

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2022 REGULAR SESSION**

MEASURE

2022 BR NUMBER 156

HOUSE BILL NUMBER 259 GA

TITLE AN ACT relating to Kentucky State Police salaries.

SPONSOR Representative Scott Lewis

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Kentucky State Police

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED Various

FISCAL ESTIMATES	2021-2022	2022-2023	2023-2024	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES	\$2,771,000	\$32,132,900	\$41,965,200	Indeterminable
NET EFFECT	(\$2,771,000)	(\$32,132,900)	(\$41,965,200)	(Indeterminable)

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of this measure is to increase the base salary schedule prescribed in KRS 16.052 for all trooper ranks, including cadet troopers, within the Kentucky State Police. Commercial vehicle enforcement officers (CVE) are also added to the same salary schedule and legislative security specialists are provided with equivalent salaries based on years of service. These salary increases would take effect May 1, 2022. The measure sets the date for annual salary adjustments based on the Consumer Price Index (CPI) to begin July 1, 2023.

FISCAL EXPLANATION: The base salary schedule adjustments increase cadet troopers and CVE officers to \$45,000, increase ranks below sergeant by \$15,000, and increase ranks sergeant and above by the following: 10% based on years of service for sergeant, 20% based on years of service for lieutenant, and 30% based on years of service for captain. For example, the new salary for a rank of sergeant with six years of service (\$68,991) reflects a 10% increase relative to the new salary for a rank of senior trooper (\$62,719) with an equivalent six years of service.

In addition to the base salary increases, assumptions used in calculating costs to determine fiscal impact include:

- The actuarially determined contribution rate for the State Police Retirement System as adopted by the System’s Board in December 2021. This rate is 140.51% and is applied as a percentage of pay in fiscal years 2023 and 2024.

- The actuarially determined contribution rate for the Kentucky Employee Retirement System - Hazardous as adopted by the System's Board in December 2021. This rate is 31.82% and is applied as a percentage of pay in fiscal years 2023 and 2024.
- The percent change in the annual average of the nonseasonally adjusted CPI for all urban consumers, U.S. city average, all items, published by the United States Department of Labor, Bureau of Labor Statistics for the two most recent calendar years. This percent change is 4.7% and applies to only fiscal year 2024.

Future impacts are indeterminable at this time and will vary based on the number of state troopers and CVE officers employed, the rate of inflation as measured by the CPI defined in the statute, and fringe benefit costs.

DATA SOURCE(S): LRC Staff; Kentucky State Police

PREPARER: Perry Papka NOTE NUMBER: 74 REVIEW: JAB DATE: 2/15/2022