

Under Section 2, which amends KRS 132.590, HB 137 GA would revise subsection (4) to prohibit the reduction of a property valuation administrator (PVA) holding office on and after December 2, 2013, when there has been a reduction in the county population that would cause a reclassification of the county population group/pay scale to which the official belongs.

PVA officers taking office on December 1, 2014, shall not receive back pay as a result of this amendment and shall receive their first adjusted paycheck for the pay period beginning July 1, 2015.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The immediate fiscal impact of HB 137 GA on local government is expected to be nil for county governments with two exceptions. The only counties immediately affected would be Harlan and Metcalfe Counties, which are the only counties that have seen a drop in their population group since the population groups were established in 1998. As a result of these counties' drop in population, the office of county judge-executive, jailer, county clerk and sheriff experienced a decrease, effective January 2015, in salary in the amount of approximately \$5,250 per officer and, the office of PVA experienced a decrease of approximately \$5,500 per officer.

HB 137 GA would restore the salaries of these counties' county-judge, county clerk, sheriff and PVA who are incumbents, but would not affect the county's officials who are newly elected. **The fiscal impact of HB 137 GA on these counties for the current fiscal year is \$21,368.02 (\$5,289.34 X 3 + \$5,500 X 1) for Metcalfe County and \$10,700.55 for Harlan County.**

Data Source(s): LRC staff; Department for Local Government; Kentucky PVA Association

Preparer: John V. Ryan **Reviewer:** MCY **Date:** 2/26/15