# Department of Legislative Services Maryland General Assembly

2004 Session

#### FISCAL AND POLICY NOTE

House Bill 54 Appropriations (Delegate Sossi)

#### Law Enforcement Officers' Pension System - Membership - Local Detention Center Officers

This pension bill expands the definition of law enforcement officer eligible for membership in the Law Enforcement Officers' Pensions System (LEOPS) to include an individual who works as a detention center officer for an eligible governmental unit.

The bill is effective July 1, 2004.

### **Fiscal Summary**

State Effect: None. This bill will not materially affect State government operations.

**Local Effect:** Potential increase in employer pension contributions for local jurisdictions that currently participate in or elect to join LEOPS.

Small Business Effect: None.

### Analysis

**Current Law:** Maryland counties and municipal corporations may place their law enforcement officers in LEOPS. Except for Baltimore City deputy sheriffs, local governments that elect to participate in LEOPS are responsible for the full cost of membership. For local governments participating in LEOPS, a law enforcement officer is defined as an individual who is certified by the Maryland Police Training Commission as a law enforcement officer.

**Local Fiscal Effect:** For local governments that elect to include their detention center employees, the fiscal impact would depend on the difference between their current pension costs and those under LEOPS. For fiscal 2005, the LEOPS employer contribution rate is 37.73% of compensation. (The employee is required to contribute 4% of pay.)

Additional Comments: The State Retirement Agency notes that as drafted, this bill may require local governmental units that are already participating in LEOPS to include their detention center officers. Those local governmental units would be required to make significant additional employer contributions to LEOPS for their detention center employees. Also, the retirement agency is unclear as to whether the definition of "detention center officer" would include other local government employees who are identified as correctional officers in their county or municipality.

## **Additional Information**

Prior Introductions: None.

Cross File: None.

Information Source(s): State Retirement Agency, Department of Legislative Services

**Fiscal Note History:** First Reader - January 29, 2004 ncs/mdr

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