

- SUBJECT:** Allowing higher salaries for some county auditors
- COMMITTEE:** County Affairs — favorable, with amendment
- VOTE:** 7 ayes — Lewis, W. Smith, Casteel, Chisum, Farabee, Olivo, Quintanilla  
1 nay — Flynn  
1 absent — Farrar
- SENATE VOTE:** On final passage, April 10 — 31-0
- WITNESSES:** For — April Bacon, Texas Association of County Auditors; Donald Lee, Texas Association of Urban Counties  
Against — Jim Allison and John P. Thompson, County Judges and Commissioners Association of Texas
- BACKGROUND:** Local Government Code, sec. 152.905 stipulates that district judges set compensation for the county auditor, assistant auditor, and court reporter, by record vote at public hearings where interested parties and citizens have an opportunity to be heard. No later than 15 days before the date of the hearing, notice of the time, place, and subject of the hearing must be published in a newspaper of general circulation in the county.
- Under sec. 152.032, the amount of the compensation and allowances of a county auditor may not exceed the amount of the compensation and allowances received from all sources by the highest paid elected county officer, other than a judge of a statutory county court, whose salary and allowances are set by the commissioners court. The 77th Legislature in 2001 enacted HB 2751 by E. Jones, exempting from this restriction a county that employs an arena venue project manager hired as of March 7, 2001, and has a population of less than 1.4 million in which a municipality with a population of more than one million is located (Bexar County). The amount of the compensation and allowances of a county auditor in a county subject to the exemption may not exceed the amount of the compensation and allowances received from all sources by the county budget officer. If the county hires a

county budget officer at a salary lower than the salary of the previous county budget officer, the county auditor's salary may not be reduced on that basis.

DIGEST:

SB 1303, as amended, would allow a district judge in a county with a population of 500,000 or more (Bexar, Dallas, El Paso, Harris, Hidalgo, Tarrant, and Travis counties) to set the amount of compensation and allowances for the county auditor in any amount, following approval by the county commissioners court. In regard to auditor salaries, the existing exemption would continue to govern Bexar County. The bill also would require public notice to be issued no sooner than 30 days nor later than 10 days before the hearing where the district judges set the compensation of the county auditor, assistant auditor, and court reporter.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2003.

SUPPORTERS  
SAY:

SB 1303 properly would allow district judges more flexibility in setting the county auditor's compensation and allowances in certain large counties. Emergent and complex accounting and legal standards, together with the competitive market for individuals qualified to perform government auditing, require counties to offer higher salaries than allowed under current law to attract qualified auditor candidates. Short, two-year terms of office for county auditors also deters applicants. The 77th Legislature exempted Bexar County from the existing salary cap after a national search yielded no qualified applicant willing to work for the county as auditor at the maximum salary allowed under state law. This bill would extend the same flexibility to other large counties.

SB 1303, as amended, appropriately would balance the authority of district judges to set greater compensation for county auditors of large counties by first requiring the approval of county commissioners courts. Governing bodies of school districts, utility districts, and most other political subdivisions determine the salaries of the districts' financial officers, who have duties comparable to those of county auditors. Accordingly, it is appropriate for a county's governing body — the commissioners court — to be responsible for controlling the county auditor's compensation, especially because the bill would remove the current salary cap.

The bill also would adjust the deadline for providing public notice of a hearing to set the auditor's salary so that it conformed to most other public notice requirements that affect county governments.

**OPPONENTS  
SAY:**

SB 1303, as amended, would undermine a workable system of checks and balances among county officials by granting commissioners courts veto authority over the statutory duty of district judges to set county auditors' compensation. County commissioners courts should not influence the compensation paid to county auditors because auditors have unique responsibility to scrutinize all spending decisions of county officials, including county commissioners, and strictly enforce the law governing county finances. District judges, as impartial local officials paid by the state and subject to a public hearing and voting procedure required under existing law, are more appropriate authorities to determine the county auditor compensation. Their sole discretion to do so should remain in effect.

Also, by requiring the involvement of county commissioners courts in determining auditors' compensation, SB 1303, as amended, unnecessarily would foster more disputes between district judges and county commissioners. Counties already frequently suffer tension between their officials, and this bill could encourage even more.

**OTHER  
OPPONENTS  
SAY:**

More qualified applicants would seek county auditor positions if the length of the term these officials could serve were doubled from two years to four years. Any initiative to amend statutes to attract more applicants should begin with this reform.

**NOTES:**

The committee amendment to SB 1303 would allow a district judge in a county with a population of 500,000 or more to set the amount of compensation and allowances for the county auditor in any amount, following approval by the county commissioners court.