



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0232

Title: Revise laws related to highway patrol compensation

Primary Sponsor: Gauthier, Terry

Status: As Amended in Senate Committee

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$413,613	\$413,613
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 232 updates the salary survey used for salary setting for Montana Highway Patrol officers to include police departments of the county seat of the seven counties included in the current salary survey.

FISCAL ANALYSIS

Assumptions:

1. Current law requires that Montana Highway Patrol officer salaries be based on a salary survey of salaries of officers in the Sheriff's departments of seven counties in the state.
2. SB 232 adds city police departments within the seven counties in the state to the survey data.
3. An informal salary survey conducted by the State Human Resources Division determined that the average base salary in the seven Sheriff's departments is currently \$25.72 per hour or \$53,798 annually.
4. Based on this informal salary survey, which included city police departments in the county seat of each of the seven counties, the average base salary for police department officers is \$27.06 per hour or \$56,284 annually.
5. The combined average salary of Sheriff's departments and city police departments is \$26.39 per hour. The impact if the revised salary survey were in place would increase pay for MHP officers by 67 cents-per-hour or \$1,394 annually. The cost for the pay increase would be \$1,630 per officer including benefits.
6. It is estimated that 250 highway patrol officers are affected by the salary survey. The total fiscal impact due to the estimated increase in the salary survey results would be \$407,500 per year if it were effective in the 2023 biennium.

7. Since the bill has an effective date of 10/1/2021, the new salary survey data sources would be included in the salary survey conducted in the summer of 2022 in preparation for the 2023 legislative session (for the 2025 biennium budget). A 1.5% increase in that salary survey has been assumed. Therefore, the annual cost is estimated to be \$413,613.

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	<u>\$0</u>	<u>\$0</u>	<u>\$413,613</u>	<u>\$413,613</u>
TOTAL Expenditures	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$413,613</u></u>	<u><u>\$413,613</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>\$0</u>	<u>\$0</u>	<u>\$413,613</u>	<u>\$413,613</u>
TOTAL Funding of Exp.	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$413,613</u></u>	<u><u>\$413,613</u></u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Revenues	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0



Sponsor's Initials

3-19-2021

Date



Budget Director's Initials

3-18-21

Date