

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 240
Appropriations

(Delegates Otto and Anderton)

Budget and Taxation

Correctional Officers' Retirement System - Special Death Benefits - Applicability

This bill requires the Board of Trustees of the State Retirement and Pension System (SRPS) to administer a special death benefit under specified circumstances. **The bill takes effect June 1, 2023, and terminates December 31, 2023.**

Fiscal Summary

State Effect: As the bill is expected to apply only to one individual, it has no discernible effect on State pension liabilities or employer contributions. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill applies to an individual who:

- was a correctional officer who died by homicide on or after June 1, 2001;
- was a member of the Correctional Officers' Retirement System (CORS) at the time of death; and
- whose death was determined by evidence to have arisen out of or in the course of actual performance of the individual's duties.

By December 31, 2023, the surviving spouse of an individual described above may apply for a special death benefit. Upon receiving an application for a special death benefit from

the surviving spouse, the SRPS board must administer the special death benefit in accordance with current law and subject to further conditions. Specifically, the special death benefit must include a lump sum payment of the special death benefit that would have been paid from the deceased member's date of death through the date that the special death benefit is awarded by the SRPS board, with interest calculated at 4% per year, compounded annually. The lump sum payment must be reduced by the CORS member's annual earnable compensation that was paid as a general death benefit, with interest calculated at 4% per year, compounded annually.

Current Law: In general, the SRPS board must pay a death benefit to beneficiaries of an active member of SRPS after the board receives proof that the active member has died. The death benefit consists of a return of the member's accumulated contributions as a lump sum payment. If the member died in the course of the performance of duty or had at least one year of eligibility service in SRPS, the beneficiaries receive a second payment equal to the member's annual earnable compensation.

The SRPS board must pay a *special* death benefit to the beneficiaries of an active member of CORS if the CORS member died (1) without willful negligence by the member and (2) with death arising out of or in the course of the actual performance of duty. If the CORS member is survived by a spouse, a child younger than 26, a disabled child, or a dependent parent, the special death benefit consists of:

- the member's accumulated contributions; and
- an allowance of two-thirds of the member's average final compensation.

This special death benefit only applies to an individual who dies while employed as a member of CORS on or after January 1, 2006. Further, if a special death benefit is paid, the general death benefit described above cannot be paid to any beneficiaries.

Additional Comments: In June 2001, Correctional Officer Gregory Collins was shot while driving home from his shift at the Eastern Correctional Institution (ECI), which caused his car to swerve off the road and hit a tree. He died as a result of his injuries. At the time, his surviving spouse received a general death benefit. In June 2019, John M. Ingersoll, Jr. was arrested for the crime. He was convicted in June 2021 of first- and second-degree murder and sentenced to life without parole plus 20 years. The Department of Public Safety and Correctional Services advises that Mr. Ingersoll admitted that he received orders to kill Correctional Officer Collins from Dead Man Incorporated, a gang Mr. Ingersoll was affiliated with while serving a sentence at ECI. This new information would have made Officer Collins' spouse eligible for a special death benefit except that he died before January 1, 2006. Moreover, Officer Collins' spouse had already

received the general death benefit and, therefore, could not qualify for a special death benefit. This bill allows her to receive an *adjusted special* death benefit.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 244 (Senator Carozza, *et al.*) - Budget and Taxation.

Information Source(s): Department of Public Safety and Correctional Services; State Retirement Agency; Department of Legislative Services

Fiscal Note History: First Reader - January 31, 2023
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