

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5337S.01I
Bill No.: SB 1088
Subject: County Officials; Estates, Wills and Trusts; Guardians; Salaries
Type: Original
Date: March 29, 2022

Bill Summary: This proposal modifies provisions relating to salaries of public administrators.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government*	<u>\$0 to (Could exceed \$963,846)</u>	<u>\$0 to (Could exceed \$1,927,692)</u>	<u>\$0 to (Could exceed \$1,927,692)</u>

*The fiscal impact is dependent upon how county public administrators are currently paid. If a public administrator is already paid according to the assessed valuation schedule, this proposal will not have a fiscal impact. Oversight will reflect the possible fiscal impact as a range.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services**, the **Department of Commerce and Insurance** and **Clinton County** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation from this year, HCS for HB 2450, officials from the Public Administrator's Office for the **City of St. Louis** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight only reflects the responses received from state agencies and political subdivisions; however, cities, counties and public administrators were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Oversight notes each county has a public administrator including the City of St. Louis. Oversight is unclear what their current salaries are based on, the number of letters that are opened annually. Oversight assumes this proposal would potentially increase the salaries in 2nd, 3rd and 4th class counties based on assessed valuation. Oversight took the highest salary cap at 39 letters opened of \$25,000 and calculated the difference in salary that would be increased based on the assessed valuation in the chart below. Using the Total Assessed Valuation by County in the 76th Annual Report from the State Tax Commission, Oversight also organized the 2nd, 3rd, and 4th class counties into salary classifications based on the assessed valuation. From this chart, Oversight assumes there could be salary increases collectively exceeding \$1,721,000. Adding additional payroll taxes and workers' compensation would yield a potential cost that could exceed \$1,927,692 and Oversight will reflect this amount in the fiscal note for this proposal.

<u>Assessed Valuation</u>	<u>County Class</u>	<u>Number of Counties*</u>	<u>Highest Salary</u>	<u>Assessed Salary</u>	<u>Difference in Salary</u>	<u>Potential Adjusted Salary</u>
\$8,000,000 to \$40,999,999	3	1	\$25,000	\$ 29,000	\$ 4,000	\$ 4,000
\$41,000,000 to \$53,999,999	0	0	\$25,000	\$ 30,000	\$ 5,000	\$ -
\$54,000,000 to \$65,999,999	0	0	\$25,000	\$ 32,000	\$ 7,000	\$ -
\$66,000,000 to \$85,999,999	3	2	\$25,000	\$ 34,000	\$ 9,000	\$ 18,000
\$86,000,000 to \$99,999,999	3	2	\$25,000	\$ 36,000	\$ 11,000	\$ 22,000
\$100,000,000 to \$130,999,999	3	10	\$25,000	\$ 38,000	\$ 13,000	\$ 130,000
\$131,000,000 to \$159,999,999	3	13	\$25,000	\$ 40,000	\$ 15,000	\$ 195,000
\$160,000,000 to \$189,999,999	3	8	\$25,000	\$ 41,000	\$ 16,000	\$ 128,000
\$190,000,000 to \$249,999,999	3	12	\$25,000	\$ 41,500	\$ 16,500	\$ 198,000
\$250,000,000 to \$299,999,999	3	9	\$25,000	\$ 43,000	\$ 18,000	\$ 162,000
\$300,000,000 to \$449,999,999	3, 4	15	\$25,000	\$ 45,000	\$ 20,000	\$ 300,000
\$450,000,000 to \$599,999,999	3, 4	14	\$25,000	\$ 47,000	\$ 22,000	\$ 308,000
\$600,000,000 to \$749,999,999	3, 4	6	\$25,000	\$ 49,000	\$ 24,000	\$ 144,000
\$750,000,000 to \$899,999,999	3	1	\$25,000	\$ 51,000	\$ 26,000	\$ 26,000
\$900,000,000 to \$1,049,999,999	2	2	\$25,000	\$ 53,000	\$ 28,000	\$ 56,000
\$1,050,000,000 to \$1,199,999,999	2	1	\$25,000	\$ 55,000	\$ 30,000	\$ 30,000
\$1,200,000,000 to \$1,349,999,999	0	0	\$25,000	\$ 57,000	\$ 32,000	\$ -
\$1,350,000,000 and over	0	0	\$25,000	\$ 59,000	\$ 34,000	\$ -
		96				\$ 1,721,000
				Payroll taxes	7.65%	\$ 131,657
				Work Comp	4.36%	\$ 75,036
				Grand Total		\$ 1,927,692

*Number of Counties were based off of the Total Assessed Valuation by County in the 76th Annual Report from the State Tax Commission

<u>FISCAL IMPACT – State Government</u>	<u>FY 2023 (6 Mo.)</u>	<u>FY 2024</u>	<u>FY 2025</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	<u>FY 2023 (6 Mo.)</u>	<u>FY 2024</u>	<u>FY 2025</u>
COUNTY FUNDS			
<u>Cost – Potential salary increases for public administrators</u>	<u>\$0 to (Could exceed \$963,846)</u>	<u>\$0 to (Could exceed \$1,927,692)</u>	<u>\$0 to (Could exceed \$1,927,692)</u>
ESTIMATED NET EFFECT ON COUNTY FUNDS	<u>\$0 to (Could exceed \$963,846)</u>	<u>\$0 to (Could exceed \$1,927,692)</u>	<u>\$0 to (Could exceed \$1,927,692)</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

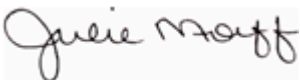
Currently, if a public administrator of a second, third, or fourth class county or of the City of St. Louis elects to be placed on salary, the salary is determined by a schedule based on the average number of open letters in the two years preceding the term in which the salary is elected. This act provides that every public administrator who begins his or her term on or after January 1, 2023, shall be deemed to have elected to receive such salary. This act also provides that a letter of guardianship and a letter of conservatorship shall be counted as separate letters. Additionally, it shall be two letters if the public administrator is appointed by the court as both a guardian and a conservator to the same ward or protectee.

Furthermore, this act provides that upon majority approval by the salary commission, a public administrator may be paid according to the assessed valuation schedule set forth in the act. If the salary commission elects to pay a public administrator according to the assessed valuation schedule, the salary commission shall not elect to change at any future time to pay the public administrator according to the average number of open letters in lieu of paying them according to the assessed valuation schedule.


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services
Department of Commerce and Insurance
Clinton County
City of St. Louis



Julie Morff
Director
March 29, 2022



Ross Strope
Assistant Director
March 29, 2022