



Committee: Directly to Council
Committee Review: N/A
Staff: Christine Wellons, Senior Legislative Attorney
Purpose: Final action – vote expected

AGENDA ITEM#5A
June 21, 2022
Action

SUBJECT

Expedited Bill 7-22, Fire and Rescue Services – Credit Service for Group G Members

Lead Sponsor: Council President Alborno at the request of the County Executive

EXPECTED ATTENDEES

Jennifer Harling (or designee), Office of Labor Relations
Corey Orlosky, Office of Management and Budget

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Consideration of whether to adopt a technical amendment to Bill 7-22, as recommended by Council staff.
- Roll call vote on whether to enact Expedited Bill 7-22.

DESCRIPTION/ISSUE

Expedited Bill 7-22 would permit County employees enrolled in Group G of the Employees' Retirement System to receive credited years of service with Montgomery County based on prior years of military service in the uniformed services of the United States.

SUMMARY OF KEY DISCUSSION POINTS

- In its approval of the FY23 Operating Budget, the Council appropriated \$337,073 for the implementation of Council Bill 7-22.

This report contains:

Staff Report	Pages 1-3
Expedited Bill 7-22	© 1
County Executive Memo	© 4
Fiscal Impact Statement	© 5
Racial Equity and Social Justice Impact Statement	© 39
Economic Impact Statement	© 43

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MEMORANDUM

June 16, 2022

TO: County Council

FROM: Christine Wellons, Senior Legislative Attorney

SUBJECT: Expedited Bill 7-22, Fire and Rescue Services – Credit Service for Group G Members

PURPOSE: Final action – Roll call vote expected.

Expedited Bill 7-22, Fire and Rescue Services – Credit Service for Group G Members, sponsored by Council President Albornoz at the request of the County Executive, was introduced on April 19, 2022. A Public Hearing was held on May 10, 2022 and Action is scheduled for June 21, 2022. The Council previously considered the bill in connection with the FY23 Operating Budget, and the Council appropriated \$337,073 for the purpose of implementing Council Bill 7-22 in FY23.

Expedited Bill 7-22 would permit County employees enrolled in Group G of the Employees' Retirement System to receive credited years of service with the County based upon prior years of military service in the United States.

BACKGROUND

Under Article 51 of the collective bargaining agreement between the Executive and the IAFF, the Executive agreed “to submit proposed legislation to the County Council on or before September 1, 2022, amending Section 33-41 of the Montgomery County Code....The following changes will apply only to those retirement applications filed after the adoption of the legislation.

“The proposed legislation will provide, for Group G members, up to twenty-four (24) months credited service at no cost to the employee for prior military service. The amount of the crediting will be based on the years of County service; 7 years of service will result in the County crediting twelve (12) months of credited service, and 15 years of service will result in the County crediting twenty-four (24) months of service. The crediting will be applied when the years of service threshold is reached....”

BILL SPECIFICS

Expedited Bill 7-22 would provide up to 24 months of service credit for Group G members at no cost to the employee for prior United States military service based upon the years of County service. An employee with seven years of County service would receive 12 months of credited service, and an employee with 15 years of County service would receive 24 months of credited service.

On April 26, the Council approved Resolution 19-1231, which states the Council's intent to approve, among other items:

Retirement credit for military service. Under the FY23 Agreement, the Executive agreed to submit to the Council legislation to provide up to 24 months of credited service towards retirement for Group G members with prior U.S. military service. The Executive submitted the proposed legislation to the Council on April 1, 2022, and the Council introduced the legislation (Council Bill 7-22) on April 19, 2022. The anticipated increase in County expenditures due to the legislation is \$337,073 for FY2023 over FY2022. The Council's approval of this increased credited service is contingent upon the enactment of Council Bill 7-22.

On May 26, the Council appropriated \$337,073 for the implementation of Council Bill 7-22. See Resolution 19-1285:

This resolution appropriates \$337,073 for the implementation of Council Bill 7-22, which the Council introduced on April 19, 2022. The use of funds to implement Council Bill 7-22 is contingent upon the enactment of Council Bill 7-22.

ISSUE FOR THE COUNCIL'S CONSIDERATION

Council staff made technical errors in drafting the bill. Staff recommends the following clarifying amendments in order to accurately reflect the agreement between the Executive and the IAFF regarding the intent of this bill.

Amend lines 23-27 as follows.

- (B) The amount of the credited service must be:
- (i) 12 months of credited service, for 7 years of County service
[[in the uniformed services of the United States]]; or
 - (ii) 24 months of credited service, for 15 years of County service
[[in the uniformed services of the United States]].

NEXT STEPS:

- Motion and vote on whether to adopt the staff-recommended amendment described above.
- Motion and vote on whether to enact Bill 7-22 (as amended if the staff-recommended amendment is adopted).

This packet contains:

	<u>Circle #</u>
Expedited Bill 7-22	1
County Executive Memo	4
Fiscal Impact Statement	5
Racial Equity and Social Justice Impact Statement	39
Economic Impact Statement	43

Bill No. 7-22
Concerning: Fire and Rescue Services –
Credited Service for Group G Members
Revised: 4/13/2022 Draft No. 1
Introduced: [date]
Expires: [18 mos. after intro]
Enacted: [date]
Executive: [date signed]
Effective: [date takes effect]
Sunset Date: [date expires]
Ch. [#], Laws of Mont. Co. [year]

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

- (1) permit County employees enrolled in Group G of the Employees' Retirement System to receive credited years of service with the County based upon prior years of military service; and
- (2) generally amend the law regarding retirement benefits for paid firefighters, paid fire officers, and paid rescue service personnel.

By amending

Montgomery County Code
Chapter 33, Personnel and Human Resources
Section 33-41

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

24 (i) 12 months of credited service, for 7 years of service
25 in the uniformed services of the United States; or

26 (ii) 24 months of credited service, for 15 years of service
27 in the uniformed services of the United States.

28 (C) The credited service must be applied when the years-of-
29 service threshold under subparagraph (B) is reached.

30 * * *

31 **Sec. 2. Expedited Effective Date.** The Council declares that this legislation is
32 necessary for the immediate protection of the public interest. This Act takes effect on
33 the date on which it becomes law.



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

April 1, 2022

TO: Gabe Albornoz, President
Montgomery County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Bill No. XX-22, Amendment to Section 33-41 of the Montgomery County Code -
-- Credited Service

I am transmitting to you Bill No. XX-22, which amends Section 33-41 of the Montgomery County Code. The amendment will, in part, allow members of Group G to credit up to twenty-four (24) months of military service towards their retirement.

If you have any questions or would like additional information, please contact Jennifer Harling, Office of Labor Relations.

Enclosures

Fiscal Impact Statement
Bill XX-22, Fire and Rescue Services – Credited Service for Group G Members

1. Legislative Summary.

The legislation provides up to 24 months of service credit for Group G members at no cost to the employee for prior military service based on the years of County service. An employee with seven years of County service will be credited with 12 months of credited service, and 15 years of County service will result in 24 months of credited service.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

FY23 County expenditures increase \$337,073 reflecting the estimated annual amortized County contribution required to support the additional credited service for prior military service based on actuarial valuation as of July 1, 2021. The analysis assumes that this change would affect 15 percent of the 1,166 current active Group G members as of July 1, 2021. Members receiving the credit are assumed to retire at the same time as currently assumed in the actuarial valuation based on age and service-based retirement rates used in the actuarial valuation. In the event this legislation passes, the annual pension valuation will take these factors into account as new Group G contribution rates and liabilities are calculated. There is no anticipated impact on County revenues.

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

If the existing actuarial assumptions remain, the additional contribution over the six-year period is estimated to be \$2,022,438 as shown below. There is no anticipated impact on revenues.

	FY23	FY24	FY25	FY26	FY27	FY28	Six-Year Total
County Contribution - Military Service Crediting	337,073	337,073	337,073	337,073	337,073	337,073	2,022,438

4. An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.

Actuarial analysis provided by Gabriel, Roderer, Smith and Company estimates that providing up to 24 months of service credit for prior military service increases actuarial accrued liability for Group G members over a 20-year period by \$2,529,525. The actuarial assumptions used in the analysis are the same as those used in the actuarial valuation of the Montgomery County Employees’ Retirement System as of July 1, 2021.

5. An estimate of expenditures related to County’s information technology (IT) systems, including Enterprise Resource Planning (ERP) systems.

Not applicable.

6. Later actions that may affect future revenue and expenditures if the bill authorizes future spending.

This bill does not authorize future spending.

7. An estimate of the staff time needed to implement the bill.

Some additional staff time will be required to validate the service qualification and for Montgomery County Employee Retirement Plans (MCERP) staff to process the credits. This is unlikely to significantly impact workload and is expected to be accommodated within the existing personnel complement.

8. An explanation of how the addition of new staff responsibilities would affect other duties.

No change in staff responsibilities is expected as a result of implementing this legislation.

9. An estimate of costs when an additional appropriation is needed.

FY23 expenditures increase \$337,073 to support the estimated annual County contribution. Appropriation to support this cost is included in the County Executive's FY23 Recommended Operating Budget.

10. A description of any variable that could affect revenue and cost estimates.

Actual expenditures may vary based on the number, age, and longevity of Group G members with creditable prior military service.

11. Ranges of revenue or expenditures that are uncertain or difficult to project.

See response to Question #10.

12. If a bill is likely to have no fiscal impact, why that is the case.

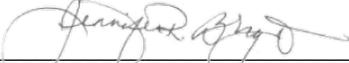
Not applicable.

13. Other fiscal impacts or comments.

Not applicable.

14. The following contributed to and concurred with this analysis:

Rachel Silberman, Office of Management and Budget
Rich Harris, Office of Management and Budget



Jennifer Bryant, Director
Office of Management and Budget

3/31/22

Date

**Montgomery County Career Fire Fighters Association, Inc
International Association of Fire Fighters, Local 1664
Fiscal Impact Summary***

<u>Article</u>	<u>Item</u>	<u>Description</u>	<u>Annual Cost</u>		<u>Estimated # affected**</u>
			<u>FY23</u>	<u>Beyond FY23</u>	
19.1	Wages	4.0 and 1.0 Percent General Wage Adjustment in October 2022 and January 2023, respectively.	\$3,815,894	\$5,886,151	1,211
19	Longevity	Longevity Step Increases of 3.5 Percent for Eligible Employees	\$164,311	\$318,731	58
19	Longevity	Adjustment of Longevity Steps to after 17, 20, and 24 Years of Service	\$1,689,691	\$2,079,292	1,098
51	Pensions	Military Service Credit for Eligible Group G Members	\$337,073	\$337,073	--
55	Service Increments	Service Increment of 3.5 Percent for Eligible Employees	\$900,712	\$1,665,475	688
Total			\$6,907,680	\$10,286,722	1,211

**Fire and Rescue Uniformed Management Pass-Through
Estimates**

<u>Item</u>	<u>Description</u>	<u>Annual Cost</u>		<u>Estimated # affected**</u>
		<u>FY23</u>	<u>Beyond FY23</u>	
Wages	4.0 and 1.0 Percent General Wage Adjustment in October 2022 and January 2023, respectively.	\$211,791	\$334,228	43
Service Increments	Service Increment of 3.5 Percent for Eligible Employees	\$24,562	\$25,487	3
Total		\$236,353	\$359,715	43

* Estimates reflect the impact to all funds. Increases apply in the first full pay period during the month noted.

** The estimated number of employees affected by the economic item is identified where known.

Bill No. _____ [Click - type number]
Concerning: Fire and Rescue Services –
Credited Service for Group G Members
Revised: [date] Draft No. [#]
Introduced: [date]
Expires: [18 mos. after intro]
Enacted: [date]
Executive: [date signed]
Effective: [date takes effect]
Sunset Date: [date expires]
Ch. [#], Laws of Mont. Co. [year]

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN ACT to:

- (1) permit County employees enrolled in Group G of the Employees' Retirement System to receive credited years of service with Montgomery County based on prior years of military service.

By amending

Montgomery County Code
Chapter 33, Personnel and Human Resources
Section 33-41

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[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

**MEMORANDUM OF AGREEMENT
BETWEEN
THE MONTGOMERY COUNTY GOVERNMENT
AND THE
MONTGOMERY COUNTY CAREER FIRE FIGHTERS ASSOCIATION,
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 1664, AFL-CIO**

The Montgomery County Government (Employer) and the Montgomery County Career Fire Fighters, International Association of Fire Fighters, Local 1664, AFL-CIO (Union) conducted negotiations pursuant to Section 33-153 of the Montgomery County Code for the term July 1, 2020 through June 30, 2022. As a result of those negotiations, the Employer and Union agree that the Collective Bargaining Agreement shall be amended according to the terms set forth below.

Please use the following key when reading this agreement:

Underlining *Added to existing agreement.*
[Single boldface brackets] *Deleted from existing agreement.*
* * * *Existing language unchanged by parties.*

The parties agree to amend the contract as follows:

* * *

ARTICLE 2 - ORGANIZATIONAL SECURITY

SECTION 2.1 - UNION MEMBERSHIP

[A. It shall be a continuing condition of employment that all bargaining unit employees: 1) shall become and remain members in good standing of the Union, or 2) pay a service fee, effective July 1, 1989. Within sixty (60) days of obtaining merit status and receipt of notification from the Union a bargaining unit employee shall exercise one of the choices above.

1. Semi-annually the Employer shall provide the Union with an updated list of all employees of the Montgomery County Fire and Rescue Service who at the time are in a probationary status. Such list shall contain the following information for each probationary employee: name, home address, current station assignment, and date of hire. These semi-annual reports will be provided to the Union by March 1 and September 1 each calendar year.

B. The Union dues and service fees shall be set by the Union. These amounts may be subject to change each year of this Agreement as a result of notice given by the Union to the Employer at least sixty (60) days prior to the effective date of the change, which shall be the first full pay period following July 1 of each year.]

[C]A. Union membership or the payment of service fees is not a term or condition of employment. The Union shall comply, in the administration of this Article, with Section 33-150 [148 (1)] of the Montgomery County Code, as amended; specifically, the Union shall adhere at all times to all federal constitutional requirements in its administration of any agency shop system maintained by it.

[D. The Union shall indemnify and hold the Employer harmless against any and all claims arising from actions taken by the Union with regard to the collection of agency service fees or the resolution of disputes concerning agency service fees.]

B. Semi-annually the Employer shall provide the Union with an updated list of all employees of the Montgomery County Fire and Rescue Service who at the time are in a probationary status. Such list shall contain the following information for each probationary employee: name, home address, current station assignment, and date of hire. These semi-annual reports will be provided to the Union by March 1 and September 1 each calendar year.

SECTION 2.2 -DUES CHECK-OFF

A. Upon the presentation by the Union of a list of the individual employees covered by this Agreement for each of whom the Union certifies to have on file a written authorization for dues deduction or service fee deduction duly executed by the employee, the Union shall be entitled to have the dues or service fees deducted from their paychecks on a bi-weekly basis. [Such authorization shall be non-revocable and automatically renewed from year to year.] Bargaining unit employees who want to change their dues or service fee authorization shall contact the Union President or designee. The Union will notify the Employer whenever a bargaining unit employee changes their membership status.

B. Union dues and service fees shall be set by the Union. These amounts may be subject to change each year of this Agreement as a result of notice given by the Union to the Employer at least sixty (60) days prior to the effective date of the change.

[B]C. The amounts to be deducted shall be certified to the Employer by the Treasurer of the Union. Whenever the Union notifies the Employer to begin deducting the dues of any bargaining unit employee, said deductions shall begin no later than the second paycheck following the Union's notification. If the Employer fails to make the deduction within this period, the Union will notify the Employer who shall immediately correct the error. Aggregate deductions of all employees shall be remitted at least monthly to the Union along with an itemized statement.

[C]D. The Employer or its agents or representatives shall not encourage or discourage membership in the Union by discriminating in hiring, tenure, wages,

hours, or conditions of employment. The Union, its agents, representatives and persons who work for it shall not restrain, coerce, or interfere with employee rights.

[D]E. 1. The Union shall indemnify and hold the Employer harmless against any and all claims, demands, suits, or any other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer for the purposes of complying with any list, notice, form, card, or assignment furnished under this Article.

2. The Union shall indemnify and hold the Employer harmless against any and all claims arising from actions taken by the Union with regard to the collection of dues or agency service fees or the resolution of disputes concerning dues or agency service fees.

[E]E. When a bargaining unit employee returns to work from a non-pay status, and upon appropriate certification from the Union that the employee owes back dues to the Union, the Employer shall deduct from the employee's next paycheck the full amount of back dues owed.

SECTION 2.3 - UNION BUSINESS

A. The President of the Union or the President's designee shall be granted administrative leave up to ~~[1,248]~~ 2,496 hours per year for the purpose of discharging his official representational duties as the Union President provided that the President and the designee are not simultaneously covered by administrative leave. This shall be the sole source of administrative leave for the Union President or designee.

At the Union President's designation, one additional executive board member at a time shall be granted administrative leave up to a total of 2,496 hours per year for the purpose of discharging their official representational duties as Union officials.

The President and the additional executive board members designated by the President under this subsection shall continue to use annual and sick leave pursuant to applicable regulations and the provisions of this Agreement. Such leave shall not count against the administrative leave provided in this subsection. Any unused administrative leave will not be carried over at the end of the calendar year to the next year.

* * *

D. In addition, members of the bargaining unit who pay dues or a service fee shall be assessed ~~[three (3)]~~ two (2) hours compensatory leave or annual leave per year (at the option of the employer) which shall be contributed to an administrative leave bank for the purpose of additional administrative leave to ~~[the President and/or]~~ other officers and ~~[officials]~~ representatives of the Union who are not on administrative leave pursuant to subsection A. Administrative leave identified in this Subsection ~~[and Subsection A]~~ shall be the sole source of leave for ~~[the Union President and shall result in the President being placed on administrative leave full-~~

time, except that the President shall continue to use annual and sick leave pursuant to applicable regulations and the provisions of this Agreement] union representatives not identified in Section A. Any [residue] excess in this leave bank at the end of any leave year shall not carry over to the next year. Requests for administrative leave in excess of the leave bank amount will not be unreasonably denied.

E. The President and [two] three Vice Presidents of the Union shall each be provided with the device and software necessary to monitor radio channels as they would on a normal fire station portable radio to assist in their representational duties.

* * *

G. Union Access to County Network: The Employer shall provide the means for the Union President, 1st Vice President, 2nd Vice President, 3rd Vice President, and any other mutually agreed upon union representative to wireless Internet access at County worksites, if available. This access will be for the purpose of conducting official labor/management business at County worksites.

* * *

SECTION 2.9 - ACCESS TO FIRE/RESCUE OPERATIONS INFORMATION

* * *

Bargaining Unit Captains and Lieutenants shall have access to policies, rules, and regulations. The Fire Chief or designee shall provide access to any information contained in memoranda of understanding or other third party agreements to the extent that it applies to or affects a bargaining unit worksite, and shall afford access to bargaining unit Captains and Lieutenants.

* * *

SECTION 6.3 - LEAVE YEAR AND ANNUAL LEAVE PROCEDURE

* * *

B. Second, third, and fourth round picks are for any three days maximum in each round, provided however, that employees assigned to [a 40-hour or 42-hour workweek,] work either four (4) ten (10)-hour shifts every week for forty (40) hours every seven (7) days, or two (2) twelve (12) - hour days and two (2) twelve (12)-hour nights may select up to four days in rounds two through four. The days selected in rounds two through four do not have to be consecutive, nor do they need to be aligned Sunday through Saturday.

* * *

SECTION 6.14 – CASUAL LEAVE PROCEDURE

* * *

B. The employee requesting casual leave shall request such leave not earlier than thirty (30) days before the requested date, and not later than 2100 hours on the day before the leave day being requested. [An employee may contact the scheduler by telephone to determine leave availability at any time.] If leave is available and granted within the above parameters, the scheduler will make appropriate TeleStaff entries and notifications. Requests for casual leave will be granted or denied by the Scheduler via telephone or TeleStaff, in accordance with the established number of leave slots available. Although use of email or TeleStaff, or review of the casual leave online calendar, is preferred, an employee may contact the scheduler by telephone to determine leave availability at any time.

* * *

E. The County will maintain and regularly update (in sync with TeleStaff) an online calendar, available through MCFRS' Quicklinks, including casual leave counts for the next thirty-one (31) days.

F. Upon approval of a casual leave request, an outbound notification to the employee that such request was approved shall be initiated.

* * *

ARTICLE 9 – ADMINISTRATIVE LEAVE

* * *

G. An employee, who is a member of a reserve component of the armed forces of the United States, shall be granted paid administrative leave when ordered to mandatory [for one annual two-week] military training or drills. Administrative leave granted for this purpose shall not [to] exceed [15 days annually or] 120 hours (168 hours for 2496 employees and 144 for 2184 employees) in a calendar year. [Any excess hours not used for the annual two-week military training purpose allotment may be used for other required military training up to the 120, 144, or 168-hour maximum.]

H. Application for administrative leave for military training or drills should be made [immediately] as soon as practicable upon receipt of orders for [active duty for] such activity in accordance with procedures established by the Chief Administrative Officer and Fire Chief and/or designee.

I. The Chief Administrative Officer may permit a waiver of the administrative leave limitation when [two annual] the employee is ordered to mandatory military training or drill [periods] requirements in excess of the limitations in this Article

in one calendar year.

J. An employee who is a member of a reserve component of the armed forces of the United States [is not entitled to paid administrative leave for purposes of attending monthly drills. The employee] may use annual or compensatory leave or arrange career stand-by in order to attend [these monthly drills] military training or drills above the administrative leave limitations in this Article. Career stand-by will be approved liberally contingent on operational needs. When no leave slots are available, annual, or compensatory leave will be granted above the leave slot cap for the purpose of attending monthly drills. [When leave slots are available, leave taken to attend monthly drills will count towards the leave slot cap.]

L. For all military training or drill requests requiring the use of annual or compensatory leave, the employee must enter a request for leave into the appropriate system at least seven (7) calendar days prior to their training.

All remaining sub-paragraphs shall be renumbered.

* * *

SECTION 12.8 - EFFECT OF LWOP USE ON EMPLOYEE BENEFITS

* * *

C. Period of suspension to be treated as LWOP for benefits purposes. If an employee is suspended, the Employer must treat the period of suspension the same as a period of LWOP for the purpose of the employee's benefits. [, except that the Employer must reassign an employee's service increment date if it occurs during a suspension.]

* * *

Section 13.3 Working Out of Class Compensation

A. Lieutenants are eligible for "working out of class" compensation for all hours worked when assigned as the sole or most senior officer (based on time in grade when more than one Lieutenant is working) in a fire station or the ECC, or when assigned as an EMS Duty Officer for more than 280 hours during a 6-month period.

B. A Master Firefighter is eligible for "working out of class" compensation for all hours worked when acting as an officer in a fire station or worksite for more than 280 hours during a 6-month period.

C. A Firefighter III is eligible for "working out of class" compensation for all hours worked as a primary apparatus unit officer on an emergency call.

D. Working out of class hours must be submitted before the end of the payperiod in which the hours were worked in the Department's online Working Out of Class

Approval system and be approved by the supervisor. After six months, the member must submit electronically the total hours to their Battalion Chief for review and validation. The Battalion Chief will submit the requests for processing within 15 days.

E. Requests for compensation shall be processed by the Department's designee within 45 days after receipt of the designated form.

F. Bargaining unit employees are not eligible for "working out of class" compensation when assigned to ALS transport units and Paramedic Chase Cars, or any single-person staffed unit.

G. Bargaining unit employees shall be compensated at 5% of their base salary for each hour worked at the higher grade position once all criteria have been met.

* * *

SECTION 14.1 – POLICY

* * *

E. Personnel on Kelly will be offered the first opportunity to work overtime. All day work Kellys will be assigned a "shift equivalent" Kelly (i.e., A-1, B-1, C-1, A-2, B-2, C-2, etc.) and shall be considered the "off-going" shift for days their shift work equivalent is the off-going shift and the "on-coming" shift for days that their shift work equivalent is the on-coming shift, as based on their "shift equivalent" (i.e., A, B or C). For employees assigned to ROCC and FEI who work a 2-2-4 schedule, the County shall assign them a "shift equivalent" Kelly each month based on their work schedule for that month.

Scheduling shall hire the bargaining unit employee with the least accrued overtime worked, year-to-date, before bargaining unit employees with higher accrued year-to-date overtime.

The following order shall apply:

1. Kelly Day personnel within the station⁶ including personnel who sign up for either dayside or night side only. If more than one person is on Kelly Day within the station, then the one with the least amount of overtime hours is hired first.
2. Kelly Day personnel countywide, including people who sign up for either dayside or night side only. If more than one person is on Kelly Day within the County, then the one with the least amount of overtime hours is hired first.
3. Off-going shift personnel within the battalion shall have the next

opportunity for overtime during the entire 24 hour period that they are the off-going shift. Personnel with the least amount of overtime hours are hired first.

4. Off-going shift personnel countywide shall have the next opportunity for overtime during the entire 24 hour period that they are the off-going shift. Personnel with the least amount of overtime hours are hired first.

5. On-coming shift personnel countywide shall have the next opportunity for overtime during the entire 24 hour period that they are the on-coming shift. Personnel with the least amount of overtime hours are hired first.

6. If no personnel remain on the overtime sign up list or unscheduled overtime occurs after 0700 hours and requires a position to be filled immediately, the schedulers shall use all practicable means to fill every overtime vacancy with the bargaining unit employee having the lowest number of overtime hours worked year-to-date

In applying the above order, the following shall be in effect:

1. Bargaining unit employees in the ranks of Fire/Rescue Captain and Fire/Rescue Lieutenant shall not be hired on overtime for ALS transport units, ALS chase cars, or AFRA ALS positions unless no other qualified bargaining unit employees in [other] the rank classifications of Master Fire Fighter / Rescuer, Fire Fighter / Rescuer I^[FN1 - TO BE CONSECUTIVELY NUMBERED] Fire Fighter / Rescuer II, and Fire Fighter / Rescuer III are available to work.

2. Bargaining unit employees in the ranks of Fire/Rescue Captain and Fire/Rescue Lieutenant shall not be hired on overtime for the Scheduler position unless no other qualified bargaining unit employees in the rank classification of Master Fire Fighter / Rescuer are available to work.

[2]3. Bargaining unit employees in the ranks of Fire/Rescue Captain and Fire/Rescue Lieutenant shall be hired on overtime for officer positions on Engines, Trucks, and Rescue Squads prior to bargaining unit employees in other rank classifications.

[3. Bargaining unit employees in the rank of Master Fire Fighter / Rescuer shall be hired on overtime for Primary Driver positions on Engines, Trucks and Rescue Squads within their assigned station prior to bargaining unit employees in other rank classifications.]

[4.] Bargaining unit employees in the rank classifications of Master Fire

Fighter / Rescuer, Fire Fighter / Rescuer I^[FN2 - TO BE CONSECUTIVELY NUMBERED]
Fire Fighter / Rescuer II, and Fire Fighter / Rescuer III shall be given
priority to be hired on overtime in Fire Fighter and Master Fire Fighter
/ Rescuer positions until the list of qualified bargaining unit Fire
Fighters and Master Fire Fighters has been exhausted.

[5.] Non-bargaining unit employees shall not be hired for overtime in any position regularly assigned to a bargaining unit employee unless no qualified bargaining unit employees are available to work.

FOOTNOTE 6: For personnel assigned as a Safety Officer, [or] an EMS Duty Officer, or to ECC, or to Scheduling, their "station" shall be their regular work assignment. Employees assigned as a Safety Officer, an EMS Duty Officer, to ECC, or to Scheduling will be assigned a battalion equivalent.

1 _____ A Fire Fighter / Rescuer I who has achieved merit system status.

2 _____ A Fire Fighter / Rescuer I who has achieved merit system status.

* * *

ARTICLE 16 HOLIDAYS
SECTION 16.1 - HOLIDAYS

- | | |
|--------------------------------|-------------------------|
| A. New Year's Day | January 1 |
| B. Martin Luther King, Jr. Day | Third Monday in January |

C. Memorial Day	Last Monday in May
D. Independence Day	July 4
<u>E. Juneteenth</u>	<u>June 19</u> ^{[FN1 - TO BE CONSECUTIVELY}
NUMBERED]	
[E.] <u>F. Labor Day</u>	First Monday in September
[F.] <u>G. Veterans Day</u>	November 11
[G.] <u>H. Thanksgiving Day</u>	Fourth Thursday in November
[H.] <u>I. Christmas Day</u>	December 25
[I.] <u>L. Special Holidays</u>	Other days designated by action of the Chief Administrative Officer as a full-day or part-day holiday or as a non-work day. Religious holidays must not be designated as special holidays, as approved absences on these days may be obtained through annual leave or alternative work schedules

FOOTNOTE 1 Pending Council action to add Juneteenth as an official County holiday. If the County Council fails to add Juneteenth as an official County holiday, the parties agree to open Article 16 to bargain amendments relating to Juneteenth. Such negotiations shall be subject to the impasse/fact-finding procedures in Article 43.

SECTION 16.2 HOLIDAY BENEFIT

Every eligible employee working a 2080-hr. work year shall receive 13 hours of straight time pay as their holiday benefit, for every holiday not identified in paragraph 2 of this section. Every eligible employee working a 2184-hr. work year shall receive 14 hours of straight time pay as their holiday benefit for every holiday not identified in paragraph 2 of this section. Every eligible employee working a 2496-hr. work year shall receive 16 hours of straight time pay as their holiday benefit for every holiday not identified in paragraph 2 of this section. In the alternative, bargaining unit employees may elect compensatory leave in lieu of straight time pay at 13, 14 or 16 hours consistent with the employee's annual work year. The benefit shall be recorded on the time sheet for the pay period in which the holiday falls and paid in the next paycheck.

For Inauguration Day, Presidents' Day, Election Day, and [Columbus Day] Indigenous Peoples' Day every eligible employee may elect between the straight time pay as described in paragraph 1 of this section, or at their election, receive an alternative benefit of 13, 14 or 16 hours of compensatory leave. The purpose of this alternative is to provide for an alternative day off on these days. It is the intent of the Employer to

open the government for normally scheduled business on these days, and each employee normally scheduled to work should anticipate having to work on these days.

* * *

ARTICLE 19 - WAGES

Section 19.1 General Wage Adjustments

[A. Effective the first full pay period on or after July 1, 2017, add new longevity step "LS2" at year 24. All eligible bargaining unit employees who reach 24 years of service shall receive a 3.5% "LS2" increase to their base pay effective the pay period in which their service anniversary date occurs; provided, however, that bargaining unit employees who have completed 24, 25, 26 or 27 years of service prior to July 1, 2017 shall receive a 3.5% "LS2" increase to their base pay effective the first full pay period on or after July 1, 2017.]

A [B.] Effective the first full pay period on or after July 1, 2016, the base salary for all bargaining unit members shall be increased by 1.0 percent. Effective the pay period beginning February 5, 2017, the base salary for all bargaining unit members shall be increased 1.0 percent.¹⁰

B [C.]

1. Effective the pay period beginning on October 9, 2022 the base salary for all bargaining unit members shall be increased by 4.0%. [Effective the first full pay period beginning on June 20, 2021, the base salary for all bargaining unit members shall be increased by two and one-quarter percent (2.25%).¹¹]

2. Effective the pay period beginning on January 1, 2023, the base salary for all bargaining unit members shall be increased by 1.0%.

[D.

1) Effective the first full pay period beginning on July 4, 2021, the base salary for all bargaining unit members shall be increased by one and four-tenths percent (1.4%). However, if the County Council approves a supplemental appropriation funding

a general wage adjustment during FY2021, this general wage adjustment shall be offset by the amount of the FY2021 general wage adjustment.

2) Effective the first full pay period on June 19, 2022, the base salary of all bargaining unit members shall be increased by one and one-half percent (1.5%).

If the Consumer Price Index for all Urban Consumers ("CPI-U") for the Washington-Arlington-Alexandria area for the twelve month period ending March 2022 exceeds

one and one-half percent (1.5%), the County Executive agrees to submit a supplemental appropriation to the County Council to increase the general wage adjustment effective the pay period beginning on June 19, 2022 to an amount equal to the percent increase in CPI-U for the Washington-Arlington-Alexandria area for the twelve month period ending March 2022, not to exceed two and one-quarter percent (2.25%).]

FOOTNOTE 10: Per actions taken on April 26, 2016, May 16, 2016 and May 26, 2016, the County Council did not approve full funding for this provision, i.e., the Council did not appropriate funds for a 1.0 percent general wage adjustment for bargaining unit employees effective the pay period beginning February 5, 2017 or any subsequent date in FY 2017. The 1.0% general wage increase that was negotiated for implementation on February 5, 2017 [shall continue to be postponed through FY2022] **will considered fully funded and implemented if LS1 is funded by County Council.**

FOOTNOTE 11: [Per actions on April 30, 2020, May 5, 2020, and May 13, 2020, the County Council did not approve funding for this provision. *See Appendix IX.*]

SECTION 19.2 SALARY SCHEDULE

* * *

C. Bargaining unit employees shall progress to Step **LS1** on the uniform pay plan upon completion of **17[20]** years of service as a County merit system employee. All eligible bargaining unit employees who reach **17[20]** -years of service shall receive a 3.5% "**LS1**" increase to their base pay effective the pay period in which their service anniversary date occurs; provided, however, that bargaining unit employees who have completed 17, 18, or 19 years of service prior to July 1, 2022 shall receive a 3.5% "LS1" increase to their base pay effective on July 3, 2022.

i. All eligible bargaining unit employees who reach 20 years of service shall receive a 3.5% "LS2" increase to their base pay effective the pay period in which their service anniversary date occurs; provided, however, that bargaining unit employees who have completed 20, 21, 22, or 23 years of service prior to July 1, 2022 shall receive a 3.5% "LS2" increase to their base pay effective on July 3, 2022.

ii. All eligible bargaining unit employees who reach 24 years of service shall receive a 3.5% "LS3" increase to their base pay effective the pay period in which their service anniversary date occurs; provided, however, that bargaining unit employees who have completed 24 or more years of service prior to July 1, 2022 shall receive a 3.5% "LS3" increase to their base pay effective on July 3, 2022.

[D. Effective at the beginning of the first full pay period beginning on or after July 1, 2010, a Step P will be added at a rate 3.5% greater than the current Step O. All employees will then receive one service increment increase. The existing Step A will then be removed from the schedule, and the remaining 15 steps will be re-lettered A through O. This pay plan adjustment, which the County Council elected not to fund in FY 2011, and which has been postponed in subsequent collective bargaining agreements, shall continue to be postponed through FY2020. This pay plan adjustment shall continue to be postponed through FY2022.]

* * *

SECTION 19.4 OVERPAYMENTS/UNDERPAYMENTS TO EMPLOYEES, IMPROPER DEDUCTIONS OF LEAVE, AND EMPLOYEE DEBTS

A. Recovery of overpayment to employee or employee debt to County.

1. When the Employer overpays a bargaining unit employee, the Employer may deduct money from the employee's pay to recover the overpayment. The Employer must give the employee notice and an opportunity to respond before deducting the amount of the overpayment from the employee's pay. The union shall be copied on any notice given to an employee under this provision.

2. The Employer may set off a debt that a bargaining unit employee owes to the County and deduct the amount owed from unpaid salary, accrued annual leave or compensatory time, [or retirement contributions owed to the employee.]

3. When deducting money from an employee's paycheck to recover an overpayment or to set off a debt, the Employer must not deduct more than twenty percent (20%) of the employee's disposable pay from any one pay check. This limitation does not apply when the employee leaves County employment.

4. A bargaining unit employee may file a grievance under Article 38 over a deduction to recover an overpayment or a debt from the employee.

* * *

SECTION 20.9 - PRESCRIPTION DRUG PLAN

* * *

B. Effective January 1, 2023, the High Option Plan shall be eliminated and the County shall provide one stand alone prescription plan (Standard Option Plan - \$10/\$20/\$35 co-pays with a \$50 deductible) for all active employees and retirees.

All remaining sub-paragraphs shall be renumbered.

* * *

Section 20.11 - Line of Duty Death Benefit

In the event of a bargaining unit employee's death in the line of duty, the designated beneficiary, beneficiaries or estate must receive the following lump sum payments:

- A. Immediate payment of \$[1] 35,000 toward funeral expenses. The County will pay an additional amount, not to exceed \$[1] 35,000, in funeral expenses to the designated beneficiary to cover funeral costs not reimbursed by the State of Maryland.
- B. Effective July 1, 2003, the basic benefit of term life and accidental death and dismemberment insurance payable for a full-time bargaining unit member under age 65, whose death is the direct result of an accidental bodily injury sustained in the performance of County employment will be \$500,000, or the amount payable under the schedule of such benefits in effect prior to January 1, 2003, whichever amount is greater.

* * *

ARTICLE 22 – PREVAILING RIGHTS

* * *

- L. COVID-19 vaccination and booster shots, Hepatitis Vaccine Shots and annual flu shots at no cost to the employee if requested by the employee. Each year, employees will be informed, in writing, of the availability of flu shots at least sixty (60) days prior to their availability, and at that time employees will be requested to respond, by email or in writing, within 21 days of such notification if they wish to receive a flu shot. Any employee who indicates that he/she wishes to receive a flu shot and who subsequently declines to receive the shot may be required to reimburse the Employer for the cost of the dosage up to a maximum of ten dollars (\$10.00). The County shall have no obligation to provide flu shots to bargaining unit employees who do not respond to this notice. The County may, at its discretion, make any surplus doses available to bargaining unit employees. Tetanus shots at no cost to the employee will be available if requested at the time of the employee's regularly scheduled physical/annual pulmonary function test at the Occupational Medical Section;

* * *

- Q. One piece of mutually agreed upon suitable aerobic equipment at the Emergency Communications Center (ECC) for use by E.C.C. employees.

* * *

SECTION 22.2 - NOTICE AND OPPORTUNITY TO SUBMIT COMMENTS

A. Prior to the implementation of any new or revised Directive, MCFRS Bulletin, Policy, Procedure, Instruction [FN1 – TO BE CONSECUTIVELY NUMBERED] relating to or affecting bargaining unit employees, the Employer shall provide the Union President, 1st Vice President, [and] 2nd Vice President, and 3rd Vice President with written, electronic notice and an opportunity to submit comments. If the Employer provides the Union with written, electronic notice and opportunity outside normal business hours (Monday through Friday, 7:00 am to 3:00pm), the electronically transmitted notices will be deemed received on the following business day. The employer will provide the Union written notice of its designee authorized to transmit documents for notice and opportunity.

Footnote 1 The parties understand and agree that the term “instruction” refers to: a) a written explanation provided by the Division Chiefs of the Fire Chief regarding the processes and/or procedures associated with the implementation of a new or revised Directive, Safety Bulletin, Policy or Procedure; or, b) written explanation/clarification provided by the Division Chiefs or the Fire Chief regarding an existing Directive, Safety Bulletin Policy or Procedure that deviates from an established past practice.

* * *

SECTION 29.6 – CLASS SCHEDULE FOR PROMOTIONS

Classes required for promotion through Fire/Rescue Captain will be scheduled both for the spring and fall semesters on a shift rotation basis. The Employer shall include in his/her proposed budget to the County Council sufficient funding for MCFRS to hold one (1) class B driver training class for every twelve (12) individuals holding the rank of Fire Fighter/Rescuer II on July 1. [For the first half of the class B driver training classes planned in the fiscal year, p] Priority for enrollment shall be based on employees' seniority numbers, with the lowest number (most senior) having first priority and working toward the highest number (least senior). [For the second half of the classes planned in the fiscal year, priority for enrollment shall be by inverse seniority.]

* * *

SECTION 30.5 - TIME, PLACE AND MANNER OF INTERVIEWS/EXAMINATIONS
CONDUCTED AT THE INTERNAL AFFAIRS SECTION

A. Any interview or examination conducted by the Internal Affairs Section pursuant to sections 30.3 and 30.4 of this Article shall take place at the Internal

Affairs Section office, the Union Office, or at any other place to which the parties mutually agree. For employees who are the subject of an investigation, when scheduling an interview/examination, the Employer shall take reasonable and prudent measures to protect the employee's identity and participation in the interview/examination from disclosure to other employees.

* * *

SECTION 35.9 - MOLD REMEDIATION AT MCFRS WORKSITES

When the Safety Office performs its annual safety inspection, it shall include a mold inspection by the Safety Officer and report its findings to the Division of Support Services. The Joint Health and Safety Committee will receive a copy of the report at the same time as it is sent to the Division of Support Services.

The Employer agrees that whenever mold is found to exist at a location that bargaining unit members are assigned to work, the Employer shall use best efforts to promptly and safely remediate the mold.

* * *

ARTICLE 41 – PRINTING OF CONTRACT

A. The County agrees to make this Agreement available electronically by posting it on OLR's website and [to make every effort] to send an email containing a hyperlink of the final [election] version of the Agreement to all bargaining unit employees at least fifteen (15) days before [print 300 copies of the contract in booklet form to be provided to the Union within ninety days of] the effective date of this Agreement. The County also agrees to print an adequate number of copies of this Agreement, in booklet form, for distribution to all worksites where bargaining unit members are assigned within thirty (30) days of the effective date of this Agreement.

B. The cover page of the Agreement shall be designed by mutual agreement between the parties.

C. [The cost of printing shall be shared equally by the parties.] The County agrees to provide the Union [four (4)] a first draft [run copies of the printed] of the Agreement prior to publication to proofread. The County agrees to correct all spelling and grammatical errors found during proof reading prior to publication and disbursement. [Additionally, an e-mail will be sent to all bargaining unit employees containing a hyperlink to the final electronic version of the agreement.]

* * *

SECTION 50.1 - TWO YEAR AGREEMENT

The duration of this Agreement shall be from July 1, [2020] 2022 through June 30, [2022] 2024.

There shall be a reopener for the second year (July 1, 2023 to June 30, 2024) by no later than September 1, 2022 limited to:

a. Cash Compensation – Wages – Article 19.1 (General Wage Adjustments)

b. Article 51 (Pensions)

c. Other Post-Employment Benefits

Such negotiations shall be subject to the impasse/fact-finding procedures of Montgomery County Code Section 33-153.

* * *

ARTICLE 51 - PENSIONS

* * *

[I. The parties shall create a working group to assess the viability of enhancing the Group G retirement benefit. The composition of the working group will include three representatives to be chosen by the union and three representatives to be chosen by the employer. The activities of the working group will be limited to:

- 1) Assessing the viability of altering the pension benefit formula, to include increasing the credit awarded for each year of service and the total amount of service credit for which employees may be eligible for Group G members;
- 2) Assessing the impact on the Consolidated Retiree Health Benefits Trust of increasing the County's share of retiree health insurance cost sharing for Group G members;
- 3) Assessing the viability of the County provided a military service credit for Group G members;
- 4) Assessing updating the UP 84 Mortality Table used to calculate the optional forms of benefit (including joint and survivor benefits) to the mortality tables used by the actuary for the actuarial valuation; and
- 5) Evaluating updating procedures for approving qualified domestic relations orders.

The working group shall provide recommendations to the Union and employer no later than October 15, 2021.] The County Executive will submit proposed legislation to the County Council on or before September 1, 2022, amending Section 33-41 of the

Montgomery County Code. Proposed legislation drafted pursuant to this collective bargaining agreement will be reviewed and approved by both parties prior to submission to the County Council. The following changes will apply only to those retirement applications filed after the adoption of the legislation.

The proposed legislation will provide, for Group G members, up to twenty-four (24) months credited service at no cost to the employee for prior military service. The amount of the crediting will be based on the years of County service; 7 years of service will result in the County crediting twelve (12) months of credited service, and 15 years of service will result in the County crediting twenty-four (24) months of service. The crediting will be applied when the years of service threshold is reached.

The parties agree to fully support the legislative proposals drafted pursuant to this Agreement to ensure their approval by the Montgomery County Council.

* * *

SECTION 53.2 - NOTICE OF RESIGNATION

An employee should submit a written resignation to the Fire Chief 2 weeks before the effective date of the resignation. In unusual circumstances, an employee may submit an oral resignation to the on-duty duty operations chief. If the on-duty duty operations chief accepts the employee's oral resignation, they must note the date, time, and nature of the communication.

* * *

SECTION 55.5 - REASSIGNMENT OF INCREMENT DATE

A. The Employer must assign an employee a new service increment date if the employee['s:

1. service increment is delayed;
2. increment date occurs during a period of within-grade salary reduction;
3.] has been on LWOP exceed[s]ing 28 calendar days, excluding LWOP for parental leave, military service, professional improvement, FMLA, or political leave in accordance with Article 12.

* * *

SECTION 55.6 - DELAY OF SERVICE INCREMENT

A. An employee's service increment shall be delayed if the employee's latest annual or interim performance rating did not meet expectations [was less than satisfactory],

or the employee's attendance, or conduct has been unsatisfactory.

B. To delay an eligible employee's service increment, the Employer must:

1. give written notice to the employee before the beginning of the pay period in which the employee's increment date falls;
2. include in the notice to the employee:
 - a. statement of the reasons for the delay;
 - b. the next date on which the employee's performance will be reviewed and the service increment granted if the employee's performance or attendance has improved to a satisfactory level; and
 - c. that the employee may file a grievance over the decision under Article 38.

C. The employer may delay an employee's service increment if [the employee's performance was unsatisfactory during the rating period or] the employee was absent for more than 50 percent of the work year, excluding periods of compensatory time, annual leave, parental leave, FMLA, disability leave, military leave, or LWOP for political leave in accordance with Article 12.

D. After delaying an employee's service increment, the employer must grant an employee's service increment at the employee's next service increment date [annual or interim performance review] if the employee's performance or attendance has improved to the satisfactory level.

* * *

SECTION 55.8 - POSTPONEMENT OF SERVICE INCREMENTS

Service increments that eligible bargaining unit employees were scheduled to receive in Fiscal Year 2011 pursuant to the 7/1/08 - 6/30/11 Collective Bargaining Agreement but which the County Council elected not to fund for FY 2011 shall be granted during the pay period beginning April 6, 2014. Similarly, the FY 2012 service increments that eligible bargaining unit employees would have otherwise received in Fiscal Year 2012 in accordance with this Article 55 shall be granted to eligible bargaining unit employees during the pay period beginning June 14, 2015. The FY 2013 increment that eligible bargaining unit employees would have received in Fiscal Year 2013 but which the County Council elected to not fund for that year, and which has been postponed in subsequent collective bargaining agreements, shall [continue to be postponed through FY 2022] be fully funded and implemented the pay period beginning July 2, 2023. However, no bargaining unit employee shall lose service credit for purposes of progression within the uniform pay plan.

Effective July 1, 2020, eligible bargaining unit employees shall receive an annual service increment on their anniversary date as described in this Article.²⁹

FOOTNOTE 29: Per actions on April 30, 2020, May 5, 2020, and May 13, 2020, the County Council did not approve funding for this provision. *See* Appendix IX.

* * *

[SECTION 57.7 - MAINTENANCE OF ECC CERTIFICATION

Bargaining unit employees certified to work in ECC and assigned to a station within the Division of Operations (those ECC-certified unit members who are not assigned as full-time or part-time ECC personnel) must work twenty-four (24) hours at ECC each month in order to maintain ECC certification. This may be one twenty-four (24) hour shift or two (2) twelve (12) hour shifts, as determined by the Employer.]

The remaining sections of Article 57 shall be renumbered appropriately.

* * *

SECTION 57.9 - PARAMEDICS ASSIGNED TO ECC

Paramedics assigned to the ECC will be detailed [once a month to a medic unit] as necessary to complete any requirements established by the Medical Director. [in order to maintain their skills and certifications.]

NOTE: Pursuant to Tentative Agreement eliminating Section 57.7, this sub-section will be renumbered.

* * *

SECTION 61.2 - MEDICAL INQUIRIES & SYSTEM PERFORMANCE INQUIRES INVOLVING BARGAINING UNIT MEMBERS

A. Any bargaining unit employee who is the subject [asked to provide a written statement related to] an [EMS complaint or QA] inquiry involving any of the following: (a) prohibited conduct as defined by COMAR 30.02.04; (b) a potential danger to the public; or (c) circumstances that caused significant worsening of patient's condition or death [that requires the completion of an EMS Incident Referral Control Sheet] shall be notified of the following: (1) the related dates and [event]-incident number(s) if applicable [of the incident in question;] and (2) the [general] nature of the complaint [and any specific concerns to be addressed in the statement]. Any EMS clinician whose MCFRS credentials are modified by the

MCFRS Medical Director shall be notified before that change is made public.

* * *

Side Letter – Development of Pilot Program for Hours of Work for Personnel Assigned to Fire & Explosive Investigations (FEI)

[ON MCFRS LETTERHEAD]

[DATE]

Jeffrey Buddle, President
Montgomery County Career Firefighter Association, IAFF Local 1664 932 Hungerford
Dr., Suite 33-A
Rockville, Maryland 20850

Dear President Buddle,

As part of the negotiations between Montgomery County Government (the Employer) and the Montgomery County Career Firefighters Association IAFF Local 1664 (the Union) over a successor collective bargaining agreement, the parties agree to continue the discussion pertaining to a change in the work schedule for personnel assigned to Fire and Explosive Investigations (FEI).

The current work group shall continue to meet with the goal of developing a pilot program that satisfies both parties' needs for effectiveness and efficiency, to include increasing capacity during conventional daywork hours. Pilot program development shall continue until September 1, 2022. During the pilot development period, the current 2/2/4 schedule shall remain in place.

On or about July 1, 2022, the parties will notify the next arbitrator on their Section 38.5(A) panel of the dispute. If the parties are unable to reach an agreement on the pilot program by September 1, 2022, the matter will be declared at impasse, triggering relevant provisions of Montgomery County Code § 33-153 with the following modifications. The impasse will be resolved by the identified arbitrator in an expedited fashion. The hearing will be conducted as soon as possible after September 1, 2022, and will be informal in nature. There will be no briefs and no official transcripts (except on the arbitrator's request), and the arbitrator will issue a decision as soon as possible, but not later than October 1, 2022, unless otherwise agreed between the Parties. Any resulting pilot program will commence on January 1, 2023 and last at least one calendar year.

Sixty (60) days prior to the end of the pilot period, the Employer, Union, and bargaining unit personnel shall meet to review the pilot and create a summary document with recommendations. Not less than thirty (30) days prior to the end of the pilot period, both sides shall present their findings to the Fire Chief and Union

President. If both of the parties agree the pilot was successful in meeting the goals stated above, the parties will consider the implementation of such a schedule to commence upon mutual agreement of the parties, but not later than January 1, 2024. Should the parties not agree, the pilot program will cease, and the schedule in effect on December 31, 2022 would resume.

Sincerely,

Scott Goldstein
Fire Chief

* * *

Side Letter – Location of Bargaining Unit Employee Examinations or Interviews

Jeffrey Buddle, President
Montgomery County Career Fire Fighters Association International Association of
Fire Fighters – Local 1664 932 Hungerford Drive, Suite 33A
Rockville, Maryland 20850

Re: Location of Bargaining Unit Employee Examinations or Interviews

President Buddle,

The Employer agrees, pursuant to Section 30.5 of the Collective Bargaining Agreement, that the Union and Office of Investigative Programs will identify a list of alternate mutually acceptable locations for bargaining unit employee examinations and interviews.

Sincerely,

Scott Goldstein
Fire Chief
Montgomery County Fire and Rescue Service

* * *

Side Letter – Reassignment of Service Increment Dates

Jeffrey Buddle, President
Montgomery County Career Fire Fighters Association
International Association of Fire Fighters – Local 1664
932 Hungerford Drive, Suite 33A
Rockville, Maryland 20850

Re: Reassignment of Service Increment Dates

President Buddle,

The parties shall work together to jointly identify which employees whose service increment dates were previously reassigned are entitled to have their service increment date reassigned pursuant to the new amendments to Sections 12.8, 55.5, and 55.6. Should any other bargaining unit employee claim they are entitled to a reassigned service increment date, the Parties shall address the claims on a case-by- case basis.

Sincerely,

Scott Goldstein
Fire Chief
Montgomery County Fire and Rescue Service

* * *

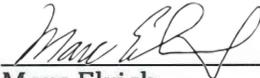
IN WITNESS, WHEREOF, the parties hereto have caused their names to be subscribed hereto by their duly authorized officers and representatives as of the dates indicated below

Montgomery County Career Fire Fighters
Association, IAFF Local 1664, AFL-CIO, CLC

Montgomery County Government
Montgomery County, Maryland



Jeffrey Buddle Date
President



Marc Elrich Date
County Executive

Scott Goldstein Date
Fire Chief



Jennifer Harling, Esq. Date
Chief Labor Relations Officer

Approved for form and legality by:



Edward E. Haenftling, Jr. Date
Associate County Attorney

Summary of Proposed Labor Agreement with MCVFRA Effective FY 2021

No.	Article	Subject	Summary of Change	Requires Appropriation of funds	Present or Future Fiscal Impact	Requires Legislative Change	Requires Regulation Change	Notes
1	2.1	Union Membership	Aligns CBA language with the Supreme Court's decision in JANUS and provides annual reports to the Union re: employees on probationary status	no	no	no	no	
2	2.2	Dues Check Off	Aligns CBA language with the Supreme Court's decision in JANUS- union notifies employer of change in BU membership status	no	no	no	no	
3	2.3	Union Business	Provides administrative leave for two full time union positions. Reduces (from 3 to 2) the number of hours collected from dues paying members for union business use	no	no	no	no	
4	2.9	Access to Fire/Rescue Operations Information	Shares applicable policies, rules, regulations and 3rd party agreements affecting BU worksites	no	no	no	no	
5	6.3	Annual Leave	Change in shift picks to make equitable throughout department	no	no	no	no	
6	6.14 (B)	Casual Leave Procedure	Encourages BU members to access online schedule before contacting scheduler	no	no	no	no	
7	6.14(E) [NEW]	Casual Leave Procedure	Requires County to maintain an online leave calendar for staff	no	no	no	no	
8	6.14 (F)	Casual Leave Procedure	Requires leave system to provide an outbound notification to employee when leave approved	no	no	no	no	
9	9	Administrative Leave for Military Training	Allows employees to use 120 hours of military leave at any time within a calendar year for mandatory training and drills	no	no	no	no	
10	12.8	Reassignment of Service Increment during Suspension	Suspension will no longer result in change to service increment date	no	no	no	no	
11	13.3 [NEW]	Working out of Class	Sets forth eligibility criteria for working out of class pay and lowers threshold to 280 hours in a 6 month period for LTs and MFFs. Obligates County to process payment within 45 days of request	no	yes	no	no	Cost indeterminate
12	14.1	Overtime Policy	Sets forth who qualifies for overtime and when	no	yes	no	no	
13	16	Holidays	Includes Juneteenth holiday if approved by Council and changed Columbus Day to Indigenous People Day	no	no	no	no	
14	19.1	General Wage Adjustment	Provides a 4% GWA in October 2022, a 1% GWA in Jan 2023, resolves unfunded FY 11 step adjustment and FY 17 GWA of 1%	yes	yes	no	no	See Fiscal Impact Statement
15	19.2	Salary Schedule	Adds a longevity step at year 17	yes	yes	no	no	See Fiscal Impact Statement

Summary of Proposed Labor Agreement with MCVFRA Effective FY 2021

No.	Article	Subject	Summary of Change	Requires Appropriation of funds	Present or Future Fiscal Impact	Requires Legislative Change	Requires Regulation Change	Notes
16	19.4	Overpayments/Underpayments to Employees	County must provide Union a copy of notice to employee of overpayment/underpayment. Eliminates reference to retirement contributions to offset debt.	no	no	no	no	
17	20.9	Prescription Drug Plan	Eliminates high option plan	no	no	no	no	
18	20.11	Line of Duty Death Benefit	Increases upfront funds available for funeral expenses. Does not change total amount available.	no	no	no	no	
19	22	Prevailing Rights	Requires County to provide COVID-19 and Boosters at no cost to employees	no	no	no	no	
20	22.Q	Prevailing Rights	Spelling conformity	no	no	no	no	
21	22.2	Notice and Opportunity to Submit Comments	Adds reference to Union 3rd Vice President	no	no	no	no	
22	29.6	Class schedule for Promotions	Removes reference to irrelevant classes	no	no	no	no	
23	30.5	IAD Interviews	Requires the Employer to take reasonable and prudent steps to protect employee identity regarding interview/examination	no	no	no	no	
24	35.9	Mold Remediation	Requires mold inspection with annual safety inspection and a copy of the report to go to Joint Health and Safety Committee	no	no	no	o	
25	41	Printing of Contract	Reduces number of printed copies from 300 to 1 per worksite and requires CBA to be published online 15 days prior to July 1.	no	no	no	no	
26	50.1	two year agreement	Two year agreement (2022-2024) with 2023 reopener on wages, pension, and other post-employment benefits by Sept 1st	no	no	no	no	
27	51	Pensions	Requires County to submit legislation that will credit up to 24 months prior military service	yes	yes	yes	no	See Fiscal Impact Statement
28	53.2	Notice of Resignation	Sets forth process for providing/receiving an oral resignation	no	no	no	no	
29	55.5	Increment date	Limits reassignment of service increment date to 28 consecutive days in LWOP status	no	no	no	no	
30	55.6	Delay of Service increment	After being delayed for unsatisfactory performance or LWOP, County must grant next service increment date if performance/LWOP resolved.	no	no	no	no	
31	55.8	Postponement of Service Increments	Resolves/funds FY13 increment previously postponed	yes	yes	no	no	FY24 impact
32	55.9	Postponement of Service Increments	Resolves previously postponed increments here performance/LWOP no longer a problem	no	yes	no	no	Cost indeterminate

Summary of Proposed Labor Agreement with MCVFRA Effective FY 2021

No.	Article	Subject	Summary of Change	Requires Appropriation of funds	Present or Future Fiscal Impact	Requires Legislative Change	Requires Regulation Change	Notes
33	57.7 [REMOVED]	Maintenance of ECC certification	REMOVED -certification no longer applicable	no	no	no	no	
34	57.9	Paramedics Assigned to ECC	Removes monthly detailing requirement for paramedics unless established by medical director	no	no	no	no	
35	61.2	Medical Inquiries	Requires notice to employees of inquiries and before a change in credentials	no	no	no	no	
36	Side Letter	FEI	Pilot Program that evaluates schedule change for FEI	no	no	no	no	
37	Side Letter	Location of IAD Investigations	Parties will identify mutually acceptable locations for conducting investigations	no	no	no	no	
38	Side Letter	Reassignment of Service Increment Dates	Parties will work to identify employees whose increment dates should be reassigned going forward per 55.6	no	yes	no	no	Cost indeterminate

**MONTGOMERY COUNTY GOVERNMENT
FIRE/RESCUE BARGAINING UNIT SALARY SCHEDULE
FISCAL YEAR 2023
EFFECTIVE JULY 3, 2022
17-YEAR LONGEVITY: EFFECTIVE JULY 3, 2022**

GRADE	F1 FIRE FIGHTER RESCUER I	F2 FIRE FIGHTER RESCUER II	F3 FIRE FIGHTER RESCUER III	F4 MASTER FIRE FIGHTER RESCUER	B1 FIRE/RESCUE LIEUTENANT	B2 FIRE/RESCUE CAPTAIN
A	\$49,677	\$52,163	\$54,770	\$60,247	\$66,277	\$74,736
B	\$51,416	\$53,987	\$56,688	\$62,356	\$68,597	\$77,353
C	\$53,216	\$55,878	\$58,672	\$64,540	\$70,999	\$80,060
D	\$55,080	\$57,834	\$60,727	\$66,799	\$73,485	\$82,864
E	\$57,007	\$59,860	\$62,852	\$69,137	\$76,057	\$85,764
F	\$59,003	\$61,955	\$65,052	\$71,558	\$78,718	\$88,767
G	\$61,069	\$64,122	\$67,329	\$74,063	\$81,475	\$91,874
H	\$63,207	\$66,368	\$69,688	\$76,655	\$84,327	\$95,089
I	\$65,420	\$68,692	\$72,128	\$79,339	\$87,278	\$98,417
J	\$67,711	\$71,096	\$74,651	\$82,114	\$90,334	\$101,863
K	\$70,080	\$73,586	\$77,265	\$84,990	\$93,497	\$105,430
L	\$72,533	\$76,161	\$79,969	\$87,965	\$96,771	\$109,119
M	\$75,072	\$78,826	\$82,769	\$91,042	\$100,159	\$112,940
N	\$77,700	\$81,586	\$85,667	\$94,230	\$103,665	\$116,893
O	\$80,420	\$84,444	\$88,666	\$97,529	\$107,293	\$120,985
17 YEAR LONGEVITY (3.5%)	\$83,235	\$87,399	\$91,770	\$100,943	\$111,048	\$125,219
20 YEAR LONGEVITY (3.5%)	\$86,148	\$90,458	\$94,982	\$104,476	\$114,935	\$129,602
24 YEAR LONGEVITY (3.5%)	\$89,163	\$93,624	\$98,306	\$108,132	\$118,957	\$134,138

FY23 Notes:
1) No retroactive pay for newly added 17-year longevity

**MONTGOMERY COUNTY GOVERNMENT
FIRE/RESCUE BARGAINING UNIT SALARY SCHEDULE
FISCAL YEAR 2023
EFFECTIVE OCTOBER 9, 2022
GWA: 4.0% INCREASE**

GRADE	F1 FIRE FIGHTER RESCUER I	F2 FIRE FIGHTER RESCUER II	F3 FIRE FIGHTER RESCUER III	F4 MASTER FIRE FIGHTER RESCUER	B1 FIRE/RESCUE LIEUTENANT	B2 FIRE/RESCUE CAPTAIN
A	\$51,664	\$54,250	\$56,961	\$62,657	\$68,928	\$77,725
B	\$53,473	\$56,146	\$58,956	\$64,850	\$71,341	\$80,447
C	\$55,345	\$58,113	\$61,019	\$67,122	\$73,839	\$83,262
D	\$57,283	\$60,147	\$63,156	\$69,471	\$76,424	\$86,179
E	\$59,287	\$62,254	\$65,366	\$71,902	\$79,099	\$89,195
F	\$61,363	\$64,433	\$67,654	\$74,420	\$81,867	\$92,318
G	\$63,512	\$66,687	\$70,022	\$77,026	\$84,734	\$95,549
H	\$65,735	\$69,023	\$72,476	\$79,721	\$87,700	\$98,893
I	\$68,037	\$71,440	\$75,013	\$82,513	\$90,769	\$102,354
J	\$70,419	\$73,940	\$77,637	\$85,399	\$93,947	\$105,938
K	\$72,883	\$76,529	\$80,356	\$88,390	\$97,237	\$109,647
L	\$75,434	\$79,207	\$83,168	\$91,484	\$100,642	\$113,484
M	\$78,075	\$81,979	\$86,080	\$94,684	\$104,165	\$117,458
N	\$80,808	\$84,849	\$89,094	\$97,999	\$107,812	\$121,569
O	\$83,637	\$87,822	\$92,213	\$101,430	\$111,585	\$125,824
17 YEAR LONGEVITY (3.5%)	\$86,564	\$90,895	\$95,441	\$104,981	\$115,490	\$130,228
20 YEAR LONGEVITY (3.5%)	\$89,594	\$94,076	\$98,781	\$108,655	\$119,532	\$134,786
24 YEAR LONGEVITY (3.5%)	\$92,730	\$97,369	\$102,238	\$112,457	\$123,715	\$139,504

**MONTGOMERY COUNTY GOVERNMENT
FIRE/RESCUE BARGAINING UNIT SALARY SCHEDULE
FISCAL YEAR 2023
EFFECTIVE JANUARY 1, 2023
GWA: 1.0% INCREASE**

GRADE	F1 FIRE FIGHTER RESCUER I	F2 FIRE FIGHTER RESCUER II	F3 FIRE FIGHTER RESCUER III	F4 MASTER FIRE FIGHTER RESCUER	B1 FIRE/RESCUE LIEUTENANT	B2 FIRE/RESCUE CAPTAIN
A	\$52,181	\$54,792	\$57,530	\$63,283	\$69,617	\$78,503
B	\$54,007	\$56,708	\$59,545	\$65,499	\$72,054	\$81,252
C	\$55,898	\$58,694	\$61,629	\$67,793	\$74,577	\$84,095
D	\$57,856	\$60,749	\$63,788	\$70,166	\$77,189	\$87,040
E	\$59,880	\$62,877	\$66,020	\$72,622	\$79,890	\$90,087
F	\$61,977	\$65,078	\$68,331	\$75,165	\$82,685	\$93,241
G	\$64,147	\$67,354	\$70,722	\$77,796	\$85,581	\$96,504
H	\$66,393	\$69,713	\$73,200	\$80,518	\$88,577	\$99,881
I	\$68,717	\$72,154	\$75,763	\$83,338	\$91,677	\$103,377
J	\$71,124	\$74,679	\$78,413	\$86,253	\$94,887	\$106,997
K	\$73,612	\$77,295	\$81,159	\$89,273	\$98,209	\$110,744
L	\$76,189	\$80,000	\$83,999	\$92,398	\$101,648	\$114,619
M	\$78,856	\$82,799	\$86,941	\$95,631	\$105,207	\$118,632
N	\$81,616	\$85,698	\$89,985	\$99,079	\$108,890	\$122,784
O	\$84,473	\$88,700	\$93,135	\$102,444	\$112,701	\$127,083
17 YEAR LONGEVITY (3.5%)	\$87,430	\$91,804	\$96,395	\$106,031	\$116,645	\$131,530
20 YEAR LONGEVITY (3.5%)	\$90,490	\$95,017	\$99,769	\$109,742	\$120,728	\$136,134
24 YEAR LONGEVITY (3.5%)	\$93,657	\$98,343	\$103,261	\$113,582	\$124,952	\$140,899

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

EXPEDITED FIRE AND RESCUE SERVICES – CREDIT SERVICE FOR GROUP BILL 7-22: G MEMBERS

SUMMARY

Although the Office of Legislative Oversight (OLO) anticipates that Expedited Bill 7-22 will primarily benefit White Montgomery County Fire and Rescue Services (MCFRS) employees, OLO anticipates this bill will have little to no impact on racial equity and social justice (RESJ) in the County since its benefits accrue to a limited number of personnel.

PURPOSE OF RESJ IMPACT STATEMENT

The purpose of racial equity and social justice (RESJ) impact statements is to evaluate the anticipated impact of legislation on racial equity and social justice in the County. Racial equity and social justice refer to a **process** that focuses on centering the needs of communities of color and low-income communities with a **goal** of eliminating racial and social inequities.¹ Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social harms that have caused racial and social inequities.²

PURPOSE OF EXPEDITED BILL 7-22

The purpose of Expedited Bill 7-22 is to permit County employees enrolled in Group G of the Employees' Retirement System to receive credited years of service with Montgomery County based on prior years of military service in the uniformed services of the United States.³ Bill 7-22 would provide up to 24 months of service credit for Group G members at no cost to the employee for prior United States military service based upon the years of County service. Bill 7-22 was introduced on April 19, 2022.

The Employees' Retirement System (ERS) is one of five retirement plans offered to County employees.⁴ The ERS is a defined benefit plan, which provides a fixed, pre-established benefit for employees at retirement.⁵ Within the County ERS, Group G employees include paid firefighter, paid fire officer, and paid rescue service personnel.⁶ For Group G employees, credited years of service is one of several factors considered in determining the amount of an employee's pension benefit. Credited years of service is also a factor in determining when an employee can retire.

If enacted, the Bill would provide an added benefit to County fire personnel for prior United States military service. Additional credited years of service would potentially benefit eligible employees through increasing the amount of their pension benefits and allowing them to retire sooner.

FIRE PERSONNEL, MILITARY SERVICE, AND RACIAL EQUITY

Careers in public safety have often been placed out of reach for many people of color due to inequitable policies and practices. While the civil service has been a great pathway into the middle class for many people of color, generally the higher-paying or more prestigious a job, the less access people of color have to those positions.⁷ In turn, people of color

April 29, 2022

RESJ Impact Statement

Expedited Bill 7-22

have not been able to land a proportionate share of the higher-paying, higher profile public safety jobs as police officers and firefighters.⁸

Historically, societal beliefs in White supremacy have contributed to the belief that White men were best suited for policing and firefighting because they best demonstrated the traits of manliness, bravery, and nobility.⁹ These beliefs extend to perceptions of the prototypical firefighter despite a rich history of Black firefighting heroes that goes back to the early 19th century.¹⁰ Beliefs in White supremacy also led to segregated fire stations in the early 20th century. Researchers note that post segregation, racial discrimination was reinforced through nepotism and cronyism where for applicants who did not have a family legacy of firefighting, (e.g., applicants of color) training and testing became an impermeable barrier for entering the profession while White male recruits often received special mentoring and reduced scrutiny in hiring.¹¹ Similar exclusions characterized entry into law enforcement professions by gender as well.

Inequitable policies and practices that exclude people of color from public safety professions result in their underrepresentation among police and fire service personnel and the over-representation of White people in these positions. In terms of fire personnel, a review of national data demonstrates these disparities were among civilians age 16 years or older:^{12, 13}

- 77 percent were White compared to 84.3 percent of firefighters.
- 18 percent were Latinx compared to 11 percent of firefighters.
- 13 percent were Black compared to 8.9 percent of firefighters.
- 6 percent were Asian compared to 2.6 percent of firefighters.

A review of available local data also demonstrates that people of color are under-represented in firefighting professionals in Montgomery County. More specifically, among residents age 16 or older:¹⁴

- 45 percent were White compared to 76 percent of fire department personnel.
- 18 percent were Latinx compared to 7 percent of fire department personnel.
- 18 percent were Black compared to 10 percent of fire department personnel.
- 16 percent were Asian compared to 2 percent of fire department personnel.

Inequitable policies and practices that disproportionately harm service members of color have also contributed to the over-representation of White people in military service. Black, Indigenous, and other people of color have served in the military since the colonial period, playing a significant role in every major American conflict.¹⁵ Despite their contributions, service members of color have faced racism and discrimination throughout the history of the armed forces.¹⁶ Today, 74 years after the official desegregation of the military, deep-rooted racism persists, with service members of color experiencing harassment, lack of advancement into leadership positions, and unequal discipline, among other forms of racial discrimination.^{17, 18}

Census data summarized in Table 1 demonstrates that over-representation of White people among military veterans in the County. Whereas White residents account for 43.4 percent of County residents over the age of 18, they account for 69.0 percent of veterans in the County. Conversely, Asian and Latinx residents are under-represented as veterans, respectively accounting for 15.9 and 18.6 percent of residents, compared to 5.5 and 7.7 percent of veterans.

RESJ Impact Statement

Expedited Bill 7-22

Table 1: Percent of Residents Over 18 and Percent of Veterans by Race and Ethnicity, Montgomery County, Maryland

Race/Ethnicity	Percent of Montgomery County Residents Over 18	Percent of Montgomery County Veterans
White alone	43.4	69.0
Black or African American alone	17.7	18.3
American Indian and Alaska Native alone	0.1	0.1
Asian alone	15.9	5.5
Native Hawaiian and Other Pacific Islander alone	0.0	0.1
Some other race alone	0.7	2.5
Two or more races	3.4	4.4
Hispanic or Latino (of any race)	18.6	7.7

Source: Decennial Census 2020, American Community Survey 2020, Census Bureau.

ANTICIPATED RESJ IMPACTS

The Montgomery County Office of Management and Budget estimates that approximately 175 employees annually would benefit from Expedited Bill 7-22, if enacted.¹⁹ County personnel data demonstrates that Montgomery County Fire and Rescue Services (MCFRS) employees are disproportionately White. Census data also suggests the population of residents with prior military service in Montgomery County (as estimated through veteran status) is disproportionately White. Thus, OLO anticipates that Expedited Bill 7-22 will primarily benefit White MCFRS employees. However, given the limited number of employees that will be impacted and the estimated size of the fiscal impact, OLO anticipates that Expedited Bill 7-22 will have little to no impact on racial equity and social justice in the County.

RECOMMENDED AMENDMENTS

The County's Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.²⁰ OLO does not offer recommended amendments for Expedited Bill 7-22, as its limited scope would not address racial and social inequities in the County.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging, analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than 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.

RESJ Impact Statement

Expedited Bill 7-22

CONTRIBUTIONS

OLO staffers Janmarie Peña, Performance Management and Data Analyst, and Elaine Bonner-Tompkins, Senior Legislative Analyst, drafted this RESJ impact statement.

¹ Definition of racial equity and social justice adopted from “Applying a Racial Equity Lens into Federal Nutrition Programs” by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools <https://www.raciaequitytools.org/glossary>

² Ibid

³ Montgomery County Council, Expedited Bill 7-22, Fire and Rescue Services – Credit Service for Group G Members, Introduced April 19, 2022, Montgomery County, Maryland.

https://apps.montgomerycountymd.gov/ccllms/DownloadFilePage?FileName=2748_1_20159_Bill_7-2022_Introduction_20220419.pdf

⁴ About Montgomery County Employee Retirement Plans, Montgomery County Employee Retirement Plans, Montgomery County, Maryland. <https://www.montgomerycountymd.gov/mcerp/about.html>

⁵ Defined Benefit Plan, Internal Revenue Service, Accessed April 26, 2022. <https://www.irs.gov/retirement-plans/defined-benefit-plan>

⁶ Summary Description for Sworn Fire Personnel in Retirement Group G, Montgomery County Employee Retirement Plans, August 2021. https://www.montgomerycountymd.gov/mcerp/Resources/Files/GroupG%20Sworn%20Fire-08_2021a.pdf

⁷ Ginger Adams Otis, “Why So Few of New York’s Bravest are Black,” The Atlantic, June 6, 2015

⁸ Ibid

⁹ Clarence Taylor, Black Firefighters and the FDNY, Book review of David Goldberg, Black Firefighters and the FDNY: The Struggle for Jobs, Justice, and Equity in New York City, New York Labor History, 2021

¹⁰ Addington Stewart, “I Was a Firefighter for 35 Years. Racism Today is as Bad as Ever” The New York Times, September 12, 2018

¹¹ Ibid

¹² For data on residents age 16 and older see Labor force characteristic by race and ethnicity, 2020, BLS Reports, Bureau of Labor Statistics <https://www.bls.gov/opub/reports/race-and-ethnicity/2020/home.htm>

¹³ Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity, Bureau of Labor Statistics, 2020

<https://www.bls.gov/cps/cpsaat11.pdf>

¹⁴ MCFRS data from Susan Farag, Memorandum to Public Safety Committee, Discussion: Police and Fire Departments – Recruitment and Diversity Initiatives, June 16, 2017.

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=169&event_id=5928&meta_id=140025

¹⁵ Schuyler C. Webb and William J. Herrmann, “Historical Overview of Racism in the Military,” Defense Equal Opportunity Management Institute, February 2002. <https://apps.dtic.mil/sti/pdfs/ADA488652.pdf>

¹⁶ Ibid

¹⁷ Kat Stafford, James LaPorta, Aaron Morrison, and Helen Wieffering, “Deep-rooted Racism, Discrimination Permeate US Military,” Associated Press, May 27, 2021. <https://apnews.com/article/us-military-racism-discrimination-4e840e0acc7ef07fd635a312d9375413>

¹⁸ Daniel Lam, “They Faced Racial Bias in Military Discipline. That Can Impact National Security,” NPR, September 14, 2021. <https://www.npr.org/2021/08/22/1028765938/racial-bias-military-discipline-national-security-combat-readiness>

¹⁹ Fiscal Impact Statement, Expedited Bill 7-22, Fire and Rescue Services – Credit Service for Group G Members, Office of Management and Budget, Montgomery County, Maryland, March, 31, 2022.

https://apps.montgomerycountymd.gov/ccllms/DownloadFilePage?FileName=2748_1_20159_Bill_7-2022_Introduction_20220419.pdf

²⁰ Montgomery County Council, Bill 27-19, Administration – Human Rights - Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee - Established

Economic Impact Statement

Office of Legislative Oversight

Expedited Bill 7-22

Fire and Rescue Services – Credit Service for Group G Members

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that enacting Expedited Bill 7-22 would have a net negative impact on economic conditions in the County in terms of several of the Council’s priority indicators. By increasing pension payments to retired Fire and Rescue Services (FRS) personnel, the change in law likely would increase household income for certain residents. However, because most FRS personnel reside outside the County, enacting the Bill likely would result in a net capital outflow in the form of government revenue flowing out of the County to non-resident households. OLO concludes that the economic opportunity cost from the capital outflow would be greater than the economic benefits of the increase in household income from the pension increase for the minority of retired FRS personnel who would reside in the County.

BACKGROUND

Bill Description

Expedited Bill 7-22 would amend retirement benefits for certain retired Fire and Rescue Services (FRS) personnel with the County.¹ It would do so by permitting “County employees enrolled in Group G of the Employees’ Retirement System to receive credited years of service with the County based upon prior years of military service.”² If enacted, the change in law would take effect on the date when it becomes law.³

Primary Economic Stakeholders

The economic impacts from enacting Expedited Bill 7-22 would occur through increasing pension payments to certain retired County employees. The primary economic stakeholders of the change in law would be **FRS employees who receive increased pension payments after retiring from County employment**. In its Fiscal Impact Statement, the Office of Management and Budget (OMB) estimates that in FY23, the change in law “would affect 15 percent of the 1,166 current active Group G members as of July 1, 2021,” or approximately 175 employees.⁴ OMB concludes that the change to the

¹ Legislative Request Report, Expedited Bill 7-22; and Wellons to County Council, Memorandum, April 14, 2022.

² Expedited Bill 7-22.

³ Ibid.

⁴ Legislative Request Report, Fiscal Impact Statement.

Economic Impact Statement

Office of Legislative Oversight

pension would increase County expenditures by \$337,073 in FY23. Thus, the change in law would increase pension payments to each retiree by approximately \$1,926 per year.

INFORMATION SOURCES, METHODOLOGIES, AND ASSUMPTIONS

Per Section 2-81B of the Montgomery County Code, the purpose of this Economic Impact Statement is to assess Expedited Bill 7-22's impacts on County-based private organizations and residents in terms of the Council's priority economic indicators.⁵ Enacting the Bill would involve a transfer from the County to certain households. The County would use tax revenue to increase pension payments to qualifying individuals. The internal transfer would not, however, entail a net increase in the amount of economic activity in the County. Indeed, as shown below, OLO anticipates that enacting Bill 7-22 would result in a net capital outflow in the form government revenue flowing out of the County to non-resident households due to the high rate of FRS employees who reside outside the County. The total economic impact would depend on:

- (a) The per year economic benefits to County residents and businesses from increased pension payments to eligible individuals; and
- (b) The per year economic opportunity cost of the foregone County revenues—that is, taxpayer dollars flowing out of the County ("capital outflow").

Because OLO does not know how the foregone County revenues would otherwise be used in the absence of enacting Bill 7-22, OLO limits the scope of the analysis to the economic impacts of increased pension payments vis-à-vis the estimated net outflow in terms of the Council's priority indicators. That is, this analysis does not account for the economic impacts of alternative government spending with the foregone revenue. In this Economic Impact Statement, OLO estimates the net capital outflow using the following information sources:

- OMB's Fiscal Impact Statement for Expedited Bill 7-22; and
- Data on the residence of County employees that the Office of Human Resources (OHR) provided to OLO,

VARIABLES

The primary variables that would affect the economic impacts of enacting Expedited Bill 7-22 are the following:

- Total annual retirement payments for qualifying individuals; and
- Place of residence of qualifying individuals.

⁵ Montgomery County Code, Sec. 2-81B.

Economic Impact Statement

Office of Legislative Oversight

IMPACTS

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Residents

OLO anticipates that enacting Expedited Bill 7-22 would have mixed, yet overall negative, impacts on County residents. Holding all else equal, recipients of the increase in pension payments would experience a net increase in household income. Importantly, the benefit to County residents (as well as businesses) from increased household income largely is contingent on qualifying individuals *residing within the County after retirement*. Data from OHR on the residence of active County employees suggest that most affected households would reside outside the County. Given the strong relationship between proximity to home and transaction location,⁶ the economic impacts of the increase in household income to non-residents are assumed here to have no effect on economic conditions in the County.

As shown in **Table 1**, among all active County personnel, 55% reside in the County and 45% reside in other jurisdictions. However, only 19% (242) of active FRS personnel reside in the County, compared to 81% (1,004) who reside in other jurisdictions. **Tables 2** and **3** indicate the geographic scope where active FRS personnel reside. Assuming the rate of County residence among active FRS personnel is approximate to the year-to-year rate of retired FRS employees,⁷ a minority of recipients of the pension increase would reside within the County. Thus, OLO anticipates that enacting the Bill would result in a net capital outflow in the form of government revenue flowing out of the County to non-resident households.

Table 1. Place of Residence for Active FRS and Other MCG Personnel

	Montgomery, MD	Other Jurisdictions
Uniformed FRS	242 19.4%	1,004 80.6%
Other MCG Employees	4,964 59.9%	3,320 40.1%
All MCG Employees	5,206 54.6%	4,324 45.4%

Data Source: OHR

⁶ Agarwal, et al, "Consumer Mobility and the Local Structure of Consumption Industries."

⁷ This assumption should be seen conservative given the tendency of retirees to move out of the jurisdiction where their former employers are based.

Economic Impact Statement

Office of Legislative Oversight

Table 2. Top Ten Places of Residence for Active FRS Personnel

Jurisdiction	Count	Percent
Montgomery, MD	242	19.4%
Frederick, MD	208	16.7%
Carroll, MD	106	8.5%
Anne Arundel, MD	69	5.5%
Prince Georges, MD	54	4.3%
Washington, MD	54	4.3%
Adams, PA	48	3.9%
Baltimore, MD	39	3.1%
York, PA	38	3.0%
Baltimore City, MD	34	2.7%

Data Source: OHR

Table 3. States of Residence for Active FRS Personnel

State	Count	Percent
Maryland	941	75.5%
Pennsylvania	175	14.0%
West Virginia	57	4.6%
Virginia	46	3.7%
Washington, D.C.	9	0.7%
Delaware	7	0.6%
South Carolina	5	0.4%
New Jersey	4	0.3%
Florida	2	0.2%

Data Source: OHR

Table 4 presents the estimates of the annual net capital outflow. In its Fiscal Impact Statement for Expedited Bill 7-22, the Office of Management and Budget (OMB) concludes that the pension increase would increase County expenditures by \$337,073 in FY23. Using this figure and the current rate of County residence among active FRS personnel cited above, OLO estimates that there would be a total annual pension increase of \$65,392 to County residents and \$271,681 for non-residents, resulting in an annual net capital outflow of \$206,289.

Even when accounting for the multiplier effect⁸ of increasing pension payments to County residents, the change in law would result in a net capital outflow. The multiplier effect captures how changes in economic activity affect other rounds

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of spending, and how additional spending impacts certain economic indicators. To illustrate, an increase in household income may in turn increase demand for local restaurants, resulting in restaurant owners hiring more workers. Using the Regional Input-Output Modeling System (RIMS II) “final-demand multipliers” for Montgomery County developed by the U.S. Bureau of Economic Analysis,⁹ OLO estimates that the \$65,392 increase in total annual pension payments to residents would increase household spending, resulting in an additional \$32,317 in value-added, i.e., the total value of income generated from production (equivalent to gross domestic product). However, as shown in **Table 4**, the combined economic impact of the pension increase and value-added does not make up the total difference of the capital outflow.

Table 4. Estimated Net Capital Outflow

	County Residents	Non-Residents	Difference
Annual Pension Increase	\$65,392	\$271,681	(\$206,289)
Value-Added	\$32,317	.	.
Combined	\$97,709	\$271,681	(\$173,972)

Beyond the potential impacts described above, OLO does not expect the Bill to affect residents in terms of the Council’s other priority indicators.

Businesses, Non-Profits, Other Private Organizations

OLO anticipates that enacting Expedited Bill 7-22 would have mixed, yet overall negative, impacts on private organizations in the County. Higher pension payments to residents likely would increase household spending on goods and services, benefiting certain County-based businesses. However, as indicated in **Table 4**, the value-added generated from greater household spending would not make up the total difference of the net capital outflow. OLO expects this loss of economic activity to result in foregone business income and employment. However, the magnitude of these costs would not be significant enough to negatively affect competitiveness, economic development, or other Council indicators.

DISCUSSION ITEMS

Not applicable

⁹ U.S. Bureau of Economic Analysis, RIMS II.

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WORKS CITED

Montgomery County Code. [Sec. 2-81B, Economic Impact Statements](#).

Montgomery County Council. [Expedited Bill 7-22, Fire and Rescue Services – Credit Service for Group G Members](#).
Introduced on April 19, 2022.

Agarwal, Sumit J. Bradford Jenson, and Ferdinando Monte. "[Consumer Mobility and the Local Structure of Consumption Industries](#)." National Bureau of Economic Research. January 2020.

U.S. Bureau of Economic Analysis. [RIMS II: An Essential Tool for Regional Developers and Planners](#). December 2013.

CAVEATS

Two caveats to the economic analysis performed here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. 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.

CONTRIBUTIONS

Stephen Roblin (OLO) prepared this report.