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*Internal Memorandum*

Subject: Testimony for Bill No. 18-2018

To: Lonnie R. Robbins  
Chief Administrative Officer

From: Jennifer Sager  
Legislative Coordinator

Date: April 10, 2018

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The Administration is seeking County Council approval of Council Bill No. 18 -2018.

In January 2018, the Bureau of Labor Statistics introduced a new geographic area sample for the Consumer Price Index (“CPI”), and announced that the combined Washington-Baltimore index would be discontinued. The following places in our County Code provide for indexing based on the CPI:

1. Section 5.200, the Annual Salary of members of the County Council;
2. Section 6.100, the Annual Salary of the County Executive;
3. Section 10.300, related to the Citizens’ Election Fund; and
4. Section 28.115, related to payments required by Community Enhancements, Programs, and Public Amenities (CEPPAs) specified in the Downtown Columbia Plan.

At its meeting on February 22, 2018, the Joint Retirement Plan Committee unanimously approved a change to the Howard County Retirement Plan and the Howard County Police and Fire Employees’ Retirement Plan definition of Consumer Price Index to reflect the index of the Baltimore-Columbia-Towson geographic area sample. The formal name of the index published by the Bureau of Labor Statistics is "All Urban Consumers (CPI-U) BALTIMORE-COLUMBIA-TOWSON, MD – ALL ITEMS – 1982-1984 = 100”.

In order to be consistent with the County’s Pension Plans and because the currently-existing CPI for all Urban Consumers for the Washington-Baltimore area no longer exists, the Administration has submitted Council Bill No. 18 to change the non-Pension related CPI references to be the Consumer Price Index for all Urban Consumers (CPI-U) for the Baltimore-Columbia-Towson, MD area as published by the Bureau of Labor Statistics.

cc: Allan H. Kittleman, County Executive