

Climate Assessment

Office of Legislative Oversight

Expedited Department of Police – Pension and DSRP Bill 19-23: Adjustments

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Expedited Bill 19-23 will have no impact on the County's contribution to addressing climate change as the bill is proposing changes to retirement plans for certain County employees.

BACKGROUND AND PURPOSE OF EXPEDITED BILL 19-23

The Discontinued Retirement Service Plan (DRSP) is a voluntary program that allows an employee to collect monthly retirement pension payments in an investment account while actively employed for up to three years. Currently, any employee in Group F who is at least 46 years old and has at least 25 years of credited service may participate in the DSRP.

Expedited Bill 19-23 proposes the following changes to retirement plans for employees in Retirement Group F.¹

- Amend the Discontinued Retirement Service Plan to replace the age and length of service eligibility requirements with eligibility based upon the employee's normal retirement date;
- Amend Group F pension multipliers for the Integrated Retirement Plan which would increase the maximum benefit from 86.4% to 86.6% and increase the value at 25 years of service from 60% to 65%; and
- Generally amend the law regarding retirement plans for Group F members.

The proposed changes would increase County expenditures by approximately \$1.3 million in FY24, increasing annually to \$4.8 million by FY29. It would not impact any County revenues.²

Expedited Bill 19-23, Department of Police – Pension and DSRP Adjustments was introduced by the Council President on behalf of the County Executive on April 11, 2023.

ANTICIPATED IMPACTS

As Bill 19-23 proposes changes to retirement plans for certain County employees, OLO anticipates it will have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptive capacity.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.³ OLO does not offer recommendations or amendments as Expedited Bill 19-23 is likely to have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptive capacity.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County's adaptive capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

¹["Montgomery County Employees' Retirement System Summary Description for Sworn Police Personnel in Retirement Group F", Montgomery County Employee Retirement Plans, July 2015.](#)

² [Introduction Staff Report for Expedited Bill 19-23, Montgomery County Council, April 11, 2023.](#)

³ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022