

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1126
 Appropriations

(Delegate Ivey)

Local Law Enforcement - Recruitment and Hiring - Bonus Grants

This bill requires the Governor, for fiscal 2025 through 2027, to include each year in the annual budget bill an appropriation of \$3.5 million for local law enforcement agencies to be used as grants to improve police officer recruitment and hiring. The Governor’s Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) must administer the grant funds in accordance with existing provisions related to GOCPYVS grant programs. An eligible local law enforcement agency that receives a grant pursuant to the bill must submit, for each fiscal year, specified information to the Executive Director of GOCPYVS. **The bill takes effect July 1, 2023, and terminates June 30, 2027.**

Fiscal Summary

State Effect: General fund expenditures increase by \$25,700 in FY 2024 (for staffing) and by approximately \$3.5 million annually from FY 2025 through 2027 (reflecting ongoing staffing costs and the bill’s mandated appropriation). No effect in FY 2028 due to the bill’s termination date. Revenues are not affected. **This bill establishes a mandated appropriation from FY 2025 through 2027.**

(in dollars)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	25,700	3,524,200	3,525,200	3,526,300	0
Net Effect	(\$25,700)	(\$3,524,200)	(\$3,525,200)	(\$3,526,300)	\$0

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

Local Effect: Grant revenues for eligible municipal law enforcement agencies increase in total by \$3.5 million annually from FY 2025 through 2027; expenditures increase correspondingly for the specified purposes.

Small Business Effect: None.

Analysis

Bill Summary: The funds must be used solely to supplement, and not supplant, funds otherwise available to local law enforcement agencies. Local law enforcement agencies may use the grant funds to provide sign-on bonuses of up to \$15,000 per officer for new police officer hires.

An eligible local law enforcement agency that receives a grant under the bill must submit, for each fiscal year, the following information to the Executive Director of GOCPYVS: (1) proof of the expenditure of the grant funds and the purposes for which the funds were expended; (2) the total amount of sign-on bonus per police officer hire; (3) the total number of new police officer hires delineated by gender, age, race, and ethnicity; and (4) any related outcome-based performance measures in accordance with existing provisions governing outcome-based performance measures established by GOCPYVS.

The following local law enforcement agencies are not eligible for a grant under the bill:

- a police department of a municipality or a sheriff's department that, in the previous five fiscal years, has provided a sign-on bonus of more than \$20,000 per new police officer hire; and
- the police departments of Baltimore City, Bowie, College Park, Greenbelt, and Laurel.

“Local law enforcement agency” means a police department of a municipality and includes the sheriff's department of a municipality that provides a law enforcement function.

Current Law: The Police Recruitment & Retention (PRAR) initiative within GOCPYVS provides funding to local law enforcement agencies to recruit and retain qualified sworn police officers. The fiscal 2024 budget as introduced 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 for Police Officers to assist in the repayment of a higher education loan owed by a police officer who meets specified requirements. The Governor must include an annual appropriation of at least \$1.5 million in the State budget for the program. 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 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. The Governor must include

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in the annual budget bill an appropriation of at least \$8.5 million to the commission to award scholarships, of which \$6.0 million must be used for students intending to become police officers after graduation, and \$2.5 million must be used for existing police officers.

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.

State Expenditures: General fund expenditures increase by \$25,703 in fiscal 2024 and by approximately \$3.5 million annually from fiscal 2025 through 2027, as discussed below.

Mandated Funding for Grants – Fiscal 2025 through 2027

General fund expenditures increase by \$3.5 million annually from fiscal 2025 through 2027 due to the bill’s mandated appropriation – to be used as grants to local law enforcement agencies to improve police officer recruitment and hiring.

Administrative Expenditures Beginning in Fiscal 2024

General fund expenditures for GOCPYVS increase by \$25,703 in fiscal 2024, which accounts for a 90-day start-up delay. Although the bill’s mandated appropriation does not begin until fiscal 2025, staffing is necessary in fiscal 2024 to develop policies and procedures for the grant program and to initiate the grantmaking process prior to grant funding being available. Because the mandated appropriation is in effect for only three fiscal years, the added responsibilities for GOCPYVS are not permanent and, thus, may be performed by a part-time contractual employee. Therefore, this estimate reflects the cost of hiring one part-time contractual grant manager to oversee the grant program. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Contractual Position	0.5
Salary and Fringe Benefits	\$18,691
Operating Expenses	<u>7,012</u>
Total FY 2024 State Expenditures	\$25,703

Future year administrative expenditures reflect (1) a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses and (2) termination of the contractual position on June 30, 2027, consistent with the bill’s termination date.

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.

Because the bill limits the use of the mandated funding as grants to local law enforcement agencies, this analysis assumes that additional general funds – beyond the \$3.5 million in mandated funding – are needed to cover the administrative costs incurred by GOCPYVS.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Baltimore, Cecil, and Frederick counties; City of Havre de Grace; Governor's Office of Crime Prevention, Youth, and Victim Services; Department of Budget and Management; Department of Legislative Services

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