



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

March 30, 2022

Honorable Chuck Hufstetler
Chairman, Senate Finance
121-C State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill 1280 (LC 43 2400S)

Dear Chairman Hufstetler:

The bill would create a deferred compensation plan for eligible county tax commissioners as defined by the bill. The Employees' Retirement System (ERS) would administer the plan and the state would make matching contributions of up to 5% of the minimal annual salary for commissioners found in O.C.G.A. § 48-5-183. The bill also establishes a three-party contract process (municipalities, counties, and tax commissioners) for tax commissioners to prepare municipal tax digests, collect municipal taxes or fees, and take action when taxes and fees are not paid. Municipalities would pay the county, which would then pay the tax commissioner, subject to a maximum equal to 50 percent of the minimum annual salary established in the code section above.

The bill would have one-time costs to the state for implementation, as well as ongoing annual contributions to the deferred compensation plan.

- *One-time costs* – ERS estimated \$50,000 - \$75,000 for a contracted service provider to create the new retirement system. This includes information system coding and testing to ensure accurate vesting and employer matching rules.
- *Ongoing costs* – ERS estimated an annual state maximum contribution of \$548,000. This would be required if all 159 tax commissioners participated and contributed 5% of the minimum salary to the fund.

Respectfully,

Greg S. Griffin
State Auditor

Kelly Farr, Director
Office of Planning and Budget

GSG/KF/mt