

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

Senate Bill 357 (Senator Exum)

Budget and Taxation

Orphans' Court Judges - Pension - Prince George's County

This pension bill alters the formula by which the pension for Orphans' Court judges of Prince George's County is calculated.

The bill takes effect July 1, 1999.

Fiscal Summary

State Effect: None. The bill would not directly affect the State Retirement and Pension System of Maryland.

Local Effect: Pension benefits for Orphans' Court judges of Prince George's County would increase by 67%, resulting in an indeterminate, but comparable, increase in local government pension expenditures. **This bill imposes a mandate on a local government unit.**

Small Business Effect: None.

Fiscal Analysis

Bill Summary: The bill applies only to Orphans' Court judges in Prince George's County. It provides a pension to retired Orphans' Court judges (who have reached age 60 and have completed two terms of office) equal to the greater of: \$1,200 annually or an annual amount calculated at the rate of 4% of the last annual amount of compensation multiplied by the number of years or partial years of service, not to exceed 20 years. The previous maximum years of service credit was 12 years. Thus, the maximum benefit would be increased from 48% of final compensation to 80% of final compensation.

State Expenditures: The State does not pay pension benefits to Orphans' Court judges who are subject to this provision. These benefits are paid by the local governments.

Local Expenditures: Prince George's County advises that it currently has no retired judges eligible for the benefit. The county advises that the bill would increase pension benefits by \$10,240 per year for the chief judge and \$10,080 per year for other judges.

Information Source(s): State Retirement Agency, Allegany County, Prince George's County, Department of Legislative Services

Fiscal Note History: First Reader - March 8, 1999
dmm/jr Revised - Senate Third Reader - March 31, 1999

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