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## FISCAL IMPACT REPORT

<b>SPONSOR</b> <u>Pettigrew/Townsend/Brown/Duncan</u>	<b>LAST UPDATED</b> <u>2/6/24</u>	<b>ORIGINAL DATE</b> <u>1/26/2024</u>
<b>SHORT TITLE</b> <u>County Official Salary Caps</u>	<b>BILL NUMBER</b> <u>House Bill 241</u>	
	<b>ANALYST</b> <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)		Up to \$384.1	Up to \$384.1	Up to \$768.2	Recurring	Local County General Fund
<b>Total</b>		Up to \$384.1	Up to \$384.1	Up to \$768.2	Recurring	

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

### Sources of Information

LFC Files

Agency Analysis Received From  
 Department of Finance and Administration (DFA)  
 Administration Office of the Courts (AOC)

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

## SUMMARY

### Synopsis of House Bill 241

House Bill 241 would raise the salary caps of elected county officials in New Mexico (County Commissioners, Treasurer, Assessor, Sheriff, County Clerk and Probate Judge). The salary increases would be for Class A, Class B (high valuation), Class B (intermediate valuation), Class H (part-time), and Class H (full-time) counties.

The bill also adds new material to require the Department of Finance and Administration (DFA), Local Government Division to assist counties in calculating a consumer price index beginning on

July 1, 2025, and on July 1 of each successive year. 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.

## FISCAL IMPLICATIONS

According to DFA, Local Government, increasing the cap would provide each local board of county commission the authority to set salaries within the salary caps and based on available resources. DFA indicates the salary cap could apply to approximately 330 county elected officials.

If all counties approved salary increases up to the new cap amounts, the total maximum cost for implementation of this bill would be \$384.1 thousand per year and does not consider additional benefits such as FICA etc. The tables below provide a breakdown between the different classifications and the proposed salary increases.

The current and proposed salary increases for each Class A:

Positions	Current Salary (Class A)	Proposed Salary (Class A)	Difference	%Increase
County Commissioner	\$ 39,106	\$ 49,482	\$ 10,376	26.5%
Treasurer	\$ 86,626	\$ 109,610	\$ 22,984	26.5%
Assessor	\$ 86,626	\$ 109,610	\$ 22,984	26.5%
Sheriff	\$ 90,338	\$ 114,306	\$ 23,968	26.5%
County Clerk	\$ 86,626	\$ 109,610	\$ 22,984	26.5%
Probate Judge	\$ 38,114	\$ 48,226	\$ 10,112	26.5%
		Total Difference	\$ 113,408	

The current and proposed salary increases for each Class B with a high valuation:

Positions	Current Salary (Class B-HV)	Proposed Salary (Class B-HV)	Difference	%Increase
County Commissioner	\$ 30,196	\$ 38,208	\$ 8,012	26.5%
Treasurer	\$ 75,733	\$ 95,826	\$ 20,093	26.5%
Assessor	\$ 75,733	\$ 95,826	\$ 20,093	26.5%
Sheriff	\$ 78,952	\$ 99,899	\$ 20,947	26.5%
County Clerk	\$ 75,733	\$ 95,826	\$ 20,093	26.5%
Probate Judge	\$ 26,482	\$ 33,508	\$ 7,026	26.5%
		Total Difference	\$ 96,264	

The current and proposed salary increases for each Class B with an intermediate valuation:

Positions	Current Salary (Class B-IV)	Proposed Salary (Class B-IV)	Difference	%Increase
County Commissioner	\$ 21,534	\$ 27,247	\$ 5,713	26.5%
Treasurer	\$ 64,844	\$ 82,048	\$ 17,204	26.5%
Assessor	\$ 64,844	\$ 82,048	\$ 17,204	26.5%
Sheriff	\$ 67,814	\$ 85,806	\$ 17,992	26.5%
County Clerk	\$ 64,844	\$ 82,048	\$ 17,204	26.5%
Probate Judge	\$ 15,098	\$ 19,104	\$ 4,006	26.5%
		Total Difference	\$ 79,323	

The current and proposed salary increases for each Class H (part-time):

Positions	Current Salary (Class H-PT)	Proposed Salary (Class H-PT)	Difference	%Increase
County Commissioner	\$ 15,844	\$ 20,048	\$ 4,204	26.5%
Treasurer	\$ 7,922	\$ 10,024	\$ 2,102	26.5%
Assessor	\$ 7,922	\$ 10,024	\$ 2,102	26.5%
Sheriff	\$ 7,922	\$ 10,024	\$ 2,102	26.5%
County Clerk	\$ 7,922	\$ 10,024	\$ 2,102	26.5%
Probate Judge	\$ 4,636	\$ 5,866	\$ 1,230	26.5%
		Total Difference	\$ 13,842	

The current and proposed salary increases for each Class H (full-time):

Positions	Current Salary (Class H-)	Proposed Salary (Class H-FT)	Difference	%Increase
County Commissioner	N/A	N/A	N/A	N/A
Treasurer	\$ 75,733	\$ 95,826	\$ 20,093	26.5%
Assessor	\$ 75,733	\$ 95,826	\$ 20,093	26.5%
Sheriff	\$ 78,952	\$ 99,899	\$ 20,947	26.5%
County Clerk	\$ 75,733	\$ 95,826	\$ 20,093	26.5%
Probate Judge	N/A	N/A	N/A	N/A
		Total Difference	\$ 81,226	

## SIGNIFICANT ISSUES

DFA notes that increasing the salary caps for county elected officials would eliminate the problem of employees working under elected officials making significantly more than the elected official. Also, the yearly index increase would eliminate the need to request the Legislature adjust the salary caps for local county officials.

DFA indicates the last time the salary cap was adjusted was in 2018.