

Commission on Local Government

Estimate of Local Fiscal Impact

2020 General Assembly Session

Bill: HB1302

Patron: Hurst

Date: 1/15/2020

In accordance with the provisions of §30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of the above-referenced legislation:

Bill Summary:

Deputy sheriffs; minimum salary. Provides that the minimum salary for all deputy sheriffs, both law enforcement and non-law enforcement, shall be set at the compensation board minimum plus a 20 percent supplement. The bill provides that in any locality designated as high or above average according to the Commission on Local Government's Fiscal Stress Index as of July 1, 2020, the Commonwealth shall pay the entire sum of the difference between the current salary paid in such locality and the compensation board minimum plus the 20 percent supplement.

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### Executive Summary:

Localities have evaluated a negative fiscal impact ranging from \$0.00 - \$32,620.00. A majority of localities didn't provide a cost, and noted that the bill would not affect them because their current Fiscal Stress Classification would require the Commonwealth to pay the entire difference. Other localities that didn't provide any cost, noted that their current pay rate exceeds Compensation Board's minimum plus 20%. Other localities noted that the bill does not apply to them as they do not receive funds from Compensation Board because they are towns. Some localities that responded with a fiscal impact did not factor their fiscal stress classification and based on their fiscal stress classification, the bill would not affect them, therefore, their estimate should be zero. In one case, a town provided an estimate, but this estimate should not be factored into this estimation. Despite the erroneous estimates, some localities noted that they have policies that equate salaries for a variety of personnel. So other localities that did not respond, especially those with below average or low fiscal stress, may also have fiscal impacts based on these policies.

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### Local Analysis:

**Locality:** City of Danville

**Estimated Fiscal Impact:** \$0.00

Based on the current Fiscal Stress Index, Danville is rated as "high". We do not expect a significant change in rating in this year's report, and therefore this would have no fiscal impact.

Should our rating change for the positive in the out years, this would increase expenditures, but the exact figure would also depend on what the Comp Board lists as a minimum salary and any changes to staffing requirements.

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Locality: City of Emporia

Estimated Fiscal Impact: \$0.00

Emporia is a fiscally stressed community and would be dependent upon the Commonwealth pay the entire sum of the difference in compensation. However, we would add that there needs to be a comparative analysis to ensure that there are no disparities created between Sheriff and Police.

Locality: City of Norfolk

Estimated Fiscal Impact: \$0.00

The legislation is anticipated to have minimal impact, if any, to the city. According to the fiscal stress index report from 2017, the city has a designation of high and does not expect the rating to change.

Locality: City of Roanoke

Estimated Fiscal Impact: \$0.00

According to the FY-17 Fiscal Stress Index, Roanoke is designated as high -- Roanoke City \$1,590.97 1.3731 \$43,135 104.92 105.98 103.55 104.82 High 18

According to the bill being proposed, the following would apply:

The Commonwealth shall pay the entire sum of the difference between the current salary paid in such locality and the compensation board minimum plus the 20 percent supplement.

Based upon this language, there should be no financial impact to the City of Roanoke.

Current City of Roanoke starting salary for Sheriff's Deputy = \$37,375.84

Minimum Comp Board Starting Salary = \$33,475.00

20% Supplement = \$6,695

Proposed New Starting Salary = \$ 40,170.00

Commonwealth would pay the \$2,794 difference between \$40,170 and \$37,376.

Locality: City of Virginia Beach

Estimated Fiscal Impact: \$0.00

The City of Virginia Beach pays its deputy sheriffs at a rate that exceeds the Compensation Board minimum plus 20 % supplement standard proposed by HB 1302. At present, the minimum salary for a deputy sheriff in the City is approximately 25% higher than the Compensation Board minimum for a C7/CS7/L7/CT7 position. The City of Virginia Beach would also not qualify for Commonwealth assistance based on the CLG Fiscal Stress Index.

Locality: City of Winchester

Estimated Fiscal Impact: \$17,745.00

This could have a very negative Expenditure impact to the City. Using 13 current deputies, adding an additional \$1,300 each would be \$16,900, plus approximately 5% in additional benefits to take us to \$17,745. However, if this affects our pay scale, we could possibly have to add that additional to our PD (which is on the same scale) at a cost of \$74,100, plus benefits of 5% of \$3,705 for a total of \$77,805. So, a possible grand total of \$77,805 plus \$17,745 = \$95,550. If the Commonwealth pays the difference, I suppose most of the Sheriff's will be dealt with, but not the Police Department.

Locality: King William County

Estimated Fiscal Impact: \$93,730.00

Base \$33,475 x 14 = \$468,650
Bill Supplement \$33,475 * 1.20 = \$40,170/per * 14 = \$562,380
Difference \$93,730
Locality Picks Up \$32,620

Locality: Prince Edward County

Estimated Fiscal Impact: \$485,174.00

This bill would require Prince Edward to increase salaries of 21 employees in the Sheriff's department at a cost of \$116,676. An additional \$16,800 would be required to increase the pay of two animal control officers who work for the County because the County has a policy of paying them as if they were Sheriff deputies since they carry a weapon and enforce animal control laws and are deputized. Thus would be an increase of \$133,476 and require a tax increase of \$.01 on real estate to fund. In addition the County has a policy of treating all employees the same whether they be County, Constitutional or DSS employees. This has benefited Constitutional employees when the County provided pay increases when the state did not or the County provided greater increases. We would be forced to abandon that policy, which would destroy the team atmosphere that exists now, and the County would face extreme political pressure to continue that policy. To do continue this policy would require an additional \$48,360 for other constitutional employees, an additional \$58,338 for County employees and \$245,000 for DSS employees for a total increase of \$485,174. This would require a real estate tax increase of \$.03. to do this would place great expectations from teachers to treat them the same which would double the total increase and result in a real estate tax increase of \$.06. What is the justification for such an increase? We are not having trouble recruiting for Sheriff positions but are for our regional jail, heavy equipment operators and DSS workers. The belief that Sheriff employees face greater danger than other employees is nit borne out in actual statistical data. Worker Comp rates are based on the cost of injuries and death. Law enforcement rates are in the middle of the pack. Public Work, construction, garbage, farm and utility job categories worker comp rates are all higher often more than triple those of law enforcement.

Locality: Town of Ashland

Estimated Fiscal Impact: \$0.00

does not apply to towns

Locality: Town of Blacksburg

Estimated Fiscal Impact: \$0.00

Does not apply to Town. We do not receive funds from the compensation board for our police force.

Locality: Town of Buchanan

Estimated Fiscal Impact: \$0.00

Most localities already factor in an extra 10-20 percent supplement. However, some of the smaller rural areas do not. This law may create potential budget difficulties for rural areas with limited resources and revenues.

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**Locality:** Town of Marion.

**Estimated Fiscal Impact:** \$0.00

Deputies fall under the county budgeting, so there is no impact to the town.

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Locality: Town of Scottsville

Estimated Fiscal Impact: \$0.00

Towns do not have sheriffs or fund their services. This bill has no fiscal impact on small towns.

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