

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 1961

HOUSE BILL NUMBER 577

TITLE AN ACT relating to property valuation administrators, making an appropriation therefor, and declaring an emergency.

SPONSOR Representative Shawn McPherson

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: Property Valuation Administrators

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES				
NET EFFECT				

() indicates a decrease/negative

PURPOSE OF MEASURE: This measure amends KRS 132.590 to create an updated Property Valuation Administrator (PVA) salary schedule, to achieve equitable compensation for PVAs elected after July 1, 2022, including retroactive adjustments with a lump sum payout dating back to each individual PVA’s start date. Additionally, it seeks to reclassify PVAs as Commonwealth officers, as defined in Section 246 of the Kentucky Constitution.

FISCAL EXPLANATION: Absent a direct appropriation for the necessary funds to implement the provisions of the measure, there would be no fiscal impact. Since 2003, biennial budget language has directed PVAs to manage expenses within the funds appropriated. However, removal of this language would result in a General Fund impact of approximately \$625,000 in order to fund the backpay for newly elected PVAs retroactively for the time period of December 2022 through June 2024 and would require an increase in General Fund appropriations of \$400,000 in each fiscal year of the next biennium to continue those pay increases.

DATA SOURCE(S): Legislative Research Commission

PREPARER: Jeremy Simpson **NOTE NUMBER:** 46 **REVIEW:** JB **DATE:** 2/7/2024