

FISCAL NOTE

Bill #: SB0066

Title: County Attorney salaries to be paid by state – 95% of judges' salaries

Primary Sponsor: John C Bohlinger

Status: Second Reading

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:		
General Fund	14,334	(14,639)
Revenue:		
General Fund	0	0
Net Impact on General Fund Balance:	(\$14,334)	\$14,639

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
X		Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. The bill does not address longevity pay for county attorneys in FY 2002. For this fiscal note, the Department of Justice (DOJ) assumes that county attorneys who are currently being paid longevity in FY 2001 will remain at this same level in FY 2002. The longevity for these attorneys will not be taken away at 7/1/01. However, no new longevity increments will be given after 6/30/01. Presently, longevity paid by the state for county attorneys in FY 2001 is \$24,000 and is paid in 10 counties.
2. The 2000 Elected State Officials Salary Survey (prepared by State Personnel of Dept of Administration) states that a District Judge salary for 2003 biennium is \$82,606. This figure was used in the calculations for FY 2003 when the bill requires salaries for county attorneys to be 80 percent of the District Judge salary, which would be a 7 percent increase from the 2001 biennium. DOJ estimated this same 7 percent increase would occur for the 2005 biennium to determine the District Judge salary of \$88,388 for the calculations for FY 2004 (salaries at 85 percent of District Judge salary) and FY 2005 (salaries at 95 percent of District Judge salary).

3. Section 2 of the bill requires that pay protection be given to attorneys if the change to the District Judge salary results in less pay than the attorney's current salary at 6/30/02. In FY 2003, pay protection for 34 attorneys will be needed. In FY 2004 and FY 2005, no pay protection will be needed.
4. In FY 2002 there will be 31 full time county attorneys, 9 attorneys who are 60 percent part time, and 15 who are 50 percent part time based on the county population. Note that one county (Petroleum) is calculated at 10 percent of the District Judge salary because Petroleum County has an appointed (not an elected) county attorney. Based on a telephone conversation with the county clerk & recorder, they will not have an elected county attorney in the future. Petroleum County will continue to appoint the attorney. Therefore, this county salary will not be estimated at the 50 percent level.
5. The fiscal impact is based on the difference from the DOJ 2003 biennium HB2 Martz budget recommendation for county attorneys, which is \$1,695,751 for FY 2002 and \$1,749,594 for FY 2003. Current law provides for an annual cost of living raise for the attorneys. It is estimated in the HB 2 budget that this annual raise is 2.2 percent for each year of the biennium. DOJ recently received notice from the Bureau of Business and Economic Research of the University of Montana that the cost of living adjustment from FY 2001 to FY 2002 is 3.4 percent. This revised adjustment is used in the calculations of fiscal impact.
6. The county is responsible for the payment of all health insurance benefits.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Personal Services	\$14,334	(\$14,639)
<u>Funding:</u>		
General Fund (01)	\$14,334	(\$14,639)
<u>Revenues:</u>		
General Fund (01)	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$14,334)	\$14,639

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

1. Local governments will incur additional costs of \$14,334 in FY 2002 and savings of \$14,639 in FY 2003 as a result of this bill. In the 2005 biennium, local governments will have a savings of \$1,878,501.

LONG-RANGE IMPACTS:

1. While this bill does not increase the costs to the state general fund in the 2003 biennium, it will increase general fund costs in the 2005 biennium by \$2,716,162.

TECHNICAL NOTES:

1. The bill does not address in FY 2002 whether to continue or take away the longevity paid to county attorneys in FY 2001.