SB 115 HCDSU Written Testimony for LEOPS - Benefit Uploaded by: Aaron Penman

Position: FAV

HARFORD COUNTY DEPUTY SHERIFF'S UNION



Incorporated 1989 PO Box 881, Bel Air, Maryland 21014

Maryland Senate Budget and Taxation Senator Guy Guzzone, Chair Miller Senate Office Building 3 West Street Annapolis, MD 21401 January 27, 2022

RE: Senate Bill 115 – Law Enforcement Officer' Pension System – Benefits

Dear Senator Guy Guzzone and Distinguished Members of the Budget and Taxation Committee,

On behalf of over 300 members of the Harford County Deputy Sheriff's Union (HCDSU), I thank you for the opportunity to propose legislation that will not only improve the lives of sworn deputies of the Harford County Sheriff's Office, but many police officers across the state.

As everyone knows, our country has changed, and members of society have become increasingly more violent. In our very own communities and across our nation, respect for law enforcement has diminished, causing police officers to be challenged, confronted and murdered. This is evident from the 157-law enforcement, non-covid, line of duty deaths in 2021.

These conditions have resulted in many police officers leaving the profession and the drastic reduction of young competent candidates from seeking a career path in law enforcement. This consequence is not good for anyone in the community or law enforcement.

Therefore, we need to do more now to ensure we are continuing to hire the most qualified and prepared members of society to handle the stressors of becoming Law Enforcement Officers. Although money is not the driving force of why most choose this career path, it is a consideration and an adequate and attainable pension in retirement could be a large attraction for would be applicants.

In response to these expressed concerns and on behalf of the Harford County Deputy Sheriff's Union, I am proposing an improvement of the retirement benefits. The Harford County Sheriff's Office is currently enrolled in the Maryland State Retirement System, under the Law Enforcement Officers Pension plan, known as LEOPS. Also, in LEOPS are approximately 22 other state, and local agencies; to include Maryland Transportation Authority and Natural Resources Police.

Currently, the LEOPS retirement guidelines are as follows. At 25 years of service, members will receive 2% of their average final salary, for every year of service. So at 25 years, the member will receive 50% of their average highest three or five years' salary, based on the year hired. Members also have an option to max out the benefit at 32.5 years of service with a retirement benefit of 65% of their salary.

Although Harford County Sheriff's Office and Maryland Transportation Authority are a state agency, the LEOPS program retirement benefit is noticeably lower than other state law enforcement agencies,

such as the Maryland State Police who accumulate 2.55 % per year. While participating agencies of LEOPS applaud Maryland State for ensuring the State Police has such a competitive pension system, the purpose of this proposed legislation is to bring the agencies enrolled in LEOPS closer to parity with the State Police.

Therefore, the HCDSU proposes to increase the earned percentage per year to 2.50, allowing members to earn 62.5% at 25 years and a max earning at 28 years of 70%. It should be noted that union members and other LEOPS stakeholders understand that this increase could result in a slightly higher contribution rate.

Thank you for the opportunity to present this legislation and on behalf of the members of the Harford County Deputy Sheriff's Union, I am requesting the members of the Budget and Taxation Committee vote FAVORABLY for Senate Bill 115.

Sincerely,
Aaron Penman

Aaron Penman, President Harford County Deputy Sheriff's Union aaronpenman.hcdsu@gmail.com

Senate Bill 115 LEOPS Testimony.pdf Uploaded by: Jim Kruszynski Position: FAV



Maryland Transportation Authority Police Lodge #34





Senate Budget and Taxation Committee Senator Guy Guzzone Chair 3 West Miller Senate Office Building Annapolis, Maryland 21401 January 24, 2022

RE: Senate Bill 115 - Law Enforcement Officers' Pension System - Benefits (SUPPORT)

Dear Senator Guzzone and Distinguished Members of the Budget and Taxation Committee,

Maryland Transportation Authority Fraternal Order of Police Lodge 34 strongly supports Senate Bill 115. FOP Lodge 34 represents the brave men and women of the Maryland Transportation Authority Police and we are all members the Law Enforcement Officers Pension System (LEOPS).

Senate Bill 115 will increase the multiplier for years of credible service from 2.0% to 2.5%. This will allow members of the LEOPS system to retire with a maximum 70% benefit at 28 years of service instead of the current maximum 65% benefit at 32.5 years of credible service. Under the current benefit package LEOPS members who retire at 25 years only receive 50% of their salary while our brothers and sisters in the State Police Retirement System receive 63.75% of their salary with the same years of service.

This crucial adjustment will allow members of LEOPS to finally receive a fair and long overdue level of PARITY with our brothers and sisters of the State Police Retirement System who already receive 2.55% for every year of service and achieve their maximum benefit of 71.4% at 28 years of service.

Police Agencies across Maryland have expressed the monumental difficulty they are experiencing recruiting qualified applicants and the record low number of applicants who are applying are selecting the agencies with the best pay and pension packages. LEOPS needs to provide a Pension System that is comparable to our other State Law Enforcement agencies in order to recruit the best qualified police candidates from an ever diminishing pool of applicants.

Therefore, on behalf of the almost 600 members of Fraternal Order of Police Lodge 34, I thank you for your support and your <u>FAVORABLE</u> report on Senate Bill 115.

Sincerely,

Jim Kruszynski

President

Fraternal Order of Police Lodge 34

JacksonSB115Testimony.pdf Uploaded by: Michael Jackson Position: FAV

MICHAEL A. JACKSON

Legislative District 27

Calvert, Charles and

Prince George's Counties

Budget and Taxation Committee

Subcommittees

Pensions

Public Safety, Transportation, and Environment



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TESTIMONY - SENATE BILL 115

LAW ENFORCEMENT OFFICERS' PENSION SYSTEM -BENEFITS

BUDGET AND TAXATION COMMITTEE JANUARY 27, 2022

Chair Guzzone, Vice Chair Rosapepe and Fellow Committee Members:

Senate Bill 115 is a piece of legislation that makes a couple of changes to the current formulas in the Law Enforcement Officers' Pension System. The bill raises the cap on retirement benefit payments from 65% to 70%, and it increases the retirement benefit multiplier from 2% to 2.5%.

As someone who spent the majority of his professional career in the public safety arena, this issue is very important to me. The changes proposed in this legislation would be a solid step to improve both recruitment and retention efforts for Maryland law enforcement agencies who are facing drastic shortages in applicants to fill positions.

This bill is a straightforward and modest effort to help level the benefit playing field for agencies that take part in the Law Enforcement Officers Pension System with both competing agencies and the private sector.

For the reasons listed above, I ask for a favorable report of Senate Bill 115.

SB0115_2022_SLEOLA_FAV.pdfUploaded by: Veronica Bruns

Position: FAV



State Law Enforcement Officers Labor Alliance

Senator Sarah Elfreth Chair, Pension Subcommittee Budget, and Taxation Committee 3 West Miller Senate Office Building Annapolis, Maryland 21401

Re: SB – 115 – Law Enforcement Officers' Pension System – Benefits SUPPORT

Dear Senator Elfreth and distinguished members of the committee:

I am Veronica Bruns, a Corporal with the Maryland Natural Resources Police, and the Treasurer of the State law Enforcement Officers Labor Alliance (SLEOLA) which is the exclusive representative for approximately 1,800 active law enforcement officers. This includes eight agencies which are affected by Senate Bill 115: Maryland Natural Resources Police, Field Enforcement Bureau, Maryland State Fire Marshall, Maryland Capital Police, Department of Health Police, Maryland Vehicle Administration Police, Department of Public Safety and Correctional Services Intelligence and Investigative Division, and the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services.

I am here to testify in support of Senate Bill 115. Recruiting and retention continues to be a struggle in our state for all law enforcement agencies. In the past five years, an overwhelming number of agencies have seen recruitment drop from several thousand applicants, to barely several hundred. In order to recruit and retain the most qualified law enforcement candidates, agencies must be competitive with their benefits package.

Senate Bill 115 will increase the multiplier for years of credible service from 2.0% to 2.5%. This will allow members of the Law Enforcement Officers' Pension System to retire with a maximum of 70% benefit at 28 years of service instead of the current maximum 65% benefit at 32.5 years of credible service. Under the current benefit package of LEOPS members who retire at twenty-five years only receive 50% of their salary, while those members of SLEOLA in the Maryland State Police who are in the State Police Retirement System receive 63.75% of their salary with the same years of service.

This adjustment under Senate Bill 115 will allow the other eight agencies SLEOLA represents to receive parity with the Maryland State Police who already receive 2.55% for every year of service and achieve their maximum benefit of 71.4% at 28 years of service.

Therefore, on behalf of the State Law Enforcement Labor Alliance, I would like to thank the sponsor of this bill and would ask the committee for favorable support of this important legislation.

Sincerely,

Veronica Bruns

Treasurer

SB0115-BT_MACo_SWA.pdfUploaded by: Kevin Kinnally

Position: FWA



Senate Bill 115

Law Enforcement Officers' Pension System - Benefits

MACo Position: **SUPPORT**WITH AMENDMENTS

To: Budget and Taxation Committee

Date: January 27, 2022 From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 115 **WITH AMENDMENTS**. This bill would increase the normal service retirement benefit multiplier for members of the Law Enforcement Officers' Pension System from 2.0% to 2.5%. The bill would also raise the cap on normal service retirement benefit payments from 65% to 70% of the member's average final compensation.

SB 115 is a significant unfunded mandate on county governments. A "local option amendment" would relieve that mandate and allow each jurisdiction to weigh these costs appropriately.

For county governments that participate in the Law Enforcement Officers' Pension System (LEOPS), this legislation effects an automatic increase in county law enforcement pension benefits, and a new variable in county government pension contributions. Without a true local option, this bill is simply not affordable as a statewide county mandate and could present substantial budget difficulties.

Several Maryland county governments participate in the State's Law Enforcement Officers' Pension System. Chapter 784 of 2018 increased the cap on LEOPS normal service retirement from 60% to 65% of the member's average final compensation. The changes in this legislation could further widen the gap between retirement options for one portion of the county workforce—law enforcement—and all other county employees.

According to the bill's 2020 fiscal note, the most recent fiscal analysis, local pension liabilities would increase by a combined total of approximately \$19.6 million, and employer normal costs would increase by \$1.5 million. Amortizing the increased liabilities and adding the full normal cost increase would result in pension contributions growing significantly in fiscal 2024 and annually thereafter, according to actuarial assumptions.

An amendment could resolve this county mandate. There is precedent for providing county members of the state system with an option to join the benefit enhancement, too. Such an option would provide a discrete amount of time for a county government to determine whether they would join the enhancement.

Counties stand ready to work with state policymakers to develop flexible and optional tools to create broad or targeted personnel incentives, but resist state-mandated changes that preclude local input.

Accordingly, MACo urges a **FAVORABLE WITH AMENDMENTS** report on SB 115, with a "local option" amendment to avoid a substantial unfunded mandate on local governments.