

Climate Assessment

Office of Legislative Oversight

Bill 9-24: Group G Pension – Social Security Integration

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 9-24 will have no impact on the County’s contribution to addressing climate change as it is proposing changes to retirement plans for certain County employees.

BACKGROUND AND PURPOSE OF BILL 9-24

The Employees’ Retirement System (ERS) is one of five retirement plans offered to County employees.¹ The ERS is a defined benefit plan, which provides a fixed, pre-established benefit for employees at retirement.² Within the ERS, Group G employees include paid firefighters, fire officer, and rescue service personnel.³

The purpose of Bill 9-24 is to increase pension benefits for Group G employees. The Bill would implement provisions of the collective bargaining agreement between the County Executive and the Montgomery County Career Fire Fighter Association, International Association of Fire Fighters (Local 1664, AFL-CIO).⁴

Currently, after a Group G employee reaches the Social Security retirement age, their pension benefits are reduced. Table 1 shows the current Social Security retirement age, which differs depending on year of birth.⁵ If enacted, Bill 9-24 would instead require pension benefits to be reduced after the employee reaches the maximum Social Security retirement age of 70.

Table 1: Social Security Retirement Age by Birth Year

Birth Year	Social Security Retirement Age
Before 1938	65
During or after 1938 and before 1955	66
During or after 1955	67

Source: Summary Description for Sworn Fire Personnel in Retirement Group G, Montgomery County Employee Retirement Plans.

The proposed changes would increase County expenditures by approximately \$600,000 in FY25 and by \$1.2 million annually after FY25.⁶

The Council introduced Bill 9-24, Group G Pension – Social Security Integration, at the request of the County Executive on April 9, 2024.

ANTICIPATED IMPACTS

As the bill is proposing changes to retirement plans for certain County employees, OLO anticipates Bill 9-24 will have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.⁷ OLO does not offer recommendations or amendments as Bill 9-24 is likely to have no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

CAVEATS

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

PURPOSE OF CLIMATE ASSESSMENTS

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

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

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

¹ [About Montgomery County Employee Retirement Plans](#), Montgomery County Employee Retirement Plans.

² [Defined Benefit Plan](#), Internal Revenue Service, Updated June 15, 2022.

³ [Summary Description for Sworn Fire Personnel in Retirement Group G](#), Montgomery County Employee Retirement Plans, August 2023, pg. 1.

⁴ [Introduction Staff Report for Bill 9-24](#), Montgomery County Council, April 9, 2024.

⁵ Summary Description for Sworn Fire Personnel in Retirement Group G, pgs. 10-11

⁶ Introduction Staff Report for Bill 9-24

⁷ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022