Economic Impact Statement

Montgomery County, Maryland

Expedited Bill 32-25, Employees' Retirement System - Survivor Benefits - Death During Line of Duty (the "HERO Act")

Summary

The Office of Legislative Oversight (OLO) anticipates that Expedited Bill 32-25 would have an insignificant impact on economic conditions in the County, as measured by the Council's priority economic indicators. The Bill would increase death benefits to spouses of Group G members who die during the line of duty. Because it is rare for firefighters to die in the line of duty, any increases in death benefits that result from this Bill would likely be minimal in terms of their economic impacts.

Background and Purpose of Expedited Bill 32-25

Currently, a surviving spouse or child of a Group G member County employee who died in the line of duty is entitled to death benefits. Group G employees include paid firefighters, fire officers, and rescue service personnel.

Surviving family members currently have two options available for death benefits. Expedited Bill 32-25 would establish a third option that would offer "[t]he benefits the spouse would have received if the member had terminated employment on the day before the date of death with exactly twenty years of credited service and had elected a 100% joint and survivor pension option." The Bill would also:^{3,4}

- Establish that any of the options selected would be payable upon the date of death of the Group G member; and
- Require benefit payments to begin on the first of the month following the date of death.

The Council introduced Expedited Bill 32-25 on October 21, 2025. The Council introduced Expedited Bill 32-25 on October 21, 2025.⁵

Information Sources, Methodologies, and Assumptions

As required by 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Bill 32-25 on residents and private organizations, using the Council's priority economic indicators as the measure. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.⁶

¹ Introduction Staff Report for Expedited Bill 32-25, Montgomery County Council, Introduced October 21, 2025.

² "Summary Description for Sworn Fire Personnel in Retirement Group G," Montgomery County Employee Retirement Plans, August 2023.

³ Introduction Staff Report for Expedited Bill 32-25.

⁴ "Councilmembers Evan Glass and Sidney Katz Introduce the HERO Act," Press Release, Montgomery County Council, October 21, 2025.

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⁶ Montgomery County Code, "Sec. 2-81B, Economic Impact Statements."

The Bill would increase death benefits to spouses of Group G members who die during the line of duty. Because it is rare for firefighters to die in the line of duty,⁷ any increases in death benefits that result from this Bill would likely be minimal in terms of their economic impacts. Therefore, OLO concludes that the Bill would have an insignificant impact on the Council's priority economic indicators.

Variables

Not applicable

Impacts

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

Residents

Not applicable

Businesses, Non-Profits, Other Private Organizations

Not applicable

Net Impact

Not applicable

Discussion Items

Not applicable

Caveats

Two caveats to the economic impact analysis conducted 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 <u>not</u> represent OLO's endorsement of, or objection to, the Bill under consideration.

Contributions

Stephen Roblin, PhD (OLO) prepared this report.

⁷ According to the Maryland Fire-Rescue Service Memorial, seven firefighters in Montgomery County have died in the line of duty over the last 25 years. Refer to Montgomery County, Maryland Fire-Rescue Service Memorial.