Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE Third Reader - Revised

(Carroll County Delegation)

House Bill 1182 (C Environment and Transportation

Education, Health, and Environmental Affairs

Carroll County - Commissioners - Compensation and Benefits

This emergency bill (1) increases, by \$5,000, the annual compensation for each county commissioner in Carroll County; (2) authorizes reimbursement to a Carroll County commissioner for any county-related expenses incurred for official duties; and (3) prohibits the Carroll County Board of County Commissioners from offering group insurance or pension benefits to the county commissioners that are different from similar benefits offered to full-time county employees. The bill applies only prospectively, and provisions related to salary or compensation take effect at the beginning of the next term of office.

Fiscal Summary

State Effect: None. The bill pertains only to Carroll County.

Local Effect: Carroll County expenditures increase by at least \$14,200 in FY 2023 and \$25,000 annually thereafter. No effect on revenues.

Small Business Effect: None.

Analysis

Bill Summary: The salary of a county commissioner increases from \$45,000 to \$50,000 annually. The bill repeals a provision that provides an allowance to a commissioner for expenses incurred in the performance of official duties, as provided by the county budget. Instead, a commissioner is entitled to reimbursement of expenses, as described above.

A Carroll County commissioner may participate in the group insurance program and a defined benefit or defined contribution pension plan offered to full-time county employees.

For the group insurance program, a commissioner may receive the same county subsidy provided to a full-time county employee but is not eligible for any employer matching contribution for a pension plan.

Current Law: The salary of a Carroll County commissioner is \$45,000 annually. A commissioner is entitled to an allowance for expenses incurred in the performance of official duties. Carroll County may establish and maintain a general system of pensions and retirement and group insurance for the benefit and advantage of its officers and employees, as authorized by State law.

Carroll County does not participate in the State Retirement and Pension System. Instead, Carroll County offers its own traditional pension plan to all full- and part-time employees. Employees can generally retire at age 62 with at least 3 years of service, or after 30 years of service at any age. Law enforcement and correctional officers can retire at age 55. The county also offers its full- and part-time employees a 401(k) defined contribution plan and medical, dental, and life insurance coverage.

Local Expenditures: The Carroll County Board of County Commissioners includes five commissioners. As the new term of office begins in December 2022, Carroll County expenditures increase by approximately \$14,167 in fiscal 2023 to pay their compensation, which reflects just over a half year of increased salaries, and \$25,000 annually thereafter; additional minimal costs are incurred for the employer share of payroll taxes. Any change in expense reimbursements is likely minimal and absorbable within existing county resources. Provisions related to group insurance and pension benefits are assumed to have no direct effect on Carroll County finances.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 545 (Carroll County Senators) - Education, Health, and Environmental Affairs.

Information Source(s): Carroll County; State Retirement Agency; Department of Legislative Services

Fiscal Note History:	First Reader - February 15, 2022
rh/tso	Third Reader - March 17, 2022
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