

Introduced 11-1-2021
Public Hearing 11-15-2021
Council Action 12-6-2021
Executive Action 12-13-2021
Effective Date 2-12-2022

County Council of Howard County, Maryland

2021 Legislative Session

Legislative Day No. 17

Bill No. 84 -2021

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

AN ACT amending provisions of the Police and Fire Employees' Retirement Plan in order to remove certain distinctions between management firefighters and firefighters with regard to unused sick leave; and generally relating to the Howard County Pension for Police and Fire Employees.

Introduced and read first time Nov 1, 2021. Ordered posted and hearing scheduled.
By order Michelle Harrod
Michelle Harrod, 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 Nov 15, 2021.
By order Michelle Harrod
Michelle Harrod, Administrator

This Bill was read the third time on Dec 6, 2021 and Passed Passed with amendments Failed
By order Michelle Harrod
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 7 day of Dec, 2021 at 4⁰⁰ p.m.
By order Michelle Harrod
Michelle Harrod, Administrator

Approved/vetoed by the County Executive Dec 13, 2021
Calvin Ball
Calvin Ball, 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
2 Howard County Code is amended as follows:

3
4 *By amending:*

5 *Title 1. Human Resources.*

6 *Section 1.406A "Definitions"*

7
8 *Title 1. Human Resources*

9 *Section 1.428A "Normal Retirement"*

10
11 **Title 1. Human Resources.**

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

13 **Article 1A. Generally.**

14
15 **Section 1.406A. Definitions.**

16 The following terms, as used herein, unless a different meaning is clearly implied by the
17 context, shall have the following meanings:

18 (a) (1) *Accrued benefit* means the benefit to which a participant is entitled, pursuant to the
19 provisions of sections 1.428A through 1.436A, expressed as the normal form of
20 monthly benefit commencing at normal retirement date or the actuarial equivalent
21 thereof.

22 (2) The accrued benefit as of any date preceding the participant's normal retirement
23 date, but expressed as aforesaid, shall be the monthly benefit computed pursuant
24 to section 1.429A, 1.431A or 1.432A.

25 (3) In no event, however, shall the accrued benefit exceed the maximum limitation
26 determined, as of the date of computation, pursuant to section 1.433A.

27 (4) (i) The portion of the participant's accrued benefit attributable to his or her
28 contributions made pursuant to sections 1.426A and 1.427A shall be equal to the
29 actuarial equivalent of the participant's employee contributions benefit, expressed
30 as the normal form of monthly benefit commencing at normal retirement date.

- 1 (ii) The portion of the participant's accrued benefit attributable to county
2 contributions shall be the remainder, if any, of the accrued benefit.
- 3 (5) Accrued benefit computations made for the purpose of reflecting a benefit
4 commencement date prior to normal retirement date shall be made without regard
5 to the cost of living adjustment provided for in section 1.435A.
- 6 (b) (1) *Actuarial equivalent* means a form of benefit differing in time, period or manner
7 of payment from a specific benefit provided under the plan but having the same
8 value when computed based upon the following:
- 9 Pre-retirement and post-retirement:
10 Up-1984 Mortality Table
11 Eight percent per annum interest rate.
12 Cost of living adjustment:
13 Two percent per annum.
- 14 (2) The foregoing factors, to the extent applicable, shall be utilized (whether or not
15 there is a specific reference to this definition) whenever in the administration of
16 the plan a calculation of actuarial equivalence is to be made.
- 17 (3) However, in determining the actuarial equivalence of a lump sum or any other
18 optional form of benefit to the normal form of monthly retirement income payable
19 pursuant to section 1.428A, the value of the said normal form of benefit shall
20 include the value of the cost of living adjustments that would have been made
21 pursuant to section 1.435A had the participant retired thereunder and lived his or
22 her anticipated life span.
- 23 (c) (1) *Actuarial reduction* means a reduction which will cause a benefit with a starting
24 date which precedes a participant's normal retirement date to be the actuarial
25 equivalent of the benefit which would otherwise have been payable at normal
26 retirement date.
- 27 (2) However, notwithstanding any factors set forth in the definition of actuarial
28 equivalent, the reduction shall be equal to 0.25 percent of the benefit for each
29 month during the first five years preceding normal retirement date.
- 30 (d) *Administrator* means any person, group or entity designated in accordance with the
31 provisions of section 1.455A to administer and operate the plan.

1 (e) *ALS premium* means the premium (in addition to legislated base annual salary) paid
2 to those firefighters who are trained as and assigned to the position of emergency medical
3 technician-paramedic, emergency medical technician-intermediate or cardiac rescue
4 technician.

5 (f) *Average compensation*.

6 (1) *Effective for retirements on or before August 31, 2002.*

7 (i) *Average compensation* means the average monthly rate of a participant's
8 compensation, equal to 1/36th of the total amount of a participant's
9 compensation for the last 36 consecutive full calendar months of the
10 participant's employment.

11 (ii) Any calendar month during which the participant was not employed on a full
12 time basis (or on leave of absence) shall be disregarded for purposes of the
13 foregoing, and the existence of such calendar months shall be ignored and
14 shall not be counted in determining the last 36 consecutive full calendar
15 months of the participant's employment.

16 (iii) If the participant's employment does not provide 36 consecutive full calendar
17 months as aforesaid, compensation for the participant's actual number of
18 consecutive full calendar months will be totaled and divided by the number
19 thereof.

20 (2) *Effective for retirements after August 31, 2002.*

21 (i) *Average compensation* means the average monthly rate of a participant's
22 compensation, equal to 1/36th of the total amount of a participant's
23 compensation for the 36 consecutive full calendar months of the participant's
24 employment which produce the highest average.

25 (ii) Any calendar month during which the participant was not employed on a full-
26 time basis (or on leave of absence) shall be disregarded for purposes of the
27 foregoing, and the existence of such calendar months shall be ignored and
28 shall not be counted in determining the 36 consecutive full calendar months of
29 the participant's employment which produce the highest average.

30 (iii) If the participant's employment does not provide 36 consecutive full calendar
31 months, compensation for the participant's actual number of consecutive full

1 calendar months of employment will be totaled and divided by the number
2 thereof.

3 (g) *Beneficiary* means any person entitled to death benefits in accordance with the
4 provisions of sections 1.448A through 1.449A.

5 (h) *Benefit commencement date* means the first day of the first period for which the sole
6 payment or the first in a series of payments constituting the distribution of an accrued
7 benefit is made.

8 (i) *Cash-out* means a distribution in settlement of a benefit otherwise payable under the
9 plan, and which is equal to the employee contributions benefit. *Cash-out* refers to a cash-
10 out election under subsection (e) of section 1.432A or a mandatory cash-out under
11 subsection (f) of section 1.432A.

12 (j) *C/I increase* means an automatic increase (without necessity of plan amendment) in a
13 dollar value set forth or described in the plan, for the purpose of reflecting increases in
14 the cost of living to the extent prescribed in or pursuant to regulations under Section
15 415(d) of the Internal Revenue Code, but only to the extent permitted by the operative
16 Internal Revenue Code or regulatory provision specifically governing the dollar value in
17 question.

18 (k) (1) *Compensation* means the monthly equivalent of the participant's legislated base
19 annual salary (including employee performance awards to the extent paid prior to
20 July 30, 1999 and longevity payments, to the extent paid, and, effective as of July
21 1, 1996, day shift premiums, ALS premiums and H.V.O. premiums), determined
22 without regard to:

23 (i) Overtime, bonuses and other extra remuneration;

24 (ii) Amounts in excess of one-twelfth of the applicable dollar limit under Section
25 401(a)(17) of the Internal Revenue Code and regulations promulgated
26 thereunder, as adjusted by the Commissioner of the Internal Revenue Service
27 for increases in the cost of living in accordance with Section 401(a)(17)(B) of
28 the Internal Revenue Code;

29 (iii) Contributions, credits or benefits under this plan or under any other
30 retirement, deferred compensation, fringe benefit or employee welfare benefit
31 plan; or

1 (iv) Direct reimbursement for expenses; provided, however, that compensation
2 shall include any amount that would have qualified as compensation but for
3 the fact that it constitutes salary reduction under any plan described in Section
4 414(h)(2), 132(F) or 125 of the Internal Revenue Code.

5 (v) A participant may elect to have the employee performance award paid on or
6 about October 1, 1999, included in the participant's compensation by
7 completing an election form and by paying to the plan on or before June 16,
8 2000 (or the participant's termination date, if earlier) an amount equal to 7.7
9 percent of the employee performance award.

10 (2) Notwithstanding the preceding subsection, if a higher legislated base annual
11 salary becomes effective in the same month, the higher rate shall be used if in
12 effect for a greater number of days during the month than the rate in effect on the
13 first day of the month.

14 (l) *County* means the County of Howard, a municipal body corporate, duly organized and
15 existing under the laws of the State of Maryland.

16 (m) *Covered employee*, except as otherwise provided in section 1.407A of this subtitle,
17 means any employee who is classified by the County as full-time and who is employed
18 by the County in one of the following position classifications:

19 (1) 7762 Police Officer (Probationary).

20 (2) 7764 Police Officer.

21 (3) 7766 Police Officer First Class.

22 (4) 7767 Police Corporal.

23 (5) 7768 Technical Corporal.

24 (6) 2121 Police Sergeant.

25 (7) 2123 Police Lieutenant.

26 (8) 2125 Police Captain.

27 (9) 2127 Police Major.

28 (10) 2129 Chief of Police.

29 (11) 2500 Firefighter Trainee.

30 (12) 2501 Firefighter Recruit.

31 (13) 2503 Firefighter.

- 1 (14) 2504 Firefighter/HVO.
- 2 (15) 2505 Master Firefighter.
- 3 (16) 2506 Master Firefighter/HVO.
- 4 (17) 2507 Firefighter Lieutenant.
- 5 (18) 2511 Firefighter Captain.
- 6 (19) 2513 Battalion Chief.
- 7 (20) 2515 Deputy Chief.
- 8 (21) 2517 Chief Deputy.
- 9 (22) 2519 Chief, Fire and Rescue Services.

10 (n) *Day-shift premium* means the premium (in addition to legislated base annual salary)
11 paid to those firefighters who work the alternative work schedule.

12 (o) *Early retirement date* means any date occurring on or after the first date on which a
13 participant has completed 20 years of eligibility service, of which, for participants who
14 become covered employees after June 30, 1990, at least ten years of eligibility service
15 were performed as a covered employee. This subsection shall remain effective until
16 January 1, 2002 and, with no further action required by the County Council, shall be
17 abrogated and of no further force and effect.

18 (p) *Effective date* means the effective date of the plan, which shall be July 1, 1989.

19 (q) *Employee* means any person employed by the County.

20 (r) *Employee contributions benefit* means the sum of the following amounts (net of any
21 previous distributions):

- 22 (1) The contributions made by the participant through salary reduction and "picked
23 up" by the County, as described in subsection 1.426A(a)(1) but not subsection
24 1.426A(a)(3); plus
- 25 (2) The contributions made by the participant pursuant to section 1.427A which are
26 not picked up by the County; plus
- 27 (3) The contributions, plus earnings previously credited on such contributions, made
28 by the participant, pursuant to section 1.427A, through transfer from another
29 Government employer retirement plan, which were not picked up by such
30 Government employer; plus

- 1 (4) Contributions, plus earnings previously credited on such contributions, made by
2 the participant, pursuant to subsection 1.426A(a)(1) but not subsection
3 1.426A(a)(3), and picked up by another Government employer, all of which are
4 thereafter transferred to the plan; plus
- 5 (5) Interest on the amounts described in (1) through (4) above computed on June 30
6 of each year as follows and compounded annually:
- 7 (i) Two and one-half percent of the amount contributed during the current plan
8 year and 0.42 percent per month for any amount transferred during the current
9 plan year.
- 10 (ii) Five percent of any amount contributed or transferred prior to the current plan
11 year.
- 12 (iii) Effective July 1, 2006, interest on the amounts described in paragraphs (1)
13 through (4) above for any participant who reached his or her termination date
14 before receiving credit for at least five years of eligibility service shall be two
15 percent computed on June 30 of each year and compounded annually, starting
16 on the June 30 following the participant's termination date.
- 17 (s) *Employment commencement date* means the date on which the employee first
18 performs an hour of service.
- 19 (t) *Firefighter* means any employee who is classified by the County as full-time and who
20 is employed by the County in one of the following position classifications:
- 21 (1) 2500 Firefighter Trainee.
22 (2) 2501 Firefighter Recruit.
23 (3) 2503 Firefighter.
24 (4) 2504 Firefighter/HVO.
25 (5) 2505 Master Firefighter.
26 (6) 2506 Master Firefighter/HVO.
27 (7) 2507 Firefighter Lieutenant.
28 (8) 2511 Firefighter Captain.
29 (9) 2513 Battalion Chief.
30 (10) 2515 Deputy Chief.
31 (11) 2517 Chief Deputy.

1 (12) 2519 Chief, Fire and Rescue Services.

2 (u) *Government employer* means the United States of America, the State of Maryland,
3 any political subdivision within the State of Maryland as well as any State,
4 Commonwealth, Municipality or Political Subdivision within the United States of
5 America.

6 (v) *Hour of service* means each hour for which an individual, in his or her capacity as an
7 employee, is directly or indirectly paid, or entitled to payment, for the performance of
8 duties for the County.

9 (w) *H.V.O. premium* means the premium (in addition to legislated base annual salary)
10 paid to those firefighters who hold designated heavy vehicle operator positions.

11 (x) *Internal Revenue Code* means the Internal Revenue Code of 1986, or any provision
12 or section thereof herein specifically referred to, as such Internal Revenue Code,
13 provision or section may from time to time be amended or replaced.

14 (y) *Leave of absence* means an authorized absence from active service, under conditions
15 described in section 1.414A, which does not constitute a termination of employment, and
16 during which the employee completes no hours of service.

17 ~~[(z)]~~ *Management firefighter* means any employee who is classified by the County as
18 full-time and who is employed by the County in one of the following position
19 classifications:

20 (1) 2511 Firefighter Captain.
21 (2) 2513 Battalion Chief.
22 (3) 2515 Deputy Chief.
23 (4) 2517 Chief Deputy.
24 (5) 2519 Chief, Fire and Rescue Services.]]

25 ~~[(aa)]~~~~(z)~~ *Maryland Employer* means the State of Maryland as well as any Political
26 Subdivision within the State of Maryland.

27 ~~[(ab)]~~~~(AA)~~ *Military service* means active military duty in the Armed Forces of the
28 United States, including training and call-ups to active Federal duty with the National
29 Guard or Military Reserve.

30 ~~[(ac)]~~~~(AB)~~ (1) *General. Normal retirement date* means the earlier of:

1 (i) The first day of the month on or following the date on which the participant
2 completes 25 years of eligibility service of which, for participants who
3 become covered employees after June 30, 1990, at least ten years of eligibility
4 service were performed as a covered employee, or

5 (ii) The first day of the month on or following the date on which the participant
6 attains age 62 and completes five years of eligibility service.

7 (2) Effective January 1, 2002, *normal retirement date* means the earlier of:

8 (i) The first day of the month on or following the date on which the participant
9 completes 20 years of eligibility service, of which at least ten years of
10 eligibility service were performed as a covered employee; or

11 (ii) The first day of the month on or following the date on which the participant
12 attains age 62 and completes five years of eligibility service.

13 ~~[(ad)]~~**(AC)** *Participant* means any employee who is currently benefiting under the plan,
14 and, where appropriate according to the context of the plan, any former employee who is
15 or may become (or whose beneficiaries may become) eligible to receive a benefit under
16 the plan. Effective January 1, 2009, participant includes a person receiving differential
17 wage payments as defined in Section 3401(h) of the Internal Revenue Code.

18 ~~[(ae)]~~**(AD)** *Period of severance* means the continuous period beginning with an
19 employee's termination date and ending with the employee's reemployment
20 commencement date, if any.

21 ~~[(af)]~~**(AE)** *Plan* means the retirement plan set forth herein, as amended from time to
22 time.

23 ~~[(ag)]~~**(AF)** *Plan year* means the 12-month period ending on the last day of the month of
24 June.

25 ~~[(ah)]~~**(AG)** *Police Officer* means any employee who is classified by the County as full-
26 time and who is employed by the County in one of the following position classifications:

27 (1) 7762 Police Officer (Probationary).

28 (2) 7764 Police Officer.

29 (3) 7766 Police Officer First Class.

30 (4) 7767 Police Corporal.

31 (5) 7768 Technical Corporal.

- 1 (6) 2121 Police Sergeant.
- 2 (7) 2123 Police Lieutenant.
- 3 (8) 2125 Police Captain.
- 4 (9) 2127 Police Major.
- 5 (10) 2129 Chief of Police.

6 ~~[(ai)]~~(AH) *Reemployment commencement date* means the date on which an employee
7 first performs an hour of service after a period of severance.

8 ~~[(aj)]~~(AI) (1) *Refundable contributions benefit* means the sum of the following amounts
9 (net of any previous distributions) and is applicable only to those participants who
10 irrevocably elected to transfer to the plan from the Maryland State Retirement
11 Systems effective as of July 1, 1990:

12 (i) The contributions made prior to July 1, 1990 by the participant and
13 contributed to the Maryland State Retirement System, which were classified
14 by the Maryland State Retirement System as refundable contributions and
15 which would have provided an additional benefit to the participant pursuant to
16 the State Personnel and Pensions Article of the Annotated Code of Maryland
17 (1994), or a statutory provision of comparable effect, if the participant had not
18 transferred from the Maryland State Retirement Systems, plus earnings
19 previously credited on such contributions, all of which are transferred to the
20 plan; plus

21 (ii) Interest of five percent per annum, compounded annually, on the amount of
22 contributions described in (i) hereof transferred to the plan, computed on the
23 participant's termination date.

24 (2) To the extent a participant is entitled to receive a refundable contributions benefit,
25 the participant shall at all times be 100 percent vested in the refundable
26 contributions benefit.

27 (3) A participant's refundable contributions benefit is payable in addition to any
28 employee contributions benefit the participant might otherwise be entitled to
29 receive under the terms of the plan.

30 (4) A refundable contributions benefit is payable only in the form of cash and in one
31 lump sum distribution.

1 (5) The trust shall accept a transfer of funds comprising participants' refundable
2 contributions benefits from the Maryland State Retirement Systems.

3 ~~[(ak)]~~(AJ) *Spouse* means an individual who is married to a participant. Spouse includes
4 same-sex and opposite-sex spouses except where Federal law requires a different
5 meaning.

6 ~~[(al)]~~(AK) *Termination date* means the date of the first to occur of:
7 (1) A termination of employment by reason of resignation, discharge, mutual
8 agreement, total and permanent disability, retirement or death;
9 (2) The date on which a leave of absence expires without a return to active
10 employment; or
11 (3) The date on which the individual ceases to be an employee of the County.

12 ~~[(am)]~~(AL) *Trust* means the trust fund established pursuant to the plan, maintained in
13 accordance with the terms of the trust agreement, as from time to time amended, between
14 the County and the trustees, which trust agreement constitutes a part of the plan; where
15 appropriate according to the context, the term trust shall also refer to said trust agreement.

16 ~~[(an)]~~(AM) *Trustees* means, collectively, the trustee or trustees named in the trust and
17 such successor and/or additional trustees as may be named pursuant to the terms of the
18 trust.

19 ~~[(ao)]~~(AN) *Year of creditable service*, except as otherwise provided in sections 1.414A,
20 1.408A, and 1.428A, shall be calculated with reference to the continuous period
21 beginning with the employee's employment commencement date or reemployment
22 commencement date and ending with the employee's termination date, excluding any
23 period during which the employee is not a covered employee, but including any periods
24 for which service for another employer has been credited as described in sections 1.416A,
25 1.417A, and 1.419A. The participant shall receive fractional credit equal to 1/12th of a
26 year of creditable service for each calendar month during which he or she was a covered
27 employee for the entire month, but shall receive no fractional credit with respect to any
28 calendar month during which he or she was not a covered employee for the entire month.

29 ~~[(ap)]~~(AO) *Year of eligibility service*, except as otherwise provided in sections 1.414A
30 and 1.408A, shall be calculated with reference to the continuous period beginning with
31 the employee's employment commencement date or reemployment commencement date

1 and ending with the employee's termination date, excluding any period during which the
2 employee is not a covered employee, but including any periods for which service for
3 another employer has been credited as described in sections 1.416A, 1.417A, and 1.419A
4 and included solely for purposes of determining the extent to which a participant is vested
5 in his or her accrued benefit, any period during which the participant is an employee of
6 the County or is otherwise eligible to participate in the Howard County Retirement Plan
7 (as described in sections 1.401 through 1.481 of this Code) and does not otherwise
8 receive credit for such employment under this plan. The participant shall receive
9 fractional credit equal to 1/12th of a year of eligibility service for each calendar month
10 during which he or she was a covered employee for the entire month, but shall receive no
11 fractional credit with respect to any calendar month during which he or she was not a
12 covered employee for the entire month.

13
14 **Title 1. Human Resources.**

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

16 **Article IIIA. Trust Fund.**

17
18 **Section 1.428A. Normal retirement.**

19 Except as otherwise provided in sections 1.428A through 1.436A, a participant shall
20 retire on his or her normal retirement date.

21 (a) *Initial Plan Year.* A participant who retires after the effective date but prior to July
22 1, 1990 shall be entitled to his or her employee contributions benefit, payable in a
23 single lump sum.

24 (b) *After June 30, 1990.*

25 (1) *General.* Except as provided in paragraphs (2) and (3) of this subsection, a
26 participant who retires on his or her normal retirement date, but after June 30,
27 1990, shall be entitled to receive a monthly retirement income, beginning with
28 the first day of the month coincident with or otherwise next following the
29 participant's normal retirement date and continuing for the remainder of his or
30 her life. Subject to subsection 1.408A(d), and subject to the adjustment set forth
31 in section 1.419A and the limitations set forth in sections 1.416A—1.418A, and

1 1.433A, the amount of the monthly retirement income shall be equal to two
2 percent of the participant's average compensation multiplied by his or her years
3 of creditable service, not to exceed 30 years, plus the participant's unused sick
4 leave.

5 (2) *Enhanced benefit.*

6 (i) *Eligibility.* Notwithstanding paragraph (1) of this subsection and except as
7 provided in paragraph (3) of this subsection, a participant shall be entitled
8 to receive a monthly retirement income, beginning with the first day of the
9 month coincident with or next following the participant's normal
10 retirement date or, if later, the participant's termination date, and
11 continuing for the remainder of his or her life if the participant is:

- 12 a. A Firefighter and who reaches his or her normal retirement date or, if
13 later, his or her termination date, on or after January 1, 1998; or
- 14 b. A Police Officer who reaches his or her normal retirement date or, if
15 later, his or her termination date, on or after April 1, 1998.

16 (ii) *Benefit amount.* Subject to the provisions of subsection 1.408A(d) of this
17 subtitle, and subject to the adjustment set forth in section 1.419A of this
18 subtitle and the limitations set forth in sections 1.416A—1.418A and
19 1.433A of this subtitle, the amount of the monthly retirement income shall
20 be equal to:

- 21 a. 2.3 percent of the participant's average compensation multiplied by
22 his or her years of creditable service not to exceed 25 years, plus,
- 23 b. One and one-half percent of the participant's average compensation
24 multiplied by his or her years of creditable service which exceed 25
25 years, but do not exceed 30 years.

26 (3) *Special benefit effective January 1, 2002.*

27 (i) *Eligibility.* A participant shall be entitled to receive a monthly retirement
28 income, beginning with the first day of the month coincident with or next
29 following the participant's normal retirement date or, if later, the
30 participant's termination date, and continuing for the remainder of his or
31 her life if:

- 1 a. The participant reaches his or her normal retirement date or, if later,
 2 his or her termination date, on or after January 1, 2002; and
 3 b. For a participant who is a Police Officer and wishes to receive
 4 benefits under this section on or before April 1, 2002, the participant
 5 provides to the Administrator 60 calendar days' prior written notice of
 6 his or her intent to receive benefits under this section.

7 (ii) *Benefit amount.*

- 8 a. *General.* Subject to the provisions of subsection 1.408A(d) of this
 9 subtitle, and subject to the adjustment set forth in section 1.419A of
 10 this subtitle and the limitations set forth in sections 1.416A—1.418A
 11 and 1.433A of this subtitle, the amount of the monthly retirement
 12 income shall be determined by multiplying a percentage of the
 13 participant's average compensation by his or her years of creditable
 14 service (without regard to credit for unused sick leave with respect to
 15 Police Officers). For purposes of this calculation, the percentage of
 16 average compensation shall be determined in accordance with the
 17 following schedule:

18 1. *Police Officers.*

Years of Creditable Service	Percentage of Average Compensation
20	50.00
21	53.00
22	57.00
23	62.00
24	68.00
25	75.00
26	76.00
27	77.00
28	78.00
29	79.00
30 or more	80.00

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2. *Firefighters.*

Years of Creditable Service	Percentage of Average Compensation
20	50.00
21	53.00
22	56.00
23	59.00
24	62.00
25	65.00
26	66.00
27	67.00
28	68.00
29	69.00
30 or more	70.00

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If an employee's years of creditable service contain credit for a fractional year, the participant's monthly retirement income for such fractional year of creditable service shall be determined by (1) calculating the difference, in accordance with the schedule above, between (a) the percentage of average compensation attributable to his or her whole years of creditable service and (b) the percentage of average compensation attributable to his or her whole years of creditable service plus one year of creditable service, (2) multiplying that percentage by the participant's average compensation and (3) multiplying that amount by the fractional year of creditable service.

13

b. *Unused sick leave.*

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1. *Police Officers.* For Police Officers, the monthly benefit provided in subsection 1.428A(b)(3)ii.a.1. shall be increased by an amount equal to two and one-half percent of the participant's average compensation multiplied by his or her years of creditable service attributable to unused sick

1 leave as calculated in accordance with subsection
2 1.428A(c).

3 2. *Firefighters.* [[For purposes of determining the monthly
4 benefit provided in subsection 1.428A(b)(3)ii.a.2. for
5 Firefighters, years of creditable service shall include years
6 of creditable service attributable to unused sick leave as
7 calculated in accordance with section 1.428A(c).]]
8 **EFFECTIVE FOR RETIREMENTS ON OR AFTER JANUARY 1,**
9 **2022,** [[Except as provided in paragraph 3, below, if the
10 inclusion of years of creditable service attributable to
11 unused sick leave results in a firefighter being credited
12 years of creditable service in excess of 30, the monthly
13 benefit provided in subsection 1.428A(b)(3)ii.a.2. shall be
14 increased by an amount equal to one percent of the
15 firefighter's average compensation multiplied by his or her
16 years of creditable service attributable to unused sick leave
17 in excess of 30.

18 3. *Management Firefighters.* Effective for retirements on or
19 after January 1, 2007,]] if the inclusion of years of
20 creditable service attributable to unused sick leave results in
21 a [[management]] firefighter being credited with years of
22 creditable service in excess of 30, the monthly benefit
23 provided in subsection 1.428A(b)(3)ii.a.2 shall be increased
24 by an amount equal to two and one-half percent of the
25 [[management Firefighter's]]**FIREFIGHTER'S** average
26 compensation multiplied by his or her years of creditable
27 service attributable to unused sick leave in excess of 30.

28 (c) *Additional credit unused sick leave.* Solely for purposes of determining the
29 amount of the participant's retirement benefit payable pursuant to sections
30 1.428A—1.432A, the participant shall receive additional credit for years of
31 creditable service for unused sick leave. Such unused sick leave shall be credited

1 at the rate of one additional month for each 22 days of unused sick time, plus, if at
2 least 12 days remain at his or her termination date, one additional month. The
3 additional retirement benefit attributable to years of creditable service for unused
4 sick leave shall be calculated under the applicable paragraph or subparagraph of
5 this section, with the adjustment, if any, required by subsection 1.406A(c)(2).

6

7 ***Section 2. And Be It Further Enacted by the County Council of Howard County,***
8 ***Maryland, that 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 Dec 13, 2021.

Michelle Harrod
Michelle Harrod, 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 _____, 2021.

Michelle Harrod, 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 _____, 2021.

Michelle Harrod, 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 _____, 2021.

Michelle Harrod, 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 _____, 2021.

Michelle Harrod, 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 _____, 2021.

Michelle Harrod, Administrator to the County Council

Office of the County Auditor
Auditor's Analysis

Council Bill No. 84-2021
Introduced: November 1, 2021
Auditor: Owen Clark

Fiscal Impact:

The fiscal impact of this legislation is an increase in the annual expense associated with the County's actuarially determined contribution, which the County's actuary has estimated to be \$147,616 in Fiscal Year 2022.

This increased expense will be paid out of the Fire and Rescue Tax Fund as a personnel cost.

Purpose:

The purpose of this legislation is to codify the terms of the Administration's negotiated agreement with the International Association of Fire Fighters, Local 2000, which removes the distinction between how unused sick leave is treated for non-management firefighters versus management firefighters.

As a result, the benefit accrual for non-management firefighters who have over 30 total years of service will increase from 1 percent to 2.5 percent of average compensation for each of the years of total service in excess of 30 years that are attributable to sick leave.

Other Comments:

For additional context on the impact of this proposed legislation, this change would result in a \$200 increase in the annual retirement benefits for a retiring member of Local 2000 who has an average salary of \$80,000, 30 years of creditable service, and 500 hours of unused sick leave.