

# Fiscal Note

**BILL #** HB 2327

**TITLE:** appropriation; state department of corrections

**SPONSOR:** Payne

**STATUS:** As Introduced

**PREPARED BY:** Geoffrey Paulsen

## Description

The bill would appropriate an unspecified amount from the state General Fund in FY 2025 to the Arizona Department of Corrections (ADC) for a 15% salary increase for correctional officers.

## Estimated Impact

We estimate the cost to provide a 15% salary increase to all correctional officer positions in ADC would be \$82.9 million. This amount includes funding for all positions, including those not currently filled. This estimate represents a maximum cost, as ADC currently has significant vacancies in correctional officer positions.

ADC has not yet provided us their estimated cost of the 15% salary increase.

## Analysis

The bill states that the salary increase would apply to all correctional officers. For the purpose of this analysis, we have assumed that any staff enrolled in the Corrections Officer Retirement Plan (CORP) are considered correctional officers.

According to information provided by the Executive last fall as part of ADC's FY 2025 budget request, there are 8,373 FTE Positions in ADC that are eligible for CORP. The total salary amount for those positions is \$465.8 million.

We estimate that it would cost \$82.9 million for a 15% salary increase for all 8,373 FTE positions. This amount includes the cost of the base salary increase as well as the marginal increase in employee benefit related expenses such as retirement, Social Security, and workers' compensation. This marginal benefit amount ranges from between 18% and 19.4% depending on the employee's tenure, which affects the CORP retirement program they participate in.

## Local Government Impact

None

2/12/24

