate Bill 177</u>
	ANALYST <u>Torres, Isaiah</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Salaries and benefits (County Commissioners, Treasurer, Assessor, Sheriff, County Clerk, Probate Judge)	\$322.3	\$322.3	\$322.3	\$966.9	Recurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Relates to House Bill 241

Sources of Information

LFC Files

Agency Analysis Received From
 Administration Office of the Court (AOC)

Agency Analysis was Solicited but Not Received From
 Department of Finance and Administration (DFA)
 Corrections Department (NMCD)
 New Mexico County Clerks Affiliate (CCA)
 New Mexico Counties (NMC)

SUMMARY

Synopsis of Senate Bill 177

Senate Bill 177 (SB177) would raise the salary of county officers in New Mexico. The salary increases would be based on county classification (Class A, Class B-high valuation, Class B-intermediate valuation, and Class H), with salaries for Class H county officials further based on whether a county officer is considered part time or full time.

The increase in the permitted maximum salary provided by the provisions of the act shall not take effect until the first day of the term of an elected or appointed county official who takes office after the effective date of this act.

The bill does not include an effective date and, if enacted, would become effective 90 days after adjournment of the Legislature.

FISCAL IMPLICATIONS

Current law requires salaries from elected officials to be paid from the general fund. The total cost for increasing salaries for county commissioners, treasurers, assessors, sheriffs, county clerks, and probate judges for each classification would be \$322.2 thousand. The bill does not include an effective date and is assumed to be effective May 15, 2024. As a result, it is expected to have a fiscal impact for one pay period in FY24 and the full annual impact in FY25 and subsequent fiscal years. Below provides a breakdown between the different classifications and the proposed salary increases.

The current and proposed salary increases for each Class A county (Bernalillo, Doña Ana, San Juan, Sandoval, and Santa Fe):

Positions	Current Salary (Class A)	Proposed Salary (Class A)
County Commissioner	\$ 39,106	\$ 44,895
Treasurer	\$ 86,626	\$ 106,095
Assessor	\$ 86,626	\$ 106,095
Sheriff	\$ 90,338	\$ 110,641
County Clerk	\$ 86,626	\$ 106,095
Probate Judge	\$ 38,114	\$ 46,680
Total	\$ 427,436	\$ 520,501

The current and proposed salary increases for each Class B county with a high valuation (Chavez, Colfax, Curry, Eddy, Grant, Lea, Lincoln, Luna, McKinley, Otero, Rio Arriba, Roosevelt, San Miguel, Sierra, Taos, Torrance, and Valencia):

Positions	Current Salary (Class B-HV)	Proposed Salary (Class B-HV)
County Commissioner	\$ 30,196	\$ 36,982
Treasurer	\$ 75,733	\$ 92,754
Assessor	\$ 75,733	\$ 92,754
Sheriff	\$ 78,952	\$ 96,696
County Clerk	\$ 75,733	\$ 92,754
Probate Judge	\$ 26,482	\$ 32,433
Total	\$ 362,829	\$ 444,373

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The current and proposed salary increases for each Class B county with an intermediate valuation (Catron, De Baca, Guadalupe, Harding, Hidalgo, Mora, Quay, Socorro, and Union):

Positions	Current Salary (Class B-IV)	Proposed Salary (Class B-IV)
County Commissioner	\$ 21,534	\$ 26,373
Treasurer	\$ 64,844	\$ 79,418
Assessor	\$ 64,844	\$ 79,418
Sheriff	\$ 67,814	\$ 83,055
County Clerk	\$ 64,844	\$ 79,418
Probate Judge	\$ 15,098	\$ 18,491
Total	\$ 298,978	\$ 366,173

The current and proposed salary increases for part-time employees in each Class H county (Los Alamos):

Positions	Current Salary (Class H-PT)	Proposed Salary (Class H-PT)
County Commissioner	\$ 15,844	\$ 19,405
Treasurer	\$ 7,922	\$ 9,702
Assessor	\$ 7,922	\$ 9,702
Sheriff	\$ 7,922	\$ 9,702
County Clerk	\$ 7,922	\$ 9,702
Probate Judge	\$ 4,636	\$ 5,678
Total	\$ 52,168	\$ 63,891

The current and proposed salary increases for full-time employees in each Class H county:

Positions	Current Salary (Class H-FT)	Proposed Salary (Class H-FT)
County Commissioner	N/A	N/A
Treasurer	\$ 75,733	\$ 92,754
Assessor	\$ 75,733	\$ 92,754
Sheriff	\$ 78,952	\$ 96,696
County Clerk	\$ 75,733	\$ 92,754
Probate Judge	N/A	N/A
Total	\$ 306,151	\$ 374,958

SIGNIFICANT ISSUES

Current law only allows for the adjustment of elected officials salaries by law. As a result, elected officials generally do not participate in annual increases provided to state employees. Salaries for elected officials were last adjusted in 2002. For comparison, in May 2003, the earliest date for which LFC staff have data, the average hourly rate for state employees was \$16.05 per hour. As of February 1, the average hourly rate for state employees was \$30.10, an increase of 87.5 percent over that time.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB177 is closely related to House Bill 241 (HB241) but differs in total cost. SB177 total cost for salary increases is \$322.3 thousand, and HB241 total cost is \$384.1 thousand.

HB241 also requires the DFA to assist counties in calculating the consumer price index, which is not included in Senate Bill 177.

IT/al/hg/ss