

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 618
 Appropriations

(Delegates Munoz and Toles)

Rules

Police Recruitment and Retention Workgroup

This bill establishes a Police Recruitment and Retention Workgroup to (1) identify and examine issues and factors potentially contributing to recruitment challenges and the decline in police officer retention statewide, as specified; (2) explore recruitment and retention strategies used successfully in other states and countries; (3) design a statewide joint apprenticeship and training council including multiple departments and unions to operate a police-registered apprenticeship beginning in high school; and (4) provide recommendations for reviewing the decline in police retention statewide. The Department of State Police (DSP) must provide staff for the workgroup. Workgroup members may not receive compensation but are entitled to reimbursement for expenses. The workgroup must report its findings and recommendations to the Governor and the General Assembly by December 30, 2025. **The bill takes effect July 1, 2024, and terminates June 30, 2026.**

Fiscal Summary

State Effect: General fund expenditures increase by \$64,700 in FY 2025 for contractual staff. Future year expenditures reflect termination of the contractual position on December 30, 2025, when the final report is due. Revenues are not affected.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	64,700	27,700	0	0	0
Net Effect	(\$64,700)	(\$27,700)	\$0	\$0	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law:

Police Recruitment & Retention Initiative: The Police Recruitment & Retention (PRAR) initiative within the Governor's Office of Crime Prevention and Policy (formerly the Governor's Office of Crime Prevention, Youth, and Victim Services) provides funding to local law enforcement agencies to recruit and retain qualified sworn police officers. The fiscal 2025 budget as passed by the General Assembly includes \$1.3 million in general funds for PRAR.

Tuition waiver and loan repayment programs help improve the knowledge base of police officers and are an important recruitment and retention benefit. Chapter 59 of 2021, the Maryland Police Accountability Act of 2021, established the Maryland Loan Assistance Repayment Program (LARP) for police officers to assist in the repayment of a higher education loan owed by a police officer who meets specified requirements. Chapter 100 of 2023 renamed and expanded the program to allow specified parole and probation agents to qualify for LARP and increased the mandated appropriation from \$1.5 million to \$5.0 million. The fiscal 2025 budget as passed by the General Assembly includes \$5.0 million for LARP.

In addition, the Maryland Police Officers Scholarship Program provides tuition assistance. A recipient of a scholarship must meet specified requirements, including satisfying any additional criteria that the Maryland Higher Education Commission (MHEC) may establish. A recipient of a scholarship must repay the commission the funds received if the recipient does not satisfy or fulfill the specified program requirements. Chapter 100 also renamed and expanded the scholarship program to allow specified parole and probation agents to qualify. However, Chapter 100 reduced the mandated appropriation for the scholarship program by \$3.5 million so that the Governor must include \$5.0 million, instead of \$8.5 million, in the annual budget to MHEC to award scholarships (\$2.5 million must be used for scholarships to students intending to become police officers or probation agents after graduation and \$2.5 million must be used for existing police officers or probation agents to attend an eligible institution and remain a police officer or probation agent after graduation). The fiscal 2025 budget as passed by the General Assembly includes \$5.0 million for the scholarship program.

Income Tax – Subtraction Modification: Chapter 519 of 2016 established a subtraction modification of up to \$5,000 of the income earned by a law enforcement officer if (1) the officer resides in the political subdivision in which the officer is employed and (2) the crime rate in the political subdivision exceeds the State's crime rate. Chapter 631 of 2020 expanded the subtraction modification for local law enforcement officers by extending

eligibility to law enforcement officers of the Maryland-National Capital Park Police and the Washington Suburban Sanitary Commission Police Force.

Law Enforcement Cadet Apprenticeship Program: Chapter 25 of 2019 established a Law Enforcement Cadet Apprenticeship Program (Cadet Program) in the Maryland Department of Labor (MDL) to award competitive grants to law enforcement agencies, defined as the police departments of a county, municipal corporation, or university in Maryland.

The purposes of the Cadet Program are to:

- provide young individuals opportunities to begin a career in law enforcement;
- foster positive relationships between the public, particularly young individuals, and law enforcement agencies;
- develop a cohort of individuals qualified to join a law enforcement agency;
- encourage law enforcement agencies to hire apprentices; and
- help law enforcement agencies offset additional costs, if any, associated with hiring apprentices.

MDL is charged with administering the Cadet Program and awarding competitive grants to law enforcement agencies. To be eligible for an award, the law enforcement agency must employ at least one apprentice who (1) has been employed by the agency for at least seven months; (2) is enrolled in the first year of a specified apprenticeship program; and (3) lives in a zip code in which at least 10% of the population is below the federal poverty level, as specified.

The amount of a grant awarded under the Cadet Program is based on the number of apprentices within the law enforcement agency who meet all three of the eligibility criteria and is generally capped at \$2,000 for each such apprentice. However, for an eligible university law enforcement agency, a grant award is capped at \$1,000 for each such apprentice. The Governor must include in the State budget an appropriation of at least \$750,000 each year for the Cadet Program. The fiscal 2025 budget as passed by the General Assembly includes \$750,000 for the Cadet Program.

State Expenditures: DSP advises, and the Department of Legislative Services concurs, that it is unable to provide staff for the workgroup with existing resources. Thus, general fund expenditures increase by \$64,746 in fiscal 2025, which reflects the bill's July 1, 2024 effective date. This estimate reflects the cost of hiring one contractual management associate to staff the workgroup. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Contractual Position	1.0
Salary and Fringe Benefits	\$57,220
Operating Expenses	<u>7,526</u>
Total FY 2025 State Expenditures	\$64,746

Future year expenditures reflect termination of the contractual position on December 30, 2025, when the workgroup’s final report is due.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State’s implementation of the federal Patient Protection and Affordable Care Act.

Any expense reimbursements for workgroup members are assumed to be minimal and absorbable within existing budgeted resources.

Additional Comments: One of the workgroup’s assigned duties is to design a statewide joint apprenticeship and training council including multiple departments and unions to operate a police-registered apprenticeship beginning in high school. While it is assumed that the workgroup can design such an apprenticeship as part of its duties, this analysis does not reflect any costs to implement such an apprenticeship program.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 18 and HB 308 of 2023.

Designated Cross File: SB 380 (Senator West, *et al.*) - Judicial Proceedings.

Information Source(s): Department of State Police; Department of Legislative Services

Fiscal Note History: First Reader - January 30, 2024
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