

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1178

(Calvert County Delegation)

Environment and Transportation

Budget and Taxation

Calvert County - Length of Service Award Program - Benefits

This bill alters the Length of Service Award Program (LOSAP) in Calvert County. The bill authorizes the Calvert County Commissioners to approve an increase in the benefit amount that a qualified volunteer is eligible to receive that is equal to the percentage of the cost-of-living increase authorized for county employees.

The bill also (1) increases the death benefit that Calvert County must grant to any qualified volunteer who dies in the line of duty from \$6,000 to \$10,000, as specified; (2) increases the maximum additional death benefit from \$6,000 to \$10,000 for a qualified volunteer who dies and has completed 25 years of certified service; and (3) increases the maximum burial benefit from \$240 to \$336, for each year of certified service that a volunteer who receives specified benefits is entitled to upon death. **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: None.

Local Effect: Calvert County expenditures may increase by a minimum of \$450,000 annually beginning in FY 2024, as discussed below. Calvert County revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: LOSAP in Calvert County is for qualified active volunteer members of the Calvert County volunteer fire, rescue, and emergency medical services departments.

In Calvert County, any individual who has reached the age of 50 and who has completed a minimum of 25 years of certified active volunteer service, in any combination, with any Calvert County volunteer fire company, volunteer rescue squad, or rescue dive team will receive benefits in the amount of \$400 per month, for life. Chapter 154 of 2015 required an additional payment of \$10 per month to the benefits for each full year of volunteer service in excess of 25 years.

In the event any active volunteer who becomes permanently disabled during their service as a volunteer fireman, rescue squad member, or rescue dive team member, the volunteer is entitled to receive the benefits, as specified, and any other benefits the volunteer may be entitled to regardless of age or length of service. These benefits begin on the first day of the first month following the establishment of the permanency of the disability. The volunteer must be certified as permanently disabled by the Workers' Compensation Commission or other competent medical authority as designated by the board of county commissioners.

If a qualified volunteer who has completed 25 years of certified service dies, the qualified volunteer will receive a burial benefit up to \$6,000. Additionally, in the event a volunteer who receives benefits under specified circumstances dies, the volunteer will receive a burial benefit up to \$240 for each year of certified service.

Local Fiscal Effect: Calvert County advises that expenditures related to annual LOSAP contributions may increase due to the bill authorizing the board of county commissioners to approve an increase in the benefit amount that a qualified volunteer is eligible to receive to correspond to the percentage of the cost-of-living increase authorized for county employees. Calvert County estimates its annual LOSAP contributions may increase by at least \$450,000 annually, beginning in fiscal 2024, under the bill; however, the county would require a formal study in order to determine the actual amount of the increase. For comparison purposes, the county made approximately \$1.1 million in LOSAP contributions in fiscal 2022.

In addition, Calvert County's expenditures may increase minimally due to the increase in payments of specified LOSAP death benefits under the bill; however, the county advises that over the last 40 years only two qualified volunteers have died in the line of duty.

Additional Information

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

Cross File: None.

Information Source(s): Calvert County; Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2023
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