



## House Bill 1515

### *Public Safety – Length of Service Award Programs – Statewide Service*

MACo Position: **SUPPORT**  
**WITH AMENDMENTS**

To: Appropriations Committee

Date: February 27, 2018

From: Natasha Mehu

The Maryland Association of Counties (MACo) **SUPPORTS HB 1515 with AMENDMENTS** to authorize rather than mandate additional terms for length of service awards programs (LOSAP). This change would ensure that counties can continue to effectively administer the programs in the best interests of their counties and volunteers.

Nearly every county in Maryland offers a LOSAP for volunteer firefighters and rescue personnel. These pension-like programs help to incentivize recruitment and retention of volunteers for these squads. Program benefits range from simple one-time or monthly payouts to more substantial surviving spouse, burial, disability, and tuition assistance benefits. Counties are authorized, but not required, to enact these programs under local law and have the authority to set the terms and scope of the benefits to be awarded.

HB 1515 requires counties to consider active time served in any county in Maryland when determining eligibility for a LOSAP. This would allow a volunteer who provided a majority of their service in one county to receive benefits from another county even if they have only served a fraction of their time in the new county. This would create an unfair and untenable situation for counties that offer these benefits. Local governments strongly urge that the bill be amended to authorize rather than require this change.

The bill creates a level of fiscal uncertainty that counties cannot prepare for. Counties that offer these programs budget in advance for the awarding of benefits. Local governments must calculate annually how many individuals will be reaching eligibility in the next year and reserve funds to ensure they can sufficiently cover the expenses of the benefits for the number of individuals anticipated to retire in a certain year. Counties would be unable to properly budget and reserve funds for volunteers that transfer into their counties.

Mandating the criteria for consideration also usurps local authority and potentially undermines the stability of the programs. LOSAPs operate under the discretion of the county offering the benefits. The local government decides whether the benefits would be offered and what the benefits would be. This bill undermines those local decisions and erodes the authority of counties to operate the program in the best interest of their volunteers. Mandating what were discretionary benefits could lead the counties to reduce the existing scope of benefits offered or dissolve the programs entirely.

HB 1515 could lead to unintended consequences that would undermine the ability of counties to effectively administer LOSAP benefits and would discourage offering the programs – and more substantial benefits. For these reasons, MACo urges a **FAVORABLE WITH AMENDMENTS** report on HB 1515.

#### **Amendment:**

On page 2, in line 2 strike, “**SHALL**”, and replace with “**MAY**”.