

Introduced 7/3/17  
Public Hearing 7/17/17  
Council Action 7/26/17  
Executive Action 7/27/17  
Effective Date 9/26/17

### County Council of Howard County, Maryland

2017  
2015 Legislative Session

Legislative Day No. 10

### Bill No. 56 -2017

Introduced by: The Chairperson at the request of the County Executive

AN ACT amending the Howard County Police and Fire Employees' Retirement Plan, to provide that line-of-duty death benefits to a surviving spouse do not terminate on the remarriage of the surviving spouse; and generally relating to the Howard County Police and Fire Employees' Retirement Plan.

Introduced and read first time July 3, 2017. Ordered posted and hearing scheduled.  
By order Jessica Feldmark  
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on July 17, 2017.  
By order Jessica Feldmark  
Jessica Feldmark, Administrator

This Bill was read the third time on July 26 2017 and Passed , Passed with amendments \_\_\_\_\_, Failed \_\_\_\_\_.  
By order Jessica Feldmark  
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 26<sup>th</sup> day of July, 2017 at 2 a.m./p.m.  
By order Jessica Feldmark  
Jessica Feldmark, Administrator

Approved Vetoed by the County Executive July 27, 2017  
Allan H. Kittleman  
Allan H. Kittleman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **Section 1. Be It Enacted** by the County Council of Howard County, Maryland that the Howard  
2 County Code is amended as follows:

3  
4 *By amending:*  
5 *Subsection (b) of Section 1.439A "Death Benefits"*

6  
7 **Title 1. Human Resources.**

8 **Subtitle 4A. Police and Fire Employees' Retirement Plan.**

9 **Article IVA. Death Benefits.**

10  
11 **Section 1.439A. Death Benefits.**

12 *(b) Line of Duty Death Benefit.* In the event of the death of a participant, prior to the participant's  
13 benefit commencement date, while in the line of duty (as defined below), the participant's beneficiary  
14 shall be entitled to receive the benefits described in subparagraphs (1), (2) or (3), as applicable.

15 (1) **General benefit.** The beneficiary shall be entitled to receive:

16 (i) The participant's employee contributions benefit, payable in one or more  
17 installments over a period which meets the requirements of section 1.440A and  
18 which is designated by the participant, or, if the participant has made no  
19 designation, by his or her beneficiary; plus.

20 (ii) An amount, payable as a single lump sum, equal to the participant's annualized  
21 compensation determined as of the date of death; provided, however, that the  
22 benefit provided by this subparagraph (ii) shall be payable only if the participant  
23 had died while a covered employee.

24 (2) **Surviving spouse benefit.**

25 (i) If all of the following conditions are met, then the surviving spouse of a deceased  
26 participant shall be entitled to receive a survivor benefit, in lieu of any other plan  
27 benefit:

- 28 a. The participant is married on the date of death;  
29 b. The participant's death occurs before the benefit commencement date;  
30 c. The participant has designated the participant's surviving spouse as his or her  
31 beneficiary;  
32 d. The participant has died in the line of duty as described in this subsection  
33 1.439A(b); and

- 1 e. Upon the death of the participant, the spouse does not elect to receive the  
2 benefits provided in subsection 1.439A(b)(1).
- 3 (ii) a. For purposes of this subsection, the line of duty survivor benefit is a monthly  
4 income commencing in the month next following the participant's death and  
5 continuing for the remainder of the spouse's life [[or earlier remarriage]] in an  
6 amount equal to 66 2/3 percent of the participant's compensation determined as  
7 of the day before the participant's death.
- 8 b. In the event of the death [[or remarriage]] of the spouse following the death of  
9 the participant, a monthly benefit equal to 50 percent of such compensation  
10 shall be paid, in the aggregate, to the participant's surviving children who are  
11 named as contingent beneficiaries.
- 12 c. The monthly benefits payable to any child of the participant pursuant to this  
13 subsection shall continue until the first day of the month preceding the earlier  
14 of:
- 15 1. The death of the child; or  
16 2. The later of the child's:  
17 i. Attainment of age 18, or  
18 ii. Attainment of age 23, but only so long as the child remains a full-time  
19 student.

20 (3) *Surviving children's benefit.*

- 21 (i) If all of the following conditions are met, then the surviving children of a deceased  
22 participant shall receive a survivor benefit, in lieu of any other plan benefit:
- 23 a. The participant's death occurs before the benefit commencement date;  
24 b. The participant has designated one or more of the participant's children as  
25 his or her only primary beneficiaries; and  
26 c. The participant has died in the line of duty as described in this subsection  
27 1.439A(b).
- 28 (ii) a. For purposes of this subsection, the line of duty survivor children's benefit  
29 is a monthly income commencing in the month next following the  
30 participants death in an amount equal to 50 percent of the participant's  
31 compensation determined as of the day before the participant's death and  
32 paid, in the aggregate, to the participant's surviving children who are named  
33 as primary beneficiaries.

- 1                                    b. The monthly benefits payable to any child of the participant pursuant to this  
2                                    subsection shall continue until the first day of the month preceding the  
3                                    earlier of:  
4                                    1. The death of the child; or  
5                                    2. The later of the child's:  
6                                    i. Attainment of age 18; or  
7                                    ii. Attainment of age 23, but only so long as the child remains a full-  
8                                    time student.

9                    (4) ***Line of duty definition.*** For purposes of this section, the term line of duty means death  
10                    from an injury or illness which has been sustained as an active covered employee and  
11                    which has been ruled compensable under the Workers' Compensation Law of Maryland.  
12                    Line of duty does not include death from an injury or illness which has been sustained  
13                    during military service

14  
15                    ***Section 2. And Be It Further Enacted by the County Council of Howard County, Maryland that***  
16                    ***this Act shall become effective 61 days after its enactment.***

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on

July 27, 2017.

  
Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on \_\_\_\_\_, 2017.

\_\_\_\_\_  
Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on \_\_\_\_\_, 2017.

\_\_\_\_\_  
Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on \_\_\_\_\_, 2017.

\_\_\_\_\_  
Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on \_\_\_\_\_, 2017.

\_\_\_\_\_  
Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on \_\_\_\_\_, 2017.

\_\_\_\_\_  
Jessica Feldmark, Administrator to the County Council



**HOWARD COUNTY PROFESSIONAL  
FIRE FIGHTERS ASSOCIATION  
I.A.F.F. LOCAL 2000**

5397 TWIN KNOLLS ROAD • SUITE 16 • COLUMBIA, MD 21045

July 18, 2017

Chairman Jon Weinstein  
Howard County Council  
3430 Court House Drive  
Ellicott City, MD 21042

I respectfully submit the following testimony in support of Council Bill 56-2017.

As you know being a police officer or fire fighter is a dangerous occupation. When one enters a public safety profession, we accept the dangers; and while it isn't often spoken of, we understand that we may be called upon to lay down our life for another.

Our families come along on the emotional ride that is our careers. When we have a great day, and save a patient's life, our spouses often share in our success. When we have a rough day, and see tragedy unfold before us, our spouses often console us. When that tragedy comes in the form of the death of a co-worker, it is our spouses who come with us to the viewings and funerals, and live the loss with us.

It is when that death has occurred in the Line of Duty that speaks to the nature of Council Bill 56. It is clear that public safety departments take it extremely hard when there is the loss of one of their own. This is evidenced by the incredible displays of comradery during Line of Duty Death funerals for police officers and fire fighters. The department suffering the loss vows to support the surviving spouse, and to forever make them feel like a part of the department family. In my experience, the public safety departments I have experience with do this well. But it is the surviving family, and in particular the surviving spouse, who suffers the real loss. They live the rest of their lives with that loss; the loss of companionship, shared dreams, financial stability, and friendship. It is further devastating when the death leaves children behind; without the second parent to share in the joys and responsibilities of parenthood.

The loss is a loss for life. The police officer or fire fighter has made the ultimate sacrifice in service to others and has now left a spouse, and possibly children, behind. The loss does not end, nor does it lessen with time, even if the surviving spouse remarries at some point in the future. It is our opinion that we have an obligation to take care of the surviving spouse; not only through the brotherhood and sisterhood of the police and fire services, but by ensuring their ability to support themselves financially.

Fortunately, fire and rescue has not had to contemplate such a tragedy and whether the survivor would someday need to decide between moving forward in life or losing the benefit from their tragic loss. Still, as the Local 2000 trustee of the Police/Fire Pension Committee, and

on behalf of Local 2000's leadership team, we are unanimous in our belief that should this circumstance ever become a reality for our department, the benefit should continue after remarriage. It is simply the right thing to do in honoring the sacrifice that one of us may someday be called upon to make.

As a trustee of the Police/Fire Pension Committee, and on behalf of the nearly 400 members of IAFF Local 2000, I respectfully request a favorable vote on Council Bill 56.

Sincerely,

A handwritten signature in cursive script that reads "Richard L. Ruehl".

Richard L. Ruehl

President, IAFF Local 2000

Trustee, Police/Fire Pension Committee

## Sayers, Margery

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**From:** Richard L. Ruehl <RRuehl@IAFFLocal2000.org>  
**Sent:** Tuesday, July 18, 2017 3:11 PM  
**To:** CouncilMail  
**Subject:** Testimony - CB 56-2017  
**Attachments:** CB 56 - 2017 - Spousal Benefits - July 18, 2017.docx

Council members, attached is my testimony on Council Bill 56-2017. Should you have any questions, please let me know.

Thank you! Rich

**Richard L. Ruehl, President**

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Columbia, MD 21045  
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May 17, 2017

Terry Reider  
Retirement Coordinator  
Howard County Government  
3430 Court House Drive  
Ellicott City, MD 21043

Re: *Howard County Police and Fire  
Employees' Retirement Plan – Removal  
of Remarriage Clause*

Dear Terry:

We reviewed the proposed revision to the Police and Fire Plan which eliminates the remarriage clause associated with the line-of-duty surviving spouse death benefit and analyzed the cost impact of the change.

We have concluded that removing the remarriage clause will have an insignificant effect on the contribution rate. The contribution rate for FY2018 of 32.5% of payroll will not change because of this amendment. Currently the actuarial valuation assumes there will be no remarriage and thus the present value of a line-of-duty surviving spouse benefit is based on a benefit payable for the life of the surviving spouse. There are very few studies on remarriage rates after the death of a spouse, especially studies focused on the ages of active Police and Fire members. From the available studies, we can ascertain that the rate is very low (likely less than 5%). There are also complexities concerning how and when to apply the rate. We do know that if we included a remarriage assumption in the valuation, the decrease in the liability would be insignificant.

If the remarriage clause is removed, there will be no change in the calculation of the liabilities and no change in the contribution rate. Note that under the current plan provisions, if a surviving spouse remarries, the Plan experiences a gain because the surviving spouse benefit ceases. This gain would be forgone if the remarriage clause if removed.

The data, methods and assumptions used for this study are the same as those used in our July 1, 2016 actuarial valuation of the Howard County Police and Fire Employees' Retirement Plan dated January 26, 2017.

I, Ann M. Sturner, am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. I am currently compliant with the Continuing Professional Development Requirement of the Society of Actuaries.

Terry Reider  
May 17, 2017  
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Please contact me if you need any additional information.

Sincerely,

**BOLTON PARTNERS, INC.**

A handwritten signature in cursive script that reads "Ann M. Sturner".

Ann M. Sturner, FSA, EA