

# Racial Equity and Social Justice (RESJ) Impact Statement

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 a negative impact on racial equity and social justice (RESJ) in the County as it disproportionately benefits White employees and retirees of the Montgomery County Fire and Rescue Service at the expense of reducing \$1.2 million annually in operating budget revenue for other County programs that serve all residents. OLO offers one policy option for Council consideration.

### PURPOSE OF RESJ IMPACT STATEMENTS

The purpose of RESJ impact statements (RESJIS) 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, leadership, and power of communities of color and low-income communities with a **goal** of eliminating racial and social inequities.<sup>1</sup> Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social inequities that have caused racial and social disparities.<sup>2</sup>

### PURPOSE OF BILL 9-24

The Employees' Retirement System (ERS) is one of five retirement plans offered to County employees.<sup>3</sup> The ERS is a defined benefit plan, which provides a fixed, pre-established benefit for employees at retirement.<sup>4</sup> Within the ERS, Group G employees include paid firefighters, fire officers, and rescue service personnel.<sup>5</sup>

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).<sup>6</sup>

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.<sup>7</sup> 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.<sup>8</sup>

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

# RESJ Impact Statement

## Bill 9-24

Previously, OLO published RESJISs for:

- Expedited Bill 21-23, Fire and Rescue Services – Credited Service for Group G Members;<sup>9</sup> and
- Expedited Bill 41-23, Fire and Rescue Services – Length of Service Awards Program for Volunteers – Amendments.<sup>10</sup>

This RESJIS builds on the RESJISs for Bills 21-23 and 41-23.

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## FIRE PERSONNEL AND RACIAL EQUITY

While civil service positions can offer a pathway to economic stability and mobility, inequitable policies and practices have put careers in public safety particularly out of reach for many Black, Indigenous, and Other People of Color (BIPOC).<sup>11</sup>

Historically, societal beliefs in White supremacy contributed to the concept that White men were most suited for firefighting because they best demonstrated the traits of manliness, bravery, and nobility.<sup>12</sup> These beliefs extended to perceptions of the prototypical firefighter, despite a rich history of Black firefighting heroes going back to the early 19th century.<sup>13,14</sup> Post-segregation, racial discrimination in firefighting was reinforced through nepotism and cronyism, and through training and testing requirements that hindered BIPOC applicants. Meanwhile, White male recruits often received special mentoring and reduced scrutiny in hiring.<sup>15</sup> Similar exclusions also prevented women from entering firefighting professions.<sup>16</sup> A Washington Post article from 1987 highlights how the underrepresentation of BIPOC and women in fire services has been a persistent problem in the County.<sup>17</sup>

Policies and practices rooted in historical racial inequities have resulted in the underrepresentation of BIPOC and overrepresentation of White people among public safety professionals today. National data demonstrates that among people employed as firefighters in the U.S.:<sup>18</sup>

- 1 percent were Asian, compared to 7 percent of people who are employed.
- 8 percent were Black, compared to 13 percent of people who are employed.
- 88 percent were White, compared to 77 percent of people who are employed.
- 17 percent were Latinx, compared to 19 percent of people who are employed.

Local data also demonstrates racial disproportionalities among Montgomery County Fire and Rescue Service (MCFRS) personnel. Specifically, among uniformed MCFRS personnel:<sup>19,20</sup>

- 2 percent were Asian, compared to 15 percent of County constituents.
- 10 percent were Black, compared to 18 percent of County constituents.
- 75 percent were White, compared to 41 percent of County constituents.
- 7 percent were Latinx, compared to 20 percent of County constituents.

# RESJ Impact Statement

## Bill 9-24

### ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of Bill 9-24 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who are the primary beneficiaries of this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

**For the first question**, OLO considered the demographics of uniformed MCFRS personnel, since they would benefit from the increased pension proposed in Bill 9-24. As previously described, local data suggests White people are overrepresented among uniformed MCFRS personnel, while BIPOC are underrepresented.

**For the second question**, OLO considered how the Bill could affect representation in firefighting, given the pervasive underrepresentation of BIPOC in the profession. An increased pension could generally attract more people to firefighting roles in the County. However, absent changes to recruitment strategies, hiring and promotion practices, and organizational culture, it is unlikely this incentive alone would attract or retain sufficient BIPOC to reduce existing disproportionalities.

OLO anticipates Bill 9-24 will have a negative impact on RESJ in the County. Bill 9-24 would reallocate up to \$1.2 million annually from programs and services that benefit all residents to MCFRS employees who are disproportionately White.

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### RECOMMENDED AMENDMENTS

The 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.<sup>21</sup> OLO anticipates Bill 9-24 will have a negative impact on RESJ in the County. Should the Council seek to improve the RESJ impact of this Bill, the following policy option can be considered:

- **Review findings and recommendations from comprehensive equity assessment with MCFRS staff and BIPOC community stakeholders.** In September 2022, the National Academy of Public Administration (NAPA) published a comprehensive equity assessment for MCFRS. NAPA was tasked with evaluating the following areas in MCFRS through the lens of Diversity, Equity, and Inclusion (DEI):<sup>22</sup>
  - Internal practices (recruiting, hiring, training, promotions, evaluations);
  - Member perceptions of organizational commitment to DEI;
  - Knowledge of community characteristics;
  - Citizen complaints and outcomes;
  - Emergency and non-emergency calls for service; and
  - Trust and knowledge of the Equal Employment Opportunity (EEO) complaint process.

The Council could discuss findings and recommendations from the report with MCFRS staff and BIPOC community stakeholders to identify policy solutions and investments for diversifying the MCFRS workforce, including volunteers, and addressing other RESJ concerns arising from the assessment. For instance, the report recognized that reactivating and investing in MCFRS's high school cadet program, including making it a paid program, could be a promising strategy for increasing diversity in MCFRS.

# RESJ Impact Statement

## Bill 9-24

### 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.

### CONTRIBUTIONS

OLO staffer Janmarie Peña, Performance Management and Data Analyst, drafted this RESJ impact statement.

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<sup>1</sup> 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.racialequitytools.org/glossary>

<sup>2</sup> Ibid.

<sup>3</sup> [About Montgomery County Employee Retirement Plans](#), Montgomery County Employee Retirement Plans.

<sup>4</sup> [Defined Benefit Plan](#), Internal Revenue Service, Updated June 15, 2022.

<sup>5</sup> [Summary Description for Sworn Fire Personnel in Retirement Group G](#), Montgomery County Employee Retirement Plans, August 2023, pg. 1.

<sup>6</sup> [Introduction Staff Report for Bill 9-24](#), Montgomery County Council, April 9, 2024.

<sup>7</sup> Summary Description for Sworn Fire Personnel in Retirement Group G, pgs. 10-11

<sup>8</sup> Introduction Staff Report for Bill 9-24

<sup>9</sup> [RESJIS for Expedited Bill 21-23](#), Office of Legislative Oversight, April 25, 2023.

<sup>10</sup> [RESJIS for Expedited Bill 41-23](#), Office of Legislative Oversight, November 29, 2023.

<sup>11</sup> Ginger Adams Otis, “[Why So Few of New York’s Bravest are Black](#),” The Atlantic, June 6, 2015.

<sup>12</sup> Clarence Taylor, “[Black Firefighters and the FDNY](#),” Book review of David Goldberg, Black Firefighters and the FDNY: The Struggle for Jobs, Justice, & Equity in New York City, New York Labor History Association, 2021.

<sup>13</sup> Addington Stewart, “[I Was a Firefighter for 35 Years. Racism Today is as Bad as Ever.](#)” The New York Times, September 12, 2018.

<sup>14</sup> “[The U.S. Fire Administration Celebrates Black History Month](#),” U.S. Fire Administration, February 1, 2024.

<sup>15</sup> Stewart

<sup>16</sup> Otis

<sup>17</sup> Jo-Ann Armao, “[Minorities, Women are Rare in Montgomery Fire System](#),” The Washington Post, October 6, 1987.

<sup>18</sup> [Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity](#), Bureau of Labor Statistics, U.S. Department of Labor, 2023.

<sup>19</sup> OLO analysis of [MCG Personnel Management Review](#), dataMontgomery, April 3, 2023. Latinx people are not included in other racial groups for this data point.

<sup>20</sup> [Table DP05: ACS Demographic and Housing Estimates](#), 2022 American Community Survey 5-Year Estimates, Census Bureau. Latinx people are not included in other racial groups for this data point.

<sup>21</sup> Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council

<sup>22</sup> “[Building Organizational Capacity for Diversity, Equity, and Inclusion in the Fire and Rescue Service](#),” NAPA, September 2022.