

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 230

(Calvert County Senators)

Education, Health, and Environmental Affairs

Environment and Transportation

Calvert County - Length of Service Award Program - Recipient Benefits

This bill alters the Length of Service Award Program in Calvert County. The bill (1) reduces the age from 55 to 50 years old at which specified individuals may begin to receive benefits under the Length of Service Award Program; (2) increases from \$4 to \$10 per month an additional amount that is payable under the program for specified volunteer service; (3) repeals the \$500 limit on the maximum benefit payable per month for those with 25 or more years of specified volunteer service under the program; and (4) authorizes a specified death benefit to be paid to an alternate beneficiary if a volunteer dies and is unmarried at the time of death.

The bill takes effect July 1, 2015.

Fiscal Summary

State Effect: None.

Local Effect: Calvert County expenditures for length of service award payments increase by approximately \$101,000 annually beginning in FY 2016. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: Members of the Calvert County volunteer fire company or volunteer rescue squad who reach the age of 55 and completed 25 years of certified active volunteer service in Calvert County are eligible to receive \$400 per month for life. An

additional \$4 per month must be added to the benefit for each full year of active certified volunteer service in excess of 25 years with a maximum benefit of \$500 per month for life.

Local Fiscal Effect: Calvert County expenditures for length of service award payments may increase by approximately \$101,000 annually beginning in fiscal 2016.

In fiscal 2014, Calvert County paid \$425,000 in length of service award benefits to 88 eligible individuals. These individuals received, on average, approximately \$403 each month. The county estimates that changes made by the bill will increase each currently eligible individual's monthly benefit by \$50, for a total annual increase of \$53,000. If it is assumed that 10 additional individuals become eligible for benefits due to the age of eligibility reduction from 55 to 50, county expenditures could increase by an additional \$48,000 annually (10 individuals x \$400 monthly benefit). As a result, Calvert County expenditures for length of service awards are estimated to increase by \$101,000 annually beginning in fiscal 2016.

Additional Information

Prior Introductions: None.

Cross File: HB 167 (Calvert County Delegation) - Environment and Transportation.

Information Source(s): Calvert County, Department of Legislative Services

Fiscal Note History: First Reader - February 13, 2015
min/hlb

Analysis by: Michael Sanelli

Direct Inquiries to:
(410) 946-5510
(301) 970-5510