

Page 13 of the 2012 *Joint Chairmen's Report*

Proposal for the Consolidation of State Police Forces

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EXECUTIVE SUMMARY

The 2012 Joint Chairman's Report (JCR) required the Governor's Office of Crime Control & Prevention (GOCCP), in consultation with the State Law Enforcement Coordinating Council (SLECC) and the Department of Legislative Services (DLS), to submit a report on the consolidation of various State law enforcement agencies. To carry out this assignment, extensive literature reviews were conducted, states that effected or attempted similar law enforcement agency consolidations were interviewed, agencies and stakeholders potentially affected by the report were consulted, and best practices promulgated by the International Association of Chiefs of Police (IACP) were referenced.

After gaining insight from a national perspective and soliciting input from each agency under consideration for consolidation, a comparative analysis was conducted of agency core and specialized functions as well as other operational, administrative and legal aspects relating to law enforcement agency consolidations. In conducting this comparative analysis, several factors were considered:

- Jurisdiction
- Nature of Enforcement Duties
- Operational Efficiency
- Agency Culture
- Rank and Salary Structure
- Pension and Collective Bargaining
- Cost

Although a variety of factors were considered, the primary focus of the analysis was to identify opportunities to improve the delivery of law enforcement services to the citizens of Maryland and to help reduce crime. Cost was also a primary consideration. In fact, research conducted by the National Institute of Justice (NIJ) on law enforcement consolidations suggests that while a consolidation may result in long term efficiencies and economies of scale, costs may actually be higher in the early stages of the consolidation process.

Thorough analysis revealed that the majority of State police forces, primarily due to mission and culture, are not viable candidates for a seamless consolidation that would positively impact public safety. However, there are substantial similarities between the Maryland Transportation Authority Police (MDTAP) and the Maryland State Police (MSP) to include the nature of enforcement duties, agency culture, training and recruitment similarities, rank structure and salary levels. MDTAP has, over the years, expanded its role in Maryland law enforcement. MDTAP is no longer an agency engaged almost exclusively in traffic enforcement. It is now a highly trained, full service police agency that not only enforces traffic laws, but that also engages in a broad spectrum of police functions to include criminal investigations, narcotics and contraband interdiction, and the protection of Maryland's critical infrastructure. Simply stated, the MDTAP and MSP have the most natural fit of fundamental duties and responsibilities. The facts suggest that the consolidation of the MDTAP police under the MSP may enhance operational efficiency and improve the ability to share personnel, equipment and facilities.

Although MDTAP and MSP are the most likely candidates for consolidation, many factors point to consolidation being unfavorable for Maryland at this time. Enabling legislation would be required to accomplish a full consolidation of the two agencies and a variety of financial and practical issues relating to up-front costs and pension plan disparities may be cost-prohibitive to the State. State police forces should continue to collaborate using the State Law Enforcement Coordinating Council (SLECC) as a framework for seamless coordination and consistent information sharing.

GOCCP would like to thank the Chiefs and command staff personnel of the Maryland State Police, Maryland Department of Natural Resources Police, Maryland Capitol Police, Maryland Transit Administration Police, Maryland Transportation Authority Police and the University of Maryland Police for their support and cooperation through this process.

I. Purpose

The 2012 *Joint Chairman's Report* (JCR) required the Governor's Office of Crime Control and Prevention, in consultation with the State Law Enforcement Coordinating Council (SLECC) and the Department of Legislative Services (DLS), to submit a report on the consolidation of various State police forces. On page 13 of the 2012 JCR, Committee Chairs define the charge to the authors:

It is the intent of the committees that a proposal should be developed for the consolidation of various State police forces...the proposal should consider the advantages and disadvantages of various levels of police consolidation. For example, a recommendation should be made as to whether State police agencies should be fully integrated into one uniform police force or whether it is more advantageous to house all or most State police agencies under the Department of State Police, but continue to maintain their existing identities and missions. Several practical considerations should be evaluated in developing a police consolidation proposal, including (1) differences in agency culture, mission and philosophy; (2) variations in sworn officer training requirements; and (3) differences in employee benefits across police forces. Further, similar efforts in other states should be analyzed and the proposal should reflect best practices of other states.

II. Methodology

To develop the numerous findings and recommendations described in this report, a three phase approach was conducted. First, literature reviews were completed to identify national, state, and local models for consolidation. Upon determining that previous consolidation efforts in Massachusetts and Florida were the most relevant to Maryland, policymakers were interviewed from those states to glean lessons learned and best practices. Previous Maryland consolidation reports were reviewed for context, background and re-usable data. Second, in order to evaluate each State police force for consolidation, verbal and written feedback was sought from Maryland's six major State police forces:

1. Maryland Capitol Police (DGS)
2. Maryland Department of Natural Resources Police (NRP)
3. Maryland State Police (MSP)
4. Maryland Transit Administration Police (MTA)
5. Maryland Transportation Authority Police (MDTAP)
6. University of Maryland Police (UMPD)

Chiefs of Police of these departments submitted written feedback based on a series of key considerations: Jurisdiction, mission, culture, operational efficiency/training, rank structure, funding, compensation & benefits, pension systems, collective bargaining, and legal issues. Written feedback was integrated as well as information from follow-up dialogue with agencies up to submission of the report. Third, an actuarial study from the Executive Director of the State Retirement Agency was requested to quantify differences in employee benefits for the final proposal.

III. Background

A. Overview of State Police Forces in Maryland

The major State police forces in Maryland are the Department of General Services Capitol Police (DGS), Department of Natural Resources Police (DNR), Maryland State Police (MSP), Maryland Transit Administration Police (MTA), the Maryland Transportation Authority Police (MDTAP), and the University of Maryland Police (UMPD).

Agency	Officers	FY11 Total Budget	How Police Are Funded
DGS	177	~\$7.5 million	General Funds
DNR	249	~\$35.7 million	General Funds
MSP	1,570	~\$270 million	General Funds
MTA	160	~\$23.6 million	Transportation Trust Fund
MDTAP	516	~\$73.2 million	User Fees
UMPD	100	~\$8.6 million	General Funds

i. Department of General Services – Capitol Police (DGS)

According to Section 4-601 of the Maryland State Finance and Procurement Code, the Maryland Capitol Police have full police authority over the operation, maintenance, and protection of buildings and grounds that were administered by the Office of Annapolis Public Buildings and Grounds and the Office of Baltimore Public Buildings and Grounds and 1,000 feet from the boundary of those buildings and grounds; multiservice centers, and other public improvements or grounds. Section 4-605 expressly authorizes the Secretary of DGS to establish a police and security force to protect people and property on these grounds.

ii. Department of Natural Resources Police (DNR)

On July 1, 1971, a legislative act of the Maryland General Assembly created the Natural Resources Police by merging the Marine Police with the Wildlife Law Enforcement Division. Under 1-201.1 of the Maryland Natural Resources Code, the Natural Resources Police Force is responsible for:

- (1) Providing maritime and rural search and rescue services;
- (2) Providing public education in hunting, boating, and water safety;
- (3) Providing primary law enforcement services for state parks, state forests, wildlife management areas, and public lands owned and managed by DNR; and
- (4) Serving as the lead agency for maritime homeland security on State waterways.

DNR is authorized to exercise its powers anywhere in the state and is specifically charged with “enforcing the natural resource and conservation laws of the state.” (1-204 Natural Resources Code)

iii. Maryland State Police (MSP)

MSP was established as an independent entity in 1994 after separating from the Department of Public Safety and Correctional Services (DPSCS). (Chapter 165, Acts of 1994).

MSP has statewide jurisdiction, with the exception of incorporated jurisdictions, and it is responsible for enforcing state motor vehicle and criminal laws and safeguarding the lives and safety of all persons within the state. MSP protects property and assists all persons to secure the equal protection of law while

preserving public peace, preventing crime, and enforcing laws and ordinances of the state and its local subdivisions. It apprehends and arrests criminals and lawbreakers, and preserves order in public places and maintains the safe orderly flow of traffic on public streets and highways and cooperates with and assists other law enforcement agencies.

iv. Maryland Transit Administration Police (MTA)

Section 7-207 of the Maryland Transportation Code requires MTA to “establish and maintain a police force to provide protection for its patrons, personnel, and all railroad facilities and transit facilities owned, leased, or operated upon, by, or under the control of the Administration.”

MTA Police are responsible for all police officer duties on property owned; leased; operated on, by, or under the control of by the MTA with exceptions for fresh pursuit or specific requests from other entities. MTA Police have been charged with the responsibility of enforcing “applicable laws, ordinances and regulations of the State and political subdivisions and the rules and regulations of the MTA.”

v. Maryland Transportation Authority Police (MDTAP)

MDTAP is established in Section 4-208 of the Maryland Transportation Code and is responsible for police officer duties on or within 500 feet of property that is owned, leased, operated by or under the control of the Maryland Transportation Authority, the Maryland Aviation Administration (MAA), and the Maryland Port Administration (MPA). The Maryland Transportation Authority Police were created as a result of legislation from 1994. (Chapter 577, Acts of 1994)

vi. University of Maryland Police Department (UMPD)

The University of Maryland Police Department is one component of the University of Maryland Department of Public Safety. UMPD is established in Section 13-601 of the Maryland Education Article and is responsible for policing property owned, operated, leased by, or under the control of the University of Maryland System. UMPD officers are State certified in accordance with Article 41, Section 4-201 of the Maryland Code and have the same powers and authority as any other sworn police officer in Maryland to make arrests, investigate crimes, and carry firearms.

B. Existing Cross-Jurisdictional Authority of State Police Forces

Under certain circumstances, Maryland Code authorizes State police forces to employ police powers outside of their legislated jurisdictions. The Criminal Procedure Article, Title 2 provides that enumerated police officers may make arrests, conduct investigations, and otherwise enforce the laws of the State throughout the State without limitations as to jurisdiction subject to the following limitations:

- the officer is participating in a joint investigation with officials in any other state, federal, or local law enforcement agency, at least one of which shall have local jurisdiction;
- the officer is rendering assistance to another police officer;
- the officer is acting at the request of a local officer or a State Police Officer; or
- an emergency exists and the police officer is acting in accordance with regulations adopted by the officer’s employing agency.

The Criminal Procedures Article, Title 2, defines “Emergency” as a sudden or unexpected happening or an unforeseen combination of circumstances that calls for immediate action to protect the health, safety, welfare or property of a person from actual or threatened harm, or from an unlawful act. Enforcing motor vehicle law violations does not constitute an emergency. The Criminal Procedures Article, Title 2, does

not authorize police officers to enforce the Maryland Vehicle Law beyond the officer's sworn jurisdiction unless the officer is acting under a mutual aid agreement. The powers granted by this section are in addition to the powers granted by Title 5 of the Criminal Law Article and to the powers granted by fresh pursuit.

i. State Law Enforcement Coordinating Council (SLECC)

On February 29, 2012 Governor Martin O'Malley signed Executive Order 01.01.2012.03 formally establishing the State Law Enforcement Coordinating Council (SLECC). The order created the Council to coordinate the use and deployment of state law enforcement resources for specific purposes including civil disturbances, natural disasters, and large scale planned gatherings such as concerts, festivals, and specific crime initiatives. Member agencies of the Council include the Maryland State Police, Maryland Transportation Authority Police (MDTAP), Maryland Natural Resources Police (NRP), Maryland Transit Police (MTA), Maryland Capitol Police (DGS), and the University of Maryland Department of Public Safety and all police departments of the constituent institutions of the University System of Maryland.

On April 24, 2012 and April 26, 2012 the Maryland State Police Special Operations Command hosted Mobile Field Forces (MFF) training for SLECC members in preparation for the G8 Summit in Frederick County. SLECC members received the latest training on civil disturbance issues and were integrated into the Maryland State Police Mobile Field Forces maneuvers. The training allowed each agency to gain experience and develop a mutual respect before the G8 deployment.

The G8 Summit was the first large-scale multi-agency official activation of the SLECC. The G8 Summit took place May 17, 2012 through May 20, 2012. SLECC members included MDTAP, NRP, University of Maryland College Park Police, and the Capitol Police. They were activated to assist the Maryland State Police and the Frederick County Sheriff's Office with events surrounding the G8 Summit in Thurmont, Frederick County. The SLECC members assisted with roving patrols around the town of Thurmont and Camp David and were prepared for any potential civil disturbance that might take place in the town of Thurmont or Frederick City. The response was seamless and went according to plan.

SLECC members participated in three additional joint training sessions in preparation for collaborative mobilizations. Members participated in three large-scale sobriety checkpoints in Prince George's County prior to SLECC's formal establishment by Executive Order. The checkpoints involved a data driven approach to drive down impaired driving related crashes and other criminal activity in and around the areas of the checkpoints. SLECC assisted the Maryland Transit Administration (MTA) with two sweep operations in Baltimore City in late December 2011 and early February 2012. The purpose of the sweeps was to deter criminal activity at bus stops, aboard trains, and at train stations.

The State Law Enforcement Coordinating Council activated for several events in Baltimore City where substantial numbers of citizens and visitors were expected. At the request of the Baltimore Police Department, the Maryland State Police and the Natural Resources Police assisted with resources during the *Star Spangled 200 Sailabration*. Over one million visitors and 50,000 boaters were expected. The second event was the July 4th Celebration at the Inner Harbor. 700,000 people were expected to attend. The third event was a request from the MTA Police to assist with ensuring the safe passage of transit vehicles and visitors to Artscape in Baltimore City. Members of SLECC also provided assistance with the Baltimore Gran Prix over the Labor Day Weekend and continued to provide tactical support during fall weekends in areas designated by the Baltimore Police Department. Finally, member agencies of SLECC coordinated the response to Hurricane Sandy by supporting the Ocean City Police Department, Crisfield Police Department and other jurisdictions during this natural disaster.

In summary, SLECC has provided the framework for state law enforcement agencies to support each other and to provide assistance to local law enforcement agencies. This coordination has been achieved without formal mergers.

A. Previous Maryland Consolidations and Studies

Since the 1970s there have been a number of consolidations of State police forces in Maryland:

- Maryland Aviation Administration Police (MAAP) to MSP – 1976
- MAAP to MDTAP – 1994
- Office of the State Fire Marshal to MSP – 1997
- Maryland Port Administration Police to MDTAP – 1998
- Motor Vehicle Administration Police to MDTAP - 2008

In addition to the above consolidations, there have been a number of studies requested by the General Assembly to clarify further consolidation opportunities. In 2003, the Report of the Commission on the Structure and Efficiency of State Government (Mandel Report) examined several dozen state agencies, their operations, and structure. The Commission noted the tendency of current police agencies to attempt to expand their overall role in a way that often creates duplication of services. The Commission ultimately recommended that police agencies work together to standardize equipment and make group purchases of equipment, the consolidation of state facility security and police forces into the DGS Police, a consolidation of MTA and MDTAP within MDOT, and the consolidation of all university police forces under the University System of Maryland Police.

In 2010, MDOT submitted a report regarding the possible consolidation of MDTAP, MTA, and MSP. The report noted that MDTAP staffing increased by 156 from FY02-FY12, and the total MDTAP budget increased by \$29.5 million during the same time period. The report also identified a number of issues that would have to be addressed before consolidation could take place, including pensions, funding and cost-sharing agreements, allocation of resources, labor relation issues, technical/legal/statutory reviews, and compensation. The report also identified a number of areas that could be pursued independent of the decision to consolidate, including: consolidation of procurement services, joint trainings, and improvements to unified command and control.

Language in the 2011 Joint Chairman's Report required the Department of Budget and Management (DBM) to consult with MTA, DGS, MDTAP and MSP and draft a report on the feasibility of consolidating Maryland's police forces. The report broke down its analysis by the following operational components: culture, training programs, personnel and benefits, jurisdiction, purchasing and communication/technology. The report concluded that the essential question is whether the benefits that would accrue from combined personnel resources and purchasing power would outstrip the cost of creating trans-agency uniformity in compensation and benefits. The report ultimately concluded that "many of the benefits sought to be realized by consolidation of the State's police forces such as jurisdictional overlap, combined purchasing, and cross-utilization of training resources are already addressed by current practices and coordination among the various agency police forces." The report looked to the creation of a unified communications and dispatch system (currently in progress), and the State Law Enforcement Coordinating Council (SLECC) as alternate mechanisms to help achieve a more efficient use of resources.

IV. National Model for Consolidation

Based on the rise in efforts to consolidate police departments, the International Association of Chiefs of Police (IACP) published a guideline for law enforcement entities entitled: “Consolidating Police Services: An IACP Planning Approach.” This guide outlines a model process for local entities seeking to consolidate and provides an impartial analysis of the benefits and drawbacks to consolidation.

IACP based its recommendations on cost-effectiveness and operational efficiency as the primary objective of most consolidation efforts. While the plan presents a model, IACP also recognized that consolidation is unique to each jurisdiction and careful planning is crucial to carrying out a successful merger. IACP determined that while consolidation rarely presents substantial immediate cost savings, that factor alone should not discourage inquiries and investigative efforts. When viewed in the totality of public safety and police operational benefits as well as improved capacity to combat crime, consolidation is a beneficial instrument by which law enforcement can exhibit stronger policing. Consolidation frequently allows agencies to streamline services, put more officers on the street, reduce overtime, and avoid redundancy.

Opponents to consolidation point to tension between officers and representatives from each entity as a result of shift changes, patrol area changes, adjustments to rank, cultural differences, and overall difficulty in adapting to a new configuration. Consolidation also exposes an agency to increased risk of legal liability and could result in reduced oversight.

IACP Planning Model

Within its planning model, IACP emphasized that all key stakeholders must be identified and brought to the table for discussion from the initial development stage through implementation. Without the support and willingness of all entities involved, consolidation’s full benefits are not always realized and any efforts to consolidate may be interrupted. To assist jurisdictions in their preliminary assessment process, IACP presented a planning model by which consolidation potential could be evaluated.

IACP recommends that the following steps be taken in evaluating the consolidation of law enforcement agencies:

- inform participants of preliminary information on consolidation;
- identify issues that need to be resolved; and
- identify necessary steps to take to successfully accomplish planning and implementation.

IACP also identified certain key issues or concerns that ought to be considered during the evaluation process:

i. General Concerns

- *How would a cost-benefit analysis be carried out? How have consolidations fared in such analyses?*
- *Would the new agency move in a new direction philosophically? Should it?*
- *Would consolidation affect the rest of the criminal justice system? How?*
- *Would consolidation respond to the growth of the city, county and region?*
- *What would happen to the police department, as they knew it?*

ii. Political/Administrative/Operational Concerns

- *Who would make the key decisions about the consolidation process?*

- *How could the process be designed to ensure that stakeholders have a role in decision-making?*
- *Would the quality of service provided residents rise or fall?*
- *Would consolidation lead to duplication of services?*
- *Would the sheriff head the agency with the chief as his deputy, or vice versa?*
- *How have other consolidated agencies arrived at an equitable management plan for the new agency?*

iii. **Personnel Concerns**

- *Would the seniority and job assignments of officers and civilian employees be protected?*
- *Would promotional opportunities increase or decrease?*

iv. **Legal Concerns**

- *What contractual issues would arise when two distinct agencies combine?*
- *What other legal issues would arise?*

V. **State Models for Consolidation**

Many of the concerns expressed by IACP participants also proved to be important considerations for other jurisdictions that consolidated their agencies. Anecdotal and cultural challenges were the most significant problems that almost devastated initial consolidation efforts in some states.

A. **Massachusetts and Florida: Background**

As a result of initial opposition to a merger, the Massachusetts Department of Public Safety – Division of State Police, Registry of Motor Vehicles Division of Law Enforcement, Massachusetts Capitol Police, and the Metropolitan District Commission Police were dissolved and merged into a new unit of law enforcement known as the Massachusetts Department of State Police. Massachusetts opted to consolidate all pre-existing entities into a new agency for neutrality purposes. The change in organization created a department that consisted of approximately 1200 Division of State Police officers and 800 members of law enforcement from the other agencies. The consolidation process began on July 1, 1992 and was to be completed by July 1, 1993.

Florida does not have one central state police department. Its law enforcement efforts are conducted by various divisions within state agencies and local jurisdictions rely heavily on sheriff's offices to uphold the laws of their territories. In 2011, Florida legislators created a Law Enforcement Consolidation Task Force to evaluate the duplication of law enforcement duties throughout the state and identify areas for possible consolidation.

B. **General Concerns**

- *How would a cost-benefit analysis be carried out? How have consolidations fared in such analyses?*
- *Would consolidation affect the rest of the criminal justice system? How?*
- *Would consolidation respond to the growth of the city, county and region?*
- *What would happen to the police department, as they knew it?*
- *What would happen to the sheriff's office, as they knew it?*

Massachusetts: Logistically and philosophically, because the department was newly created, they were able to implement their own regulations and a new mission. Although the statute provided for a one year

transition period, the problems related to consolidation, which were largely cultural, took approximately 10-20 years to subside. In hindsight, however, Massachusetts recognized this period as difficult but necessary. They firmly believe that consolidation was the right choice for them and although they have not conducted a follow-up cost-benefit analysis, they concluded that streamlining their police services has significantly improved operational efficiency.

Florida: The Florida legislature passed legislation in 2012 to consolidate the state environmental law enforcement units. Senate Bill 1782 required the Department of Environmental Protection (DEP) Division of Law Enforcement to merge into the Fish and Wildlife Conservation Commission (FWCCD) Division of Law Enforcement. Florida experienced considerable success when they took a calculated approach to consolidation by merging agencies that were most similar in mission and philosophy.

Florida's challenge in consolidating other police departments was resistance from some of their law enforcement stakeholders. Similar to Massachusetts' initiative, the task force initially sought to implement a Department of Public Safety which would absorb all of the law enforcement entities. The Florida Governor's Office and FDHSMV, as chair of the task force, worked diligently to explain to stakeholders that levels of service would not be affected by a consolidation. They had to strategize to assure other agencies that the result would be a more effective and efficient law enforcement entity. Ultimately, this year, the task force was unable to consolidate all of their units as originally planned. They will continue to strategically expand their consolidation efforts in the future.

C. Political/Administrative/Operational Concerns

- *Who would make the key decisions about the consolidation process?*
- *How could the process be designed to ensure that stakeholders have a role in decision-making?*
- *Would the quality of service provided residents rise or fall?*
- *Would consolidation lead to duplication of services?*
- *Would the sheriff head the agency with the chief as his deputy, or vice versa?*
- *How have other consolidated agencies arrived at an equitable management plan for the new agency?*

Massachusetts: Massachusetts improved overall efficiency by eliminating duplication, which was an identified problem from the start.

Florida: When merging the environmental law enforcement units, one of the biggest concerns was the quality of service that FWCCD law enforcement would provide to property that belonged to DEP. DEP was concerned about losing their law enforcement agencies and the level of oversight they would have in the regulation of their own facilities. As a result, the two departments executed a memorandum of understanding (MOU) that, among other things, specified the levels of service that would be necessary for DEP property and the number of staff that would be deployed to uphold such standards.

Florida also had many overlapping law enforcement functions. Consolidation eliminated certain duplicative efforts and facilities.

D. Financial Concerns:

- *Would consolidation cause taxpayer costs to increase or decrease?*
- *Would hidden costs make consolidation more expensive than expected?*
- *Is consolidation generally viewed as a best use of tax dollars?*
- *How could stakeholders manage funds in a way that balances public safety and spending concerns?*

Massachusetts: Reconciling the different retirement options for the various agencies proved to be a challenge. Because the Department of State Police was an entirely new law enforcement entity, they were able to promulgate new rules and regulations for future operations. A new pension system was established for the Department of State Police employees. Any pre-existing employees of the four law enforcement units could elect to maintain their former pension plan or roll their prior pension into the new system that was created for Department of State Police employees. Most opted to fall under the new retirement system because it was slightly more advantageous than any of the previous plans. Although Massachusetts has never conducted a cost-benefit analysis to gauge the fiscal impact of consolidation, the Massachusetts State Police realized significant programmatic benefits. The consolidation elevated short term costs, however.

Florida: Effective July 1, 2011, Senate Bill 2000 appropriated the move of motor carrier law enforcement from the Florida Department of Transportation (FDOT) to FDHSMV. This transfer raised serious budgetary concerns because FDOT funded their Motor Carrier Compliance Unit exclusively through federal grant funding and fine collections. FDOT was able to transfer the federal grant, with approval, to FDHSMV. FDOT also agreed to pay FDHSMV the same portion of funding that previously went to the Motor Carrier Compliance Unit. In return, FDHSMV agreed to seek out funding sources for the new unit until they could become completely self-sufficient.

E. Personnel Concerns

- *Would the seniority and job assignments of officers and civilian employees be protected?*
- *Would promotional opportunities increase or decrease?*

Massachusetts: The Division of State Police, as a result of consolidation, lost the ranks of Corporal and Staff Sergeant. Those individuals who previously held these titles were promoted to the next rank. Staff Sergeants became Lieutenants and Corporals became Sergeants. These promotions caused discontent among many of the pre-existing senior level staff. Generally, the change in rank system created challenges with morale, insubordination issues, and disciplinary problems.

Florida: Because all state law enforcement entities functioned with traditional military ranks, there were no discrepancies regarding seniority from their mergers.

F. Legal Concerns

- *What contractual issues would arise when two distinct agencies combine?*
- *What other legal issues would arise?*

Massachusetts: The Division of State Police had a mandatory retirement standard at the age of 55. After a law suit upheld a permanent injunction against the mandatory retirement standard, they proposed a medical and physical fitness retention standard, which was fully developed and came into fruition after ten years of collective bargaining.

VI. Goals & Key Considerations for Consolidation

A. Maryland's Goals for Consolidation

As suggested by the IACP Model, the State of Maryland's primary objective is to improve capacity to combat crime and protect Maryland citizens by:

1. Improving the quality of police services

- 2. Increasing operational efficiency**
- 3. Freeing up assets to support local agencies in the crime fight**
- 4. Achieving long-term cost savings**

B. Types of Consolidation

There are four major consolidation options: full consolidation, partial consolidation, administrative consolidation, and operational oversight. Full consolidation would involve the integration of sworn command. Partial consolidation would allow the consolidated agency to retain autonomy for certain command-level functions. Administrative consolidation would allow the consolidated agency to retain its existing command structure while merging administrative functions. Operational oversight would allow the Maryland State Police to participate more directly in the management of other police agencies in an advisory role, but other agencies would retain full autonomy when making budgetary decisions.

C. Key Criteria for Consideration

i. Mission, Philosophy & Culture

Although police forces nationwide share the goal of serving and protecting the public, department missions differ greatly in enforcement functions and jurisdiction. The nature of an agency's mission substantially influences the development of agency philosophy and culture. Culture is evident in the attitudes of its employees, the service it delivers and the image it conveys. Culture reflects the entire experience that citizens, government officials and allied agencies have with that department. As demonstrated in Florida, law enforcement agency consolidation has a greater likelihood of success if the agencies are similar in mission and philosophy.

ii. Operations

Operational considerations such as management, rank structure, training, and deployment develop in tandem with an agency's mission, philosophy, and culture. For example, agencies focusing on traffic safety and motor vehicle law enforcement across broad geographic territory will manage and equip patrol officers differently than urban police forces or agencies with jurisdiction over building security or natural resources conservation. Agencies that exhibit operational similarities with the Maryland State Police will have less difficulty merging as officers would require minimal training to integrate into the existing system.

iii. Personnel

Personnel considerations and associated costs surface as the most controversial issues during preliminary discussions. More specifically, the standardization of employee benefits, to include pension plans, pose the greatest challenge. There are also significant collective bargaining issues that must be addressed as part of any merger or consolidation.

VII. Analysis of State Police Forces

A. The Department of General Services (DGS) Maryland Capitol Police (MCP)

The DGS Maryland Capitol Police is a police department that provides law enforcement and security services for over 40 State buildings, 10 parking garages, and 16 surface parking lots used by State employees and visited by over one million people per year. Its officers, primarily retired from other

Maryland police forces, are responsible for protecting members of the Maryland General Assembly, providing security to the oldest state house in America and providing customer service to visitors and tourists including escorts and vehicle lockouts and jumpstarts services.

The Maryland Capitol Police began as the Department of General Services Police. Formerly within Facilities Operations and Maintenance, the Department of General Services Police became an independent unit in April 2003 and adopted their present name in July 2008. Through its Annapolis Detachment and Baltimore Detachment, the Police provide security for the Annapolis and Baltimore State Office Centers. In 2008, the Maryland Capitol Police were authorized to make arrests and enforce laws anywhere within 1,000 feet of State buildings and grounds in Annapolis and Baltimore (Chapter 549, Acts of 2008).

The Headquarters division of the MCP oversees all operational aspects of the department. The Support Services Unit, Criminal Investigations division, Security Card processing center and both Patrol Detachments report to Headquarters.

The Annapolis Patrol Detachment provides security to nineteen buildings, including the State House, the Revenue Administration and the Goldstein Treasury Buildings, as well as the Lowe House Office Building, the James Senate Office Building, and the Miller Senate Office Building. In addition, the Detachment oversees five parking garages and eleven surface parking lots. The Annapolis Detachment is responsible for public demonstrations held on State property and coordinates traffic enforcement and other security matters with the Department of State Police and the Annapolis Police Department.

The Baltimore Patrol Detachment provides law enforcement and security for eleven buildings, six State parking lots, and four parking garages in Baltimore City. It also has concurrent jurisdiction for traffic enforcement. The buildings include 201, 300, and 301 West Preston Street, the Fifth Regiment Armory, the William Donald Schaefer Tower, the Public Defender Building, Saratoga State Center, 200 West Baltimore Street (Nancy S. Grasmick State Education Building), 2100 Guilford Avenue, 500 North Calvert Street, and 201 St. Paul Street.

A review of the MCP calls for service and incident reports shows that the vast majority of MCP responses involve theft, disorderly conduct, damaged property, and malicious destruction of property. These crimes are typically of a building and parking lot security culture. MCP officers are also called upon by other agencies to assist in traffic control, traffic violations, and aggravated assaults in historic downtown Annapolis; however, they are not the primary law enforcement responders in municipal violent and property crime incidents. The culture and operational structure of the department ultimately rests upon its mission to protect State buildings and grounds and the employees and visitors who use them.

DGS is not a suitable candidate for consolidation with MSP because the agency missions are vastly different. DGS's primary role is to provide security in and around state buildings and facilities. While DGS officers possess full police powers, they do not provide traditional 911 and enforcement duties on public streets and roadways. Moreover, DGS does not engage in traffic enforcement, complex criminal investigations and other functions traditionally associated with a full service police agency.

B. Department of Natural Resources Police (NRP)

The enforcement duties for the NRP are unique among state law enforcement agencies. No other agency in the state enforces conservation, boating, or public land laws and regulations. The nature of the mission of NRP officers, and often the locations they are called to enforce, require specialized equipment, training and supplies. In general, NRP officers have chosen to work at NRP because of the Department's mission and responsibilities associated with natural resources protection. This deep rooted commitment to the

protection of the State's natural resources would make it challenging to consolidate with agencies that police along roadways and in urban areas.

A consolidation of enforcement within the Department of Natural Resources took place in 2004-2005 as a result of recommendations of the 2003 Mandel Commission under former Governor Ehrlich. The consolidation of the NRP with the Maryland Park Service Rangers appeared to be straightforward with very little effect on the Department or the citizens. However, while Rangers had some duties and responsibilities similar to the NRP, they also participated in park operations and management - a very different mission. Combining the Rangers and NRP has had long-lasting effects and it is unclear as to whether the State has improved services since that consolidation.

Sworn NRP officers are members of the Law Enforcement Pension system (LEOPS). Retirement under this system is based upon reaching age 50 or having 25 years of eligible service. As of July 1, 2012, members contribute 7% of their salary to LEOPS. Additionally, there is a deferred retirement option program (DROP) available to members of LEOPS. DROP allows an officer with 25 years of creditable service to lock in their retirement and continue to work. The Maryland State Police (MSP) has its own pension system with different rules and benefits.

The NRP shares the same pay scale with the MSP, but NRP officers pay into Social Security while MSP troopers do not. The pay scales for Sergeants and below in both departments are identical. NRP Lieutenants and above are one pay grade below that of MSP counterparts. For example, an MSP Major is equal in pay to an NRP Lt. Col., an NRP Major is equal in pay to an MSP Captain, an MSP Lt. has their own scale; and an NRP Lt. has their own scale. NRP does not have a first Sergeant rank as MSP does. These differences would have to be resolved as part of a NRP/MSP consolidation.

While consolidation of basic law enforcement training resources, information technology and purchasing activity may have a potential cost savings for the State, the mission and responsibilities of the NRP are so unique that a consolidation of the NRP with MSP would not yield any substantial operational improvements. In fact, the consolidation of NRP and MSP would probably weaken the ability to deliver key services to Maryland's citizens. Many officers with NRP were drawn to that agency because of the agency's primary mission – the enforcement of conservation laws and regulations – and their personal affinity for the environment. Consequently, NRP officers may not be suitable for, or experienced, in traditional law enforcement. This may hamper one of the primary goals of any consolidation – the flexibility to cross-deploy officers as needed.

C. The Department of State Police (MSP)

The Department of State Police enforces State motor vehicle and criminal laws and safeguards the lives and safety of all persons within the State. The Department also preserves the public peace; detects and prevents crime; and enforces the laws and ordinances of the State and its local subdivisions. It apprehends and arrests criminals, and preserves order in public places. In addition, the Department maintains the safe, orderly flow of traffic on public streets and highways and cooperates with and assists other law enforcement agencies. Except in incorporated municipalities, the Department of State Police has statewide jurisdiction. Within municipalities the Department may exercise jurisdiction under certain conditions, as regulated by statute (Code Public Safety Article, secs. 2-301, 2-302, 2-412). The Department also enforces the laws relating to controlled dangerous substances (narcotics) throughout the State with no jurisdictional limitations (Code 1957, Art. 27, sec. 298(g)). The Maryland State Police (MSP) is organized into three bureaus: Criminal Investigations, Field Operations and Support Services. The Department additionally is responsible for operations of the State Fire Marshal.

MSP's mission and scope is evolving. Now, more than under any previous administration, MSP is offering substantial support to local law enforcement agencies to augment their efforts to reduce crime, especially violent crime. MSP helps support local law enforcement efforts through:

- a. Organizing and supporting two firearms task forces:
 - (1) Gun Tracing Task Force (GTTF) in Baltimore City
 - (2) Firearms Interdiction Task Force (FITF) in the National Capital region.
- b. Warrant Apprehension Task Forces - The MSP organized and is a key partner in two multi-agency / multi-jurisdictional warrant task forces operating in the Washington and Baltimore metropolitan areas.
- c. Auto Theft Task Forces - Through its participation in the operation of two multi-agency / multi-jurisdictional auto theft task forces the MSP contributes to reducing auto thefts.
 - (1) Washington Area Vehicle Enforcement (WAVE)
 - (2) Baltimore Regional Auto Theft Task Force (RATT)
- d. The Maryland Coordination and Analysis Center (MCAC), sometimes referred to as a Fusion Center, is heavily involved in matters involving Homeland Security. Recently, MCAC's role has expanded. It now provides substantial intelligence and analytical support to law enforcement agencies throughout Maryland. The MCAC staff consists of over 80 personnel from 29 different state, local, and federal agencies. The MSP has 28 troopers assigned to MCAC covering the 24/7 operation, 11 civilian positions and 10 contractual positions.

Number of MSP sworn and civilian actual budgeted pin positions:

Years	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
# Sworn	1,630	1,623	1,624	1,593	1,591	1,591	1,590	1,590	1,567	1,570	1,563
# Civilian	874	862	850	798	806	808	808	776	778	757	759

Trooper candidate entry-level training meets or exceeds all training mandates and objectives set forth by the MSP and Maryland Police and Correctional Training Commissions over a 26 week training cycle in a residential academy. This training includes classroom lecture, interactive and practical learning techniques through scenario based training. Upon graduation the trooper candidates perform road patrol duties within the Field Operations Bureau. In-service and specialized training is provided to all sworn at the ranks of sergeant and below.

Troopers may remain assigned to barracks performing road patrol related functions or may be transferred or promoted to a position performing unique duties and responsibilities. Examples of such positions are: criminal investigator which includes homicide, drugs, gambling, environmental, embezzlement, gang, child pornography, vehicle theft, etc. all which require training unique to the type of crime investigated; canine handler, polygraph examiner, automotive safety inspection, commercial vehicle enforcement, executive protection, special weapons and tactics (SWAT), firearms licensing and handgun permit investigations, training instructor, internal affairs, aviation medic, vehicle crash reconstruction, underwater recovery, etc. Officers selected for these positions are trained to meet the competency requirements of job related tasks.

The MSP sworn personnel are members of the State Police Retirement System (SPRS). The benefit and/or contributions as a percent of salary are shown in the following table:

MSP Sworn Retirement Factors	Sworn Retirement System
Retirement Eligibility (Hired before July 1, 2011)	22 years @ 56.1%
Retirement Eligibility (Hired after July 1, 2011)	25 years @ 63.75%
Maximum Eligibility	28 years @ 71.4%
Employee Contribution Rate	8%
DROP Program	Yes

MSP sworn personnel do not participate in the Social Security program, therefore sworn MSP employment will not create eligibility for Social Security retirement benefits. However, MSP sworn personnel hired after April 1, 1986, do contribute 1.45 percent of their salary to the Medicare program.

Contribution Types	MSP Sworn
Retirement Contributions	8.00%
FICA (Medicare only)	1.45%
TOTAL	9.45%

Because of the broad spectrum of police services offered by MSP, and because of its statewide jurisdiction, MSP would be the most logical agency to merge with, and fully absorb, other state agencies. Moreover, under Colonel Marcus Brown, MSP has the leadership skills and comprehensive law enforcement knowledge and expertise to successfully manage and execute the consolidation process.

D. Maryland Transit Administration

The consolidation of the Maryland Transit Administration (MTA) Police Force with other state-level law enforcement agencies has been the subject of four prior studies. The studies include those aforementioned as well as the 2009 Booz Allen Hamilton and The Police Executive Research Forum reports. Through these previous studies, significant differences between the MTA Police Force and the other State police forces have been identified that would make a consolidation challenging. These include:

- Union and collective bargaining issues
- Pension system disparities
- Differences in core mission
- Cultural differences

MTA Police Force personnel of the ranks of officer, corporal, fare inspectors, security guards, police communications operators, police monitoring facility technicians, and cadets belong to the American Federation of State, County, and Municipal Employees (AFSCME) Local 1859, Council 67. Through this union representation, the enumerated employees have entered into a collective bargaining agreement with the MTA which also affords them binding arbitration. MTA's binding arbitration rights are unique among Maryland State law enforcement agencies. The right to binding arbitration, including union representation, is the primary challenge/obstacle to consolidating the MTA Police with any other state law enforcement agency. Counsel to the MDTA believes that MTA's binding arbitration rights are an irreconcilable barrier to consolidation with any other state law enforcement agency because of the MTA Trust Agreement and the rights of bondholders. Sworn members of the MTA Police Force also belong to the Law Enforcement Officers' Pension System (LEOPS), in which their rate of contribution is 6% and they also contribute to the Social Security system. The terms of their retirement and the rates of contribution are different than those afforded to sworn personnel of the Maryland State Police.

Most notable, however, is the difference in the culture and mission of the MTA police force from that of other State law enforcement agencies. The MTA Police are tasked with providing community-oriented transit policing in a predominantly urban environment. Moreover, MTA Police officers must continually balance customer service skills and enforcement activities in a congested and populated environment to ensure the safety of the transit community. The ability to provide a secure environment, in which people can enjoy the comfort of a high degree of security without sensing an oppressive law enforcement presence, is an extremely difficult balance to maintain and is unique to transit policing. The MTA Police has had a 10% reduction in crime (Jan-Aug 2012 v. Jan-Aug 2011) and a 44% reduction in crime over five years (2007- 2012). The MTA Police Force is responsible for providing efficient and effective law enforcement service for all customers, employees, transit vehicles and facilities throughout Maryland. The force is comprised of 259 employees with 159 sworn officers. Sworn officers must provide continuous proactive patrol coverage and incident response to the MTA's five modes of public transportation: bus (4 divisions), Light Rail (33 stations) Metro (14 stations), Para-Transit, and MARC Commuter Rail (42 stations).

Coordinated special event operations with members of the State Law Enforcement Coordinating Council have highlighted the differences between patrol duties. Members of the other participant agencies have assisted in providing crowd control and answering calls for service during high-volume events. For the most part, officers from other agencies lack experience policing crowds on the scale routinely encountered by the MTA Police at special events. Differences in basic patrol configuration is evident when considering that the majority of MTA Police officers are assigned foot patrol at Metro stations or train riding assignments aboard Metro and Light Rail trains. The officers enforce fare payment laws in addition to all observed or reported crimes occurring within transportation systems. Working knowledge of the systems is essential as MTA officers are routinely called upon by customers and tourists seeking information. These patrol responsibilities differ significantly from the mobile patrol-based mission of Maryland State Police troopers.

As previously described, the MTA police have a specialized, niche role unique in Maryland law enforcement, but there is another critical difference between MTA and other agencies. MTA officers must be keenly aware of safety issues relating to transit operations and must also possess knowledge of various mechanical functions. Transit police officers must remain certified in track access training for both the Metro and Light Rail systems. MTA police have reporting responsibilities to the State's Rail Safety Oversight Agency (RSOA) within the Maryland Department of Transportation (MDOT), the Federal Transit Administration (FTA) and the Transportation Security Administration (TSA). Both the FTA and TSA require annual reports and conduct security audits of the MTA. The 2012 TSA Baseline Assessment and Security Enhancement (BASE) Review resulted in the MTA receiving high marks in all categories with several best practices noted. These were in large part due to the MTA having an in-house police force that provides MDOT and the MTA the greatest degree of control over the law enforcement services provided to the agency in direct support to the managerial goals and overall mission of the MTA.

Another unique aspect of the culture is that the transit systems operate throughout the state and consequently MTA Police officers have fostered close working relationships with local agencies. These relationships are formalized in 36 memorandums of understanding. Additionally, federally funded transit projects such as the Red Line and Purple Line require formal security certification that is conducted by members of the MTA Police Force, another example of a unique function executed by transit police and no other agencies.

The MTA Police Force currently utilizes the Maryland Police and Correctional Training Commissions (MPCTC) or the Maryland Transportation Authority (MDTA) police academies for entry-level recruit training, which reduces costs and supports standardization. Only annual in-service training is conducted

exclusively by the MTA Police Training Unit as it presents the opportunity to provide training on transit-specific operational and safety issues in addition to MPCTC mandated courses.

In summary, the MTA police have a very specialized and unique role to play in Maryland law enforcement. MTA has forged close working relationships with local agencies and has been very successful in reducing crime in its areas of responsibility. Further, the binding arbitration afforded to MTA is unique among agencies in Maryland. For these reasons, the consolidation of MTA with MSP would be counterproductive and very difficult to achieve in a seamless fashion.

E. Maryland Transportation Authority Police (MDTAP)

i. History

The Maryland Transportation Authority Police traces its origins to 1971 when the Maryland Toll Facilities Police was created and charged with the responsibility of providing law enforcement services at the Bay Bridge, Thomas J. Hatem Bridge, Harbor Tunnel, and Harry W. Nice Bridge. In 1977, the force was given law enforcement responsibility for the Francis Scott Key Bridge followed in 1985 with the Ft. McHenry Tunnel. In 1988, the Commercial Vehicle Safety Unit was established. The Maryland Transportation Authority Police was created in 1994, the same year it assumed law enforcement responsibility for the Baltimore Washington International Airport. In 1998, the Maryland Port Administration Police were merged into the Maryland Transportation Authority Police. In 2001, the force attained national accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA). This is same year the Maryland Transportation Authority Police became responsible for K-9 coverage at the Baltimore Washington International Airport. The force has continued its extraordinary growth as a professional law enforcement agency and has deployed additional law enforcement support units.

In the last decade numerous policy decisions have advanced MDTAP as major police agency. MDTAP's mission has been revised and updated to address increased terrorist threats and great strides have been made to professionalize the police force from both an operational and administrative perspective. The level of military courtesy and appearance of sworn personnel has risen as well as the overall fitness level of officers. Selection and training requirements for entry-level and incumbent law enforcement personnel have increased dramatically.

The Maryland Transportation Authority Police is a nationally accredited law enforcement agency through the Commission on Accreditation for Law Enforcement Agencies (CALEA). This is a very prestigious designation for a law enforcement agency and is a key indicator of the MDTAP police force's level of competence and professionalism. Nationally, only about 7% of the law enforcement agencies are CALEA accredited. Re-accreditation is performed on a three-year cycle. The MDTAP was awarded re-accreditation status in 2004, 2007 and in 2010. Additionally, in March 2012 the MDTAP Training and Communications Unit's were individually accredited by CALEA, thereby earning the Department the Tri-Arc Award. The Tri-Arc Award is given to agencies that have concurrent CALEA accreditation for their law enforcement, public safety communications and public safety training agencies. This makes the MDTAP the first and only agency in Maryland, and the seventh nationwide to receive the Tri-Arc Award.

ii. Mission, Philosophy & Culture

MDTAP plays a vital role in the defense of Maryland's homeland security and protection of critical transportation infrastructure by providing law enforcement services to the State's high-level terror targets such as major bridges and tunnels; the Port of Baltimore; Baltimore-Washington International Thurgood Marshall Airport; and the World Trade Center. MDTAP actively patrols interstate highways and other

major roadways adjacent to toll facilities to apprehend aggressive drivers and drivers under the influence in an effort to reduce motor vehicle crashes and associated deaths and injuries. Patrol officers supported by the HEAT (Homeland Enforcement and Traffic) Team conduct complete traffic stops in the ongoing effort to identify and apprehend terrorists and reduce criminal activity such as the smuggling of illegal drugs and other contraband. This effort is also supported by the force’s K-9 unit, which includes dogs trained to detect illegal drugs and explosives. The Maryland Transportation Authority Police also actively participate in numerous task forces comprised of law enforcement personnel from federal, state and local agencies.

Figure 1 below compares the similar mission, goals and values of the Maryland State Police (MSP) and the Maryland Transportation Authority Police (MDTAP). MDTAP’s mission centers on traffic and other enforcement functions on interstate highways and providing homeland security to a significant portion of Maryland’s critical transportation infrastructures. Although MSP’s mission is more complex and diverse, two of its major functions - homeland security and patrol of the state’s highways – coincide with those of MSP. Although MSP and MDTAP focus on traffic enforcement as a core function, research clearly shows that aggressive traffic enforcement has ancillary benefits for law enforcement and the deterrence of crime. Troopers and officers are trained to detect behaviors and identify evidence that may ultimately lead to the apprehension of criminals or terrorists occupying the stopped vehicles. The traditional mindset of “traffic enforcement” has evolved into a more comprehensive and well-rounded approach in all police officers in an effort to identify criminal law violators, detect and remove impaired drivers from roadways, and identify and seize illegal contraband and drug proceeds.

Figure 1	Maryland State Police	Maryland Transportation Authority Police
Mission	The mission of the Maryland State Police is to serve the people of Maryland and those who visit our State through “purposed policing” that protects our citizens, prevents criminal acts and traffic crashes, and provides the highest quality of law enforcement services available anywhere.	The mission of the Maryland Transportation Authority Police is to provide Safety, Security, and Service to the people who use Maryland's vital transportation assets. .
Goals	<ul style="list-style-type: none"> • Prevent and reduce violent crime in Maryland; • Protect Maryland from foreign and domestic terrorist threats and secure its critical infrastructure; • Prevent and reduce fatalities and injuries caused by motor vehicle crashes; • Work in partnership with and provide support to allied public safety agencies; and, • Provide for a “world-class” workforce equipped with the tools, technology, training, supervision and leadership to perform their jobs with efficiency and excellence. 	<ul style="list-style-type: none"> • To secure and protect transportation assets • To promote highway safety and the efficient flow of traffic • To apprehend criminals and terrorists • To assist travelers, customers, and co-workers • To employ, train, and equip a superior workforce
Values	<ul style="list-style-type: none"> • <i>Integrity</i>: uphold the public trust by being honest and maintaining the highest standards of ethical and moral character. 	<ul style="list-style-type: none"> • Honesty • Integrity • Dedication

	<ul style="list-style-type: none"> • <u>Fairness</u>: treat all people with respect and preserve every person’s dignity in an unbiased manner. • <u>Service</u>: provide dedicated and compassionate assistance to all citizens 	<ul style="list-style-type: none"> • Dignity
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Figure 2 lists many of the elements that comprise a department’s culture and comments on the similarities between MSP and MDTAP.

Figure 2	Maryland State Police & Maryland Transportation Authority Police
Selection & Recruiting	The selection and recruiting process for the departments are similar. In fact, the departments utilize the same entry level written exam. Both departments utilize a fitness assessment program. The MDTAP utilizes the same MSP Medical Standards of fitness for entry level as well as for incumbent officers.
Military Courtesy	Both departments strongly emphasize military courtesy to include the saluting of supervisors and command personnel. Members of both departments pride themselves in presenting and maintaining a sharp military bearing to include the wearing of their distinctive hats.
Fitness	Both departments strongly encourage personnel to be physically fit. Entry-level personnel, as well as incumbent officers are encouraged to participate in fitness testing to ensure that they are able to perform essential job related functions. Through negotiations with MSP’s labor organization (SLEOLA), both Departments are now matched in offering fitness incentive pay for incumbent officers to maintain a high degree of physical fitness, that will also benefit themselves personally and for officer safety in performing their required duties.
Rank Structure	The rank structure of the MDTAP was revised in 2008 to mirror that of the MSP with the adoption of the First Sergeant rank. As such, pay scales are nearly identical.
Diversity	Both departments require all employees to make a personal and professional commitment to advancing diversity and equality within the organization. For the MSP to realize its full potential and maintain its status as a premiere law enforcement agency, all employees must: assume responsibility to monitor the agency’s efforts to achieve diversity and inclusion; play an active role in recruiting, teaching and mentoring new personnel; support colleagues in pursuing their career goals; and identify and communicate information, without hesitation, about potential problems, biases, barriers and unfair treatment
Accountability	Both departments utilize problem oriented policing strategies with a strong accountability function managed through a data-driven ComStat process.
Discipline	The MDTAP & MSP utilize similar penalty assessment matrices as well as committees comprised of senior leaders to review disciplinary action for uniformity and fairness. Both departments utilize a similar probation process for sworn personnel at the end of their probationary period.
Equipment	Much of the personal equipment used by the MSP and the MDTAP is similar if not identical. This includes side arms (Glock Model 22); protective vests; personal protective equipment (PPE); batons; OC spray, and mobile data computers.
Training Academy	The Training Academies of the two departments are similar in curriculum and culture requiring candidates to perform academically, physically through a “stress” military based environment. The MSP Academy is a residential academy while the MDTAP

	Academy is non-residential. The MDTAP Academy is accredited through the Commission on Accreditation for Law Enforcement Agencies (CALEA) while the MSP is in the process of being accredited. Both academies are certified through the Maryland Police & Correctional Training Commissions and require the completion of Associate of Arts Degree course work during the Academy.
Policies & Procedures	The MSP has a long history of strong policies and administrative procedures. The MDTAP has made great strides to reach the level of the MSP in this regard. Policies and procedures are now similar in most cases. This is primarily due to the use of “best practices” derived by both departments from the International Association of Chiefs of Police (IACP) Model Polices and the requirements imposed by CALEA Accreditation.

iii. Operations

MDTAP has existing memorandums of agreement with chiefs of police and chief executives of political subdivisions across Maryland to provide non-emergency police services. Absent an emergency situation, a MDTAP Officer may exercise law enforcement jurisdiction in the political subdivisions listed below within the boundaries and scope of each individual agreement, and in accordance with §4-208 of the Transportation Article.

- Anne Arundel County
- City of Baltimore
- Baltimore County
- Cecil County
- Charles County
- Harford County
- City of Havre de Grace
- Howard County
- Montgomery County
- Perryville
- Prince Georges County
- Queen Anne’s County
- U.S. Coast Guard

The MDTAP Academy located at its Headquarters at the Francis Scott Key Bridge is fully accredited by the Maryland Police and Correctional Training Commissions (MPCTC) and CALEA. The Academy trains not only its own personnel, but also provides training to other allied law enforcement agencies throughout Maryland. Training is provided for incumbent officers through the force’s comprehensive annual in-service training program. The force’s Cox Creek Training Annex provides an additional “real life” training site for officers to be placed in tactical situations utilizing realistic training devices. Entry-level training is provided by a dedicated staff of MDTAP officers assigned to the Police Academy and is supported by professors and staff of the Community College of Baltimore County. Entry-level training covers a 28-week period, one of the longest recruit training programs in Maryland. It should also be noted that while the MDTAP academy is not a residential program as is the case with MSP, the training curriculum used by MDTAP is virtually identical to that of MSP’s academy. In fact, a former MSP commander actually supervised training for MDTAP.

iv. Personnel

The MDTAP have similar benefits as the MSP benefits with two major exceptions: “take home vehicles” and retirement benefits. The sworn personnel of the MDTAP are members of the Law Enforcement

Officers Pension System (LEOPS) of the State Retirement and Pension System of Maryland while the sworn personnel of the MSP are members of the State Police Retirement System (SPRS). The benefits afforded to the MSP are greater than those afforded to the sworn personnel of the MDTAP. In comparing these retirement benefits, several differences should be noted. The MDTAP participate in, and contribute to, the social security program making them eligible for both a law enforcement pension and social security benefits upon retirement. The MSP does not participate in the social security program. MDTAP and MSP sworn personnel each contribute 1.45 percent to the Medicare program.

v. Funding

As an independent agency, the Maryland Transportation Authority (MDTA) functions under its own budget. As such, the General Assembly has limited oversight over MDTA, but their existence and operations have been legislatively expanded in the past. MDTAP were legislatively enacted in 1994 by merging the Maryland Aviation Administration Police (MAA) with the Maryland Port Authority Special Police (MPA). Previous expansions included the State Roads Commission Bridge Guards and the Harbor Tunnel Special Police. The 1994 consolidation also expanded the authority of MDTA to include property and structures owned by MAA and the legislation specified that MAA and Port Authority Police should adopt the MDTAP salary while retaining their prior retirement system, which required MDTA to reimburse the previous agency for the employer's cost of pension coverage. (Chapter 577, Acts of 1994)

vi. Facilities

MDTA facilities are critical security-sensitive components of the State's transportation network and vital generators of revenue for the MDTA. Any impediment to the flow of traffic on these critical roadways could impact both inter- and intra-state commerce. The MDTAP is directly charged with securing and protecting MDTA's assets to ensure its revenue stream is not interrupted. Damage to the infrastructure could affect the ability of the MDTA to collect tolls and permit the free flow of traffic. Significant impacts on revenue would adversely affect the MDTA's ability to service its debt and negatively impact its credit rating, thereby limiting future bond issues and a diminished ability to maintain or construct critical transportation infrastructure for the State.

As described above, the MDTAP and MSP are the two State law enforcement agencies most closely aligned in terms of mission, duties, responsibilities, training and recruitment. There is also significant overlap in geographical areas of operation. Further, MDTAP's historical role as an agency that engaged almost exclusively in traffic enforcement has evolved substantially. MDTAP is now a highly trained, full service police agency that not only enforces traffic laws, but that also engages in a broad spectrum of police functions to include criminal investigations, narcotics and contraband interdiction and the protection of Maryland's critical infrastructure. MDTAP is the agency whose mission, culture and identity is most closely aligned with MSP. The consolidation of MDTAP and MSP may have synergistic effects that would create a "force multiplier" in the fight against crime in Maryland. Nevertheless, the equalization and consolidation of pension plans is a substantial barrier to consolidation at this time.

F. University of Maryland Police Department (UMPD)

The University of Maryland Police Force (UMPD) is the primary agency responsible for policing property owned, operated, leased by, or under the control of the University of Maryland System. To provide effective services for that System as a whole, UMPD has entered into a "Concurrent Jurisdiction Agreement" with Prince George's County Police Department (PGPD) that, in addition to its statutory jurisdiction and authority, distributes enforcement authority to University Police Officers in certain areas of Prince George's County. UMPD and PGPD have a mutual and positive working relationship and share assistance and expertise as needed.

UMPD officers are State certified in accordance with Article 41, Section 4-201 of the Annotated Code of Maryland and have all the powers and authority as any other sworn police officer in Maryland to make arrests, investigate crimes, and carry firearms. The mission of the University of Maryland Police at College Park is "To serve the university community, protect life and property, and to enforce the law." Officers serve and protect a diverse student enrollment, staff, and faculty of approximately 60,000 people. In this effort, officers work with the community in a cooperative community policing effort to prevent crime from occurring and to respond and provide assistance to victims once crime has occurred to provide the most effective service and protection as possible. Based on the needs of college communities, the UMPD is structured specifically to handle special events, crime prevention, building security, investigations, K9 explosives detection, and communications.

UMDPS is the only university police department in the State and one of a relatively few police departments statewide to offer a fully certified Entry Level Police Training Academy. Instructors from UMPD who teach in the Academy not only train individuals who will work as officers at UMPD, but also officers from law enforcement jurisdictions from across the state. UMPD officers also serve as instructors and lecturers in courses at UMCP and other institutions of higher education across the region.

All full-time employees are offered benefits through the State of Maryland as well as tuition remission at any campus in the University of Maryland System (if hired before 1991) or at the University of Maryland, College Park (if hired after 1991). Sworn officers are members of the Law Enforcement Officers Pension System (LEOPS). Civilian Employees are members of the State of Maryland Retirement System.

Although the UMDPS is a highly professional organization with sworn officers who are conferred the same enforcement powers as other law enforcement officers in Maryland, the agency provides a very specialized type of service to a limited segment of the population, the academic community. This niche role makes the UMDPS less suitable for consolidation with MSP.

VIII. CONCLUSION

A careful evaluation of the information made available for review indicates that the Maryland Capitol Police (DGS), the Maryland Department of Natural Resources Police (DNR), the Maryland Transit Administration Police (MTA), and the University of Maryland Police (UMPD) are not suitable for consolidation with each other or for consolidation under the Maryland State Police at this time. A variety of barriers would make a consolidation(s) challenging including:

- Jurisdictional issues
- Specialized enforcement duties
- Collective bargaining issues
- Cultural differences

The primary focus of the evaluation process was to determine if any consolidation(s) would lead to a more seamless and coordinated delivery of police services to Maryland's citizens, reduce overall crime and save lives. Any consolidation(s) of the DGS, MTA, UMPD or DNR police agencies with each other or with the MSP may actually impede Maryland's ability to improve public safety and protect the constituencies served by these State police forces.

Careful consideration and evaluation indicate that MDTAP would be the best candidate for consolidation with the MSP. Full consolidation would require that all personnel, sworn and civilian, as well as equipment and other assets, be transferred to, and integrated with, MSP. The law enforcement duties

carried out by MDTAP and MSP are more closely aligned than those of any other State law enforcement agencies. Moreover, MDTAP and MSP have substantial similarities in mission, culture and operations to include: geographical areas of responsibility, recruitment, training, rank structure, and compensation. The combined agency operating under the leadership of the Superintendent of the Maryland State Police may be more efficient through the coordinated use and allocation of personnel and other assets and the elimination of overlap and duplication. The result could be a more flexible agency that would be better equipped to protect the citizens of Maryland.

However, consolidation would pose the following challenges to the State of Maryland:

- One-time Transition Costs
- Legal Issues
- Pension Plans & Benefits

The consolidation of MDTAP with MSP will result in certain one-time transition costs. For example, approximately 500 MDTAP officers will need uniforms, badges and insignia that meet MSP standards. Existing MDTAP vehicles would be re-branded consistent with MSP. Further, additional patrol vehicles would be necessary to provide MDTAP officers with take-home vehicles. Finally, various administrative tasks would accompany the consolidation of MDTAP with MSP. These tasks include transition training and orientation for MDTAP officers, the transfer of personnel records and human resources materials, the issuance of General Order manuals, and the transfer of other records and equipment.

The Maryland General Assembly would have to pass legislation to effect the consolidation of MDTAP with MSP. Changes would have to be made to relevant sections of the State Personnel and Pensions Article, the Public Safety Article, the Transportation Article and the Criminal Procedures Article.

The most challenging and costly aspect of consolidating MDTAP with MSP would be equalizing pension plans and benefits. The State Personnel and Pensions Article, Section 24-202 requires all sworn members of MSP to be members of the State Police Retirement System as a condition of employment; however, MDTAP officers are part of LEOPS. Because of disparities in contribution rates and payouts at retirement between MDTAP and MSP, transferring the approximately 500 MDTAP officers into the MSP retirement system would be costly. In order to better understand the costs associated with equalizing benefits after a consolidation, an actuarial analysis of pension options was conducted by the firm of Gabriel Roeder Smith & Company (GRS). The results of that analysis (Appendix A) are more fully discussed below, but the costs could be substantial.

A. Transition Costs

The consolidation of the MDTAP into the MSP would result in significant one-time transition costs. These costs include uniforms, insignia, other equipment and minor changes to vehicles such as the substitution of door insignia and decals. The estimated cost of transitioning MDTA vehicles to MSP vehicles is estimated at \$12,690. The transition costs for uniforms, badges and other personal equipment for approximately 500 MDTAP officers is estimated at \$ 1,096,515. Various administrative related tasks must be accomplished during the transition by personnel who would spend time performing them in addition to their regular work functions. Other costs include but are not limited to: transition training for personnel from both the MDTAP and the MSP; Human Resources records transfer, training records transfer, policy revisions as required, and Internal Affairs records transfer.

Additional patrol vehicles needed as a result of the consolidation is estimated at 120 cars. Purchase of these vehicles could be phased in over a three year period to purchase, maintain and operate approximately 40 additional MSP semi-marked or unmarked patrol cars for a total of \$3,569,904. Total one-time transition costs to the State would be approximately \$4.68 Million.

B. Legal Issues

At the request of MSP, the Attorney General’s Office issued an Advice of Counsel regarding the possible consolidation of MDTAP and MSP (copy attached). The Advice of Counsel stated that at this stage, in advance of seeing actual legislation, the Attorney General is not aware of anything that would specifically preclude a consolidation of the two agencies. Absent constitutional challenges, the legislature is authorized to implement most types of necessary legislation. Within the intricacies, however, certain challenges may arise that would require additional scrutiny.

Navigating the disparate pension systems of the two agencies would require amendments to the State Personnel & Pensions Article – Title 24 (State Police Retirement System). Scenario #3 would require adjustments to Title 24 & Title 26 to allow former MDTAP sworn personnel to transfer into the State Police Retirement System to include provisions for payments from individuals and state. Each agency is legislatively tasked with police powers for specific jurisdictions throughout the state. Similar to Massachusetts’ approach, MSP would need to legislatively expand its mission to encompass the purposes and goals of MDTAP. MDTAP enabling legislation would be removed from the Transportation Article. Various changes to Maryland Code would be necessary to remove MDTAP agency and chief of police references including Criminal Procedure Article – Title 2 (Arrest Powers), Transportation Article – Title 26 (Arrest Powers) and Public Safety Article – Title 3 (LEOBR & Training Commission).

Figure 3: Table of Legislative Changes

	Maryland Code	Issue	Description of Change
Primary Changes	State Personnel & Pensions § 24-401.	Service retirement: requires 25 years of eligibility service	Specify eligibility service to include MDTAP members
	State Personnel & Pensions § 26-201; 26-202	Membership in LEOPS	Eliminate MDTAP
	Public Safety §2-301	Mission/Duties of MSP does not include MDTAP	New duties/mission to include MDTAP (Include jurisdiction on all MDOT property or consider MOU)
	Transportation §4-208.1	Chief Police Officer authority	Eliminate or merge authority with MSP
	Maryland Code	Issue	Description of Change
Housekeeping/Other	Business Regulation §10-412	Police officer includes MSP and MDTAP Civilian Officers	Eliminate MDTAP
	Criminal Law §8-301	Identity fraud: provides MDTAP with same authority as MSP to investigate Identity Fraud	Eliminate MDTAP
	Criminal Procedures §§2-101; 2-103; 2-104; 5-802	Includes MDTAP and MDTAP Chief of Police	Eliminate MDTAP and MDTAP Chief or replace with MSP Superintendent
	Health §§18-213; 18-213.2	Law Enforcement Officer includes MDTAP	Eliminate MDTAP
	PS §§3-101; 3-201	Includes MDTAP	Eliminate MDTAP

SPP §§3-102; 3-403	Law includes MDTAP officers at the rank of first sergeant and below	Eliminate MDTAP
Tax §9-222	Civilian employees of MDTAP powers	Eliminate MDTAP
Transportation §§6-211; 16-205.1; 21-810; 22-106; 23-101; 24-111; 24-113.2; 25-111	Authorizes MDTAP officers/civilian officers to take certain actions	Replace MDTAP with MSP or Eliminate MDTAP
Transportation §5-212.1	Requires MDTAP Chief to create regulations with MAA and MPCTC	Eliminate MDTAP Chief or replace with MSP Superintendent

C. Pension Plans & Benefits

The sworn personnel of MDTAP are members of the Law Enforcement Officers Pension System (LEOPS) of the State Retirement and Pension System of Maryland while the sworn personnel of the MSP are members of the State Police Retirement System. Section 24-202 of the Maryland State Personnel and Pensions Code requires Maryland State Police employees to be a member of the State Police Retirement System as a condition of employment. The law only allows an exception in 24-203 for the Secretary of State Police. In order to waive membership in the State Police Retirement System for MSP personnel, legislative change would be necessary. The benefits afforded to MSP sworn personnel are significantly higher than those afforded to the sworn personnel of MDTAP, as outlined in the following table:

<i>Figure 4</i>	State Police Retirement System (MSP)	LEOPS (MDTAP)
Retirement Eligibility	22 years @ 56.1%	25 years @ 50%
Maximum Eligibility	28 years @ 71.4 %	30 years @ 60 %
Employee Contribution Rate	8 %	7 %
Drop Program	Yes	Yes

Actuarial Analysis

State Personnel & Pensions Article, § 24-202 requires sworn employees of the Maryland Department of State Police to be members of the State Police Retirement System as a condition of employment. As such, an addition of 500 former sworn members of the MDTAP into the State Police Retirement System would result in an active membership of just under 1,800 individuals. The benefits afforded to MSP sworn personnel are higher than those afforded to the sworn personnel of MDTAP, as outlined above in Figure 4.

To identify options for reconciling the disparate retirement systems, an actuarial report was requested from the Maryland State Retirement and Pension System (MSRPS). MSRPS utilizes Gabriel Roeder Smith & Company (GRS) for actuarial services. GRS conducted an actuarial analysis to determine the impact of transferring members of MDTAP from the Law Enforcement Officers' Pension System (LEOPS) to the State Police Retirement System (SPRS). The analysis presents four scenarios which increase assets in the SPRS from sources other than LEOPS' assets. Narrative in italics is taken directly from the GRS Report (Appendix A).

Exhibit I (Appendix A). *Place contribution deficiencies on all transferring members as calculated between what they did contribute under LEOPS and what they would have contributed under SPRS. Deficiencies would actuarially reduce retirement benefits if left unpaid (reduce liability) or increase money brought into the SPRS (increase assets) if paid.*

Under Scenario 1, all transferring members would either 1) make an additional contribution equal to the difference between what they did contribute under LEOPS and what they would have contributed under SPRS or 2) have their retirement benefit actuarially reduced if the contribution deficiency was left unpaid. Exhibit I illustrates the impact of members making the additional contribution. The member contributions with interest that the transferring members would have contributed under SPRS, is two times the LEOPS accumulated contributions through June 30, 2011, and 1.333 times accumulated contributions from FY 2012 (because the member contribution rate under SPRS is 8% of pay compared to the rate of 4% prior to July 1, 2011 and 6% in FY 2012 under LEOPS).

All active transferring officers that were members of Law Enforcement Officers Pension System (LEOPS) prior to the date of the consolidation of MDTAP and MSP would be considered members of the State Police Retirement System as authorized by legislation. Retired sworn members of the MDTA Police would remain in the Law Enforcement Officers Pension System (LEOPS).

Exhibit II (Appendix A). *Require the State to contribute for some portion of the missed employer contributions (SPRS employer rate vs. LEOPS employer rate) to increase the assets in the SPRS. The contribution was applied in a manner to preserve the funded ratios of SPRS and LEOPS.*

Under Scenario 2, the State would contribute some portion of the missed employer contributions (SPRS employer rate vs. LEOPS employer rate) to increase the assets in the SPRS. Exhibit II illustrates the impact of the State making additional contributions. The missed contributions are estimated based on the difference between the employer normal cost for SPRS and LEOPS calculated in the actuarial valuation as of June 30, 2010, which determined the fiscal year 2012 contributions (before the reduction of \$120 million), times current payroll times service for transferring members.

Exhibit III (Appendix A). *(Combination of Scenarios 1 and 2) In this scenario, the asset transfer is designed to be sufficient to exactly pay off the newly created liabilities.*

Scenario 3 is a combination of Scenario 1 and Scenario 2. However, the sum of the members' additional contributions and the State's additional contributions were capped at the amount of additional unfunded actuarial accrued liability (UAAL) caused by the transfer. In other words, the goal under this scenario was a net change in UAAL of zero.

Scenario 3 would provide transferring members (MDTAP officers) with the option to join the State Police Retirement Systems (SPRS) and therefore make up additional contributions estimated at approximately \$8.7 million into the SPRS. The State would make additional contributions estimated at approximately \$16.8 million. Of the total contribution of \$16.8 million made by the State, \$5.1 million would be contributed to LEOPS and \$11.7 million would be contributed to SPRS such that the impact on the funded ratio of each system would be the same as a result of the transfer when compared to the actuarial valuation as of June 30, 2012. The amount of \$ 16.8 million would be amortized over 25 years for an annual cost of approximately \$ 1.1 million to the State. The estimated resulting impact of the transfer and the additional contributions would be no change in the unfunded liability, an increase in the System funded ratios of SPRS and LEOPS of 0.2%, and a net increase in the estimated State contribution for

fiscal year 2014 of approximately \$3.4 million. As such, the annual costs to the state of transferring MDTAP officers to the SPRS would be \$ 4.5 million.

Exhibit IV (Appendix A). *Newly hired MDTAP officers are covered under the SPRS benefit provisions and current MDTAP members are covered by LEOPS benefit provisions.*

Scenario 4 would result in an elimination of the increase in unfunded actuarial accrued liability (UAAL) without the need for any additional contributions from members or the State. This does NOT eliminate the emergence of a higher cost of providing pension coverage to future hires of the MDTAP. The cost would begin to emerge as soon as there are new MDTAP hires and increase to approximately \$3.4 M annual cost (in 2014 dollars) over 25 years, when the current workforce would have essentially been replaced. Consideration would need to be given to the amortization method under this scenario because payroll would be expected to increase by less than the assumed rate of 3.5% under LEOPS and more than 3.5% under SPRS as MDTAP members retired or terminated from LEOPS and new members entered SPRS.

Scenario 4 would require a legislative proposal would request a modification to the statute to allow a one-time exemption pertaining to the consolidation of MDTAP and MSP. Under the revised statute, the transferring MDTA Police Officers would remain members of the Law Enforcement Officers Pension System (LEOPS) throughout their careers and into retirement. Following the consolidation, as a condition of employment, all newly hired sworn members of MSP would be required to join the State Police Retirement System. Scenario 4 would be the least costly option for the State, however, it would require legislation to exempt MDTAP officers from required membership in the State Police Retirement System.

IX. Conclusion

Full consolidation of the MDTAP with the MSP would be cost-prohibitive to Maryland at this time. State police forces will continue to cooperate and share resources through the State Law Enforcement Coordinating Council (SLECC), whose core mission is to eliminate redundancies among agencies in order to achieve greater efficiencies.

Chiefs of the major State police forces agree that SLECC is a successful venture that should continue. Maryland citizens and visitors have been positively impacted by the collective efforts of member agencies that have successfully collaborated, planned, trained, and responded to civil disturbance, natural disaster, and organized events where large crowds would be subject to terrorist attack. Maximizing intelligence sharing and training resources across State police forces is fully underway. The new statewide 700 MHz communications system is currently in the first phase of implementation. This system is creating daily interoperability among first responders and would aid significantly in the efficient and effective management of incidents. State police forces and the Maryland Department of Information Technology are implementing a statewide Computer Aided Dispatch (CAD) and Records Management System (RMS). As a result of SLECC, MTA Police officers along with various other agencies attend the MDTAP entry level training academy each year, which aids in creating uniformity and establishing closer working relationships among the departments. Recently, the MDTA funded the construction of the new rifle range at the Maryland Police and Corrections Training Commission (MPCTC) facility. MDTAP as well as other law enforcement agencies utilize this facility at the MPCTC. These are only a few examples of the outcomes of collaboration among forces.

Numerous opportunities exist to pursue virtual consolidation for those State police forces with mission, philosophy, and culture so disparate from the MSP that physical consolidation would not positively

impact public safety. SLECC should pursue additional efficiencies of administration and operations among these agencies such as:

- Consolidation of procurement services, especially of weapons and other equipment
- Improved unified command and control
- Enhanced accountability
- Improved intelligence sharing
- Coordinated investigations
- Coordinated training
- Improved coordination on security threats
- Standardized reports and other universal documentation

As SLECC moves into its second formalized year, members will continue to investigate these efficiencies and report out annually to the Governor on findings, implementation, and performance.

References

State of Maryland. Maryland Department of Budget and Management. *Report on the Feasibility of Consolidating Maryland's Police Forces*. 2011.

--. Maryland Department of Transportation. Maryland Transportation Authority Police. *A Report to the Maryland General Assembly regarding Maryland Transportation Authority Police*. 2010.

--. Commission on the Structure and Efficiency of State Government. *Report of the Commission on the Structure and Efficiency of State Government*. 2003. Pages 37 – 49.

International Association of Chiefs of Police. *Consolidating Police Services: An IACP Planning Approach*. 2003.

Appendix A

Armstrong, Brad, Murphy, Brian B., Williams, Amy. *Maryland Transportation Authority Police Force (MTAPF) Transfer/Consolidation from LEOPS to State Police*. Gabriel Roeder Smith & Company. 2012.

Appendix A begins on the next page.

November 21, 2012

Mr. Dean Kenderdine
Executive Director
State Retirement Agency
120 East Baltimore Street, Suite 1630
Baltimore, Maryland 21202-1600

**Re: Maryland Transportation Authority Police Force (MTAPF) Transfer/Consolidation from
LEOPS to State Police**

Dear Dean:

As requested, we have expanded our estimated impact of transferring active members of the Maryland Transportation Authority Police Force (MTAPF) from the State Law Enforcement Officers' Pension System (LEOPS) to the State Police Retirement System (SPRS) to include four scenarios which increase assets in the SPRS from sources other than LEOPS' assets.

The effective date of the proposed transfer would be July 1, 2012. We have used a measurement date of June 30, 2012.

Exhibits I, II, and III contain the impact on key valuation results of the proposed transfer relating to Scenarios 1, 2, and 3 submitted to GRS. Exhibit IV is a brief commentary on Scenario 4 from the same submission. Exhibit V summarizes the results of Scenarios 1-3 and compares them to the 2012 actuarial valuation. Exhibit VI contains details on the method used to calculate the asset transfer amount out of LEOPS. Exhibit VII contains a summary of the data used in this analysis. Exhibit VIII contains a summary of the key benefit provisions of the SPRS and LEOPS.

Under Scenario 1, all transferring members would either 1) make an additional contribution equal to the difference between what they did contribute under LEOPS and what they would have contributed under SPRS or 2) have their retirement benefit actuarially reduced if the contribution deficiency was left unpaid. Exhibit I illustrates the impact of members making the additional contribution. The member contributions with interest that the transferring members would have contributed under SPRS, is two times the LEOPS accumulated contributions through June 30, 2011, and 1.333 times accumulated contributions from FY 2012 (because the member contribution rate under SPRS is 8% of pay compared to the rate of 4% prior to July 1, 2011 and 6% in FY 2012 under LEOPS).

Under Scenario 2, the State would contribute some portion of the missed employer contributions (SPRS employer rate vs. LEOPS employer rate) to increase the assets in the SPRS. Exhibit II illustrates the impact of the State making additional contributions. The missed contributions are estimated based on the difference between the employer normal cost for SPRS and LEOPS calculated in the actuarial valuation as of June 30, 2010, which determined the fiscal year 2012 contributions (before the reduction of \$120 million), times current payroll times service for transferring members.

Scenario 3 is a combination of Scenario 1 and Scenario 2. However, the sum of the members' additional contributions and the State's additional contributions were capped at the amount of additional unfunded actuarial accrued liability (UAAL) caused by the transfer. In other words, the goal under this scenario was a net change in UAAL of zero.

Financial Implications of Transfer

Under Scenario 1, members would make additional contributions estimated at approximately \$8.7 million into SPRS upon transferring. The estimated resulting impact of the transfer and the additional contributions would be an increase in the unfunded liability of approximately \$16.8 million, a decrease in the funded ratio of both SPRS and LEOPS of 0.4% and 0.5%, respectively, and a net increase in the estimated State contribution for fiscal year 2014 of approximately \$4.5 million.

Under Scenario 2, the State would make additional contributions estimated at approximately \$21.1 million when the transfer occurred, a portion of which would be into SPRS and a portion into LEOPS such that the funded ratio of each system would be preserved at the level from the actuarial valuation as of June 30, 2012. The estimated resulting impact of the transfer and the additional contributions would be an increase in the unfunded liability of approximately \$4.5 million, no change in the System funded ratios of SPRS and LEOPS, and a net increase in the estimated State contribution for fiscal year 2014 of approximately \$3.7 million.

Under Scenario 3, members would make additional contributions estimated at approximately \$8.7 million into SPRS and the State would make additional contributions estimated at approximately \$16.8 million. Of the total contribution of \$16.8 million made by the State, \$5.1 million would be contributed to LEOPS and \$11.7 million would be contributed to SPRS such that the impact on the funded ratio of each system would be the same as a result of the transfer when compared to the actuarial valuation as of June 30, 2012. The estimated resulting impact of the transfer and the additional contributions would be no change in the unfunded liability, an increase in the System funded ratios of SPRS and LEOPS of 0.2%, and a net increase in the estimated State contribution for fiscal year 2014 of approximately \$3.4 million.

Under all Scenarios, the portion of the increase in the contribution due to the normal cost would be an ongoing additional cost as a result of the increase in benefits provided under SPRS compared to the benefits provided under LEOPS. A comparison of the main differences in provisions can be found in Exhibit VIII. This additional contribution is estimated at \$3.4 million for the fiscal year 2014 contribution and is expected to increase by 3.5% annually.

Data

Exhibit VI contains a summary of the data as of June 30, 2012 that is used in this calculation. The data identifying the members eligible to transfer was provided on a file sent in October of 2012. We have assumed that eligible active members that would transfer from LEOPS to State Police will immediately be covered by the benefit provisions of the State Police Retirement System retroactive for all prior service. No retired members, DROP members, beneficiaries, vested terminated or inactive members will transfer.

Assumptions and Methods

The actuarial assumptions, as applicable, are the same as those used for the June 30, 2012 actuarial valuation of the SPRS. In particular, the assumed rate of investment return was 7.75% and the assumed rate of active member payroll growth was 3.5%.

We have assumed that MTAPF transferees will behave in a manner consistent with the SPRS assumptions. In particular, the transferring members will retire consistent with the retirement assumptions used for current SPRS members.

The benefit provisions applicable to members entering the Systems before July 1, 2011, are summarized in the actuarial valuation of the Maryland State Retirement and Pension System as of June 30, 2012. We have assumed that eligible active MTAPF members that would transfer from LEOPS to State Police will immediately be covered by the benefit provisions of the State Police Retirement System retroactive for all prior service.

We have illustrated methods for both members and the State to make additional contributions to SPRS if the MTAPF members transferred from LEOPS to SPRS. We have estimated amounts when calculating contribution deficiencies using reasonable methods. Other reasonable methods could be used that could result in significantly different contribution amounts.

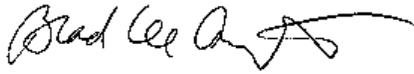
The calculations in this letter are based on the actuarial valuation as of June 30, 2012, and are based on all of the same assumptions and methods as described in the full valuation report, except as noted in this letter. All disclosures in the actuarial valuation report apply to the calculations in this letter.

The undersigned are members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

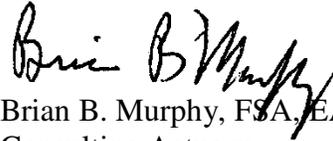
Mr. Dean Kenderdine
November 21, 2012
Page 4

Please contact us if you have any questions or comments.

Sincerely,



Brad L. Armstrong, ASA, MAAA
Consulting Actuary



Brian B. Murphy, FSA, EA, MAAA
Consulting Actuary



Amy Williams, ASA, MAAA
Consulting Actuary

BLA/BBM/AW:ah
Enclosures

Exhibit I

1. Place contribution deficiencies on all transferring members as calculated between what they did contribute under LEOPS and what they would have contributed under SPRS. Deficiencies would actuarially reduce retirement benefits if left unpaid (reduce liability) or increase money brought into the SPRS (increase assets) if paid.

	June 30, 2012 Valuation			After MTAPF Transfer			Change		
	State Police	LEOPS (State)	Combined	State Police	LEOPS (State)	Combined	State Police	LEOPS (State)	Combined
Annual Active Payroll	\$ 77,689,914	\$ 83,671,522	\$ 161,361,436	\$ 102,209,240	\$ 59,152,196	\$ 161,361,436	\$ 24,519,326	\$ (24,519,326)	\$ -
Actuarial Value of Assets as of 6/30/2012	1,134,510,589	435,857,803	1,570,368,392	1,182,336,104	396,770,650	1,579,106,754	47,825,514	(39,087,152)	8,738,362
Total Actuarial Liability	1,826,545,900	792,962,221	2,619,508,121	1,916,753,238	728,298,693	2,645,051,931	90,207,338	(64,663,528)	25,543,810
Unfunded Actuarial Accrued Liability	692,035,311	357,104,418	1,049,139,729	734,417,134	331,528,043	1,065,945,177	42,381,824	(25,576,376)	16,805,448
Funded Ratio	62.1%	55.0%	59.9%	61.7%	54.5%	59.7%	-0.4%	-0.5%	-0.2%
Employer Normal Cost Contribution	25.40%	15.39%		26.01%	15.62%		0.61%	0.23%	
UAAL Contribution	41.31%	37.08%		34.03%	49.70%		-7.28%	12.62%	
Total Employer Contribution	66.71%	52.47%		60.04%	65.32%		-6.67%	12.85%	
Illustrated NC Contribution Dollars	20,778,246	13,558,974	34,337,220	27,992,458	9,728,871	37,721,329	7,214,212	(3,830,103)	3,384,109
Illustrated UAAL Contribution Dollars	33,793,281	32,668,404	66,461,685	36,625,040	30,955,336	67,580,376	2,831,759	(1,713,068)	1,118,691
Illustrated Total Contribution Dollars	\$ 54,571,527	\$ 46,227,378	\$ 100,798,905	\$ 64,617,498	\$ 40,684,207	\$ 105,301,705	\$ 10,045,971	\$ (5,543,171)	\$ 4,502,800
Reinvested Savings	\$ 4,200,827	\$ 4,629,691	\$ 8,830,518	\$ 5,598,653	\$ 3,231,865	\$ 8,830,518	\$ 1,397,826	\$ (1,397,826)	
Total Illustrated Contribution Dollar with Reinvested Savings	58,772,354	50,857,069	109,629,422	70,216,151	43,916,072	114,132,223	11,443,797	(6,940,997)	4,502,801
Estimated Total Employer Contribution Rate with Reinvested Savings	71.85%	57.72%		65.24%	70.51%		-6.61%	12.79%	

Percentage of total reinvested savings for Teachers' Combined System and Employees' Combined System is assumed to remain the same as that calculated in the actuarial valuation as of June 30, 2012. Percentage of total reinvested savings for State Police and LEOPS after MTAPF transfer is recalculated as if the MTAPF members had transferred as of June 30, 2012 to be consistent.

Exhibit II

2. Require the State to contribute for some portion of the missed employer contributions (SPRS employer rate vs. LEOPS employer rate) to increase the assets in the SPRS. The contribution was applied in a manner to preserve the funded ratios of SPRS and LEOPS.

	June 30, 2012 Valuation			After MTAPF Transfer			Change		
	State Police	LEOPS (State)	Combine d	State Police	LEOPS (State)	Combine d	State Police	LEOPS (State)	Combine d
Annual Active Payroll	\$ 77,689,914	\$ 83,671,522	\$ 161,361,436	\$ 102,209,240	\$ 59,152,196	\$ 161,361,436	\$ 24,519,326	\$ (24,519,326)	\$ -
Actuarial Value of Assets as of 6/30/2012	1,134,510,589	435,857,803	1,570,368,392	1,191,017,464	400,414,777	1,591,432,241	56,506,874	(35,443,025)	21,063,849
Total Actuarial Liability	1,826,545,900	792,962,221	2,619,508,121	1,916,753,238	728,298,693	2,645,051,931	90,207,338	(64,663,528)	25,543,810
Unfunded Actuarial Accrued Liability	692,035,311	357,104,418	1,049,139,729	725,735,774	327,883,916	1,053,619,690	33,700,464	(29,220,503)	4,479,961
Funded Ratio	62.1%	55.0%	59.9%	62.1%	55.0%	60.2%	0.0%	0.0%	0.2%
Employer Normal Cost Contribution	25.40%	15.39%		26.01%	15.62%		0.61%	0.23%	
UAAL Contribution	41.31%	37.08%		33.49%	49.31%		-7.82%	12.23%	
Total Employer Contribution	66.71%	52.47%		59.50%	64.93%		-7.21%	12.46%	
Illustrated NC Contribution Dollars	20,778,246	13,558,974	34,337,220	27,992,458	9,728,871	37,721,329	7,214,212	(3,830,103)	3,384,109
Illustrated UAAL Contribution Dollars	33,793,281	32,668,404	66,461,685	36,043,882	30,712,426	66,756,308	2,250,601	(1,955,978)	294,623
Illustrated Total Contribution Dollars	\$ 54,571,527	\$ 46,227,378	\$ 100,798,905	\$ 64,036,340	\$ 40,441,297	\$ 104,477,637	\$ 9,464,813	\$ (5,786,081)	\$ 3,678,732
Reinvested Savings	\$ 4,200,827	\$ 4,629,691	\$ 8,830,518	\$ 5,598,653	\$ 3,231,865	\$ 8,830,518	\$ 1,397,826	\$ (1,397,826)	
Total Illustrated Contribution Dollar with Reinvested Savings	58,772,354	50,857,069	109,629,422	69,634,993	43,673,162	113,308,155	10,862,639	(7,183,907)	3,678,733
Estimated Total Employer Contribution Rate with Reinvested Savings	71.85%	57.72%		64.70%	70.12%		-7.15%	12.40%	

Percentage of total reinvested savings for Teachers' Combined System and Employees' Combined System is assumed to remain the same as that calculated in the actuarial valuation as of June 30, 2012. Percentage of total reinvested savings for State Police and LEOPS after MTAPF transfer is recalculated as if the MTAPF members had transferred as of June 30, 2012 to be consistent.

Exhibit 3

3. Combination of Scenarios 1 and 2. In this scenario, the asset transfer is designed to be sufficient to exactly payoff the newly created liabilities.

	June 30, 2012 Valuation			After MTAPF Transfer			Change		
	State Police	LEOPS (State)	Combined	State Police	LEOPS (State)	Combined	State Police	LEOPS (State)	Combined
Annual Active Payroll	\$ 77,689,914	\$ 83,671,522	\$ 161,361,436	\$ 102,209,240	\$ 59,152,196	\$ 161,361,436	\$ 24,519,326	\$ (24,519,326)	\$ -
Actuarial Value of Assets as of 6/30/2012	1,134,510,589	435,857,803	1,570,368,392	1,194,071,700	401,840,502	1,595,912,202	59,561,110	(34,017,300)	25,543,810
Total Actuarial Liability	1,826,545,900	792,962,221	2,619,508,121	1,916,753,238	728,298,693	2,645,051,931	90,207,338	(64,663,528)	25,543,810
Unfunded Actuarial Accrued Liability	692,035,311	357,104,418	1,049,139,729	722,681,538	326,458,191	1,049,139,729	30,646,228	(30,646,228)	0
Funded Ratio	62.1%	55.0%	59.9%	62.3%	55.2%	60.3%	0.2%	0.2%	0.4%
Employer Normal Cost Contribution	25.40%	15.39%		26.01%	15.62%		0.61%	0.23%	
UAAL Contribution	41.31%	37.08%		33.30%	49.16%		<u>-8.01%</u>	<u>12.08%</u>	
Total Employer Contribution	66.71%	52.47%		59.31%	64.78%		-7.40%	12.31%	
Illustrated NC Contribution Dollars	20,778,246	13,558,974	34,337,220	27,992,458	9,728,871	37,721,329	7,214,212	(3,830,103)	3,384,109
Illustrated UAAL Contribution Dollars	33,793,281	32,668,404	66,461,685	35,842,686	30,618,999	66,461,685	<u>2,049,405</u>	<u>(2,049,405)</u>	<u>0</u>
Illustrated Total Contribution Dollars	\$ 54,571,527	\$ 46,227,378	\$ 100,798,905	\$ 63,835,144	\$ 40,347,870	\$ 104,183,014	\$ 9,263,617	\$ (5,879,508)	\$ 3,384,109
Reinvested Savings	\$ 4,200,827	\$ 4,629,691	\$ 8,830,518	\$ 5,598,653	\$ 3,231,865	\$ 8,830,518	\$ 1,397,826	\$ (1,397,826)	
Total Illustrated Contribution Dollar with Reinvested Savings	58,772,354	50,857,069	109,629,422	69,433,797	43,579,735	113,013,532	10,661,443	(7,277,334)	3,384,110
Estimated Total Employer Contribution Rate with Reinvested Savings	71.85%	57.72%		64.52%	69.97%		-7.33%	12.25%	

Assumes additional contributions of \$8,738,362 from the transferring members and \$16,805,448 from the State, for total additional contributions of \$25,543,810.

Percentage of total reinvested savings for Teachers' Combined System and Employees' Combined System is assumed to remain the same as that calculated in the actuarial valuation as of June 30, 2012. Percentage of total reinvested savings for State Police and LEOPS after MTAPF transfer is recalculated as if the MTAPF members had transferred as of June 30, 2012 to be consistent.

4. Newly hired MTAPF are covered under the SPRS benefit provisions and current MTAPF members are covered by LEOPS benefit provisions.

This will result in an elimination of the increase in unfunded actuarial accrued liability (UAAL) without the need for any additional contributions from members or the State. This does NOT eliminate the emergence of a higher cost of providing pension coverage to future hires of the MTAPF. The cost will begin to emerge as soon as there are new MTAPF hires and increase to approximately \$3.4 M annual cost (in 2014 dollars) over 25 years, when the current workforce will have essentially been replaced. Consideration would need to be given to the amortization method under this scenario because payroll would be expected to increase by less than the assumed rate of 3.5% under LEOPS and more than 3.5% under SPRS as MTAPF members retired or terminated from LEOPS and new members entered SPRS.

Exhibit 5

Summary of Valuation Results under Scenarios 1-3

	2012 Regular Valuation	No Additional Assets		Scenario 1		Scenario 2		Scenario 3	
		After MTAPF Transfer	Change from 2012 Valuation	After MTAPF Transfer	Change from 2012 Valuation	After MTAPF Transfer	Change from 2012 Valuation	After MTAPF Transfer	Change from 2012 Valuation
State Police Actuarial									
Liability Actuarial Value of Assets Unfunded	\$ 1,826,545,900	\$ 1,916,753,238	\$ 90,207,338	\$ 1,916,753,238	\$ 90,207,338	\$ 1,916,753,238	\$ 90,207,338	\$ 1,916,753,238	\$ 90,207,338
Liability Funded Ratio	1,134,510,589	1,173,597,742	39,087,152	1,182,336,104	47,825,514	1,191,017,464	56,506,874	1,194,071,700	59,561,110
Illustrative FY2014 Contribution	692,035,311	743,155,496	51,120,186	734,417,134	42,381,824	725,735,774	33,700,464	722,681,538	30,646,228
	62.1%	61.2%	-0.9%	61.7%	-0.4%	62.1%	0.0%	62.3%	0.2%
	\$ 58,772,354	\$ 70,333,230	\$ 11,560,876	\$ 70,216,151	\$ 11,443,797	\$ 69,634,993	\$ 10,862,639	\$ 69,433,797	\$ 10,661,443
LEOPS									
Actuarial Liability									
Actuarial Value of Assets	\$ 792,962,221	\$ 728,298,693	\$ (64,663,528)	\$ 728,298,693	\$ (64,663,528)	\$ 728,298,693	\$ (64,663,528)	\$ 728,298,693	\$ (64,663,528)
Unfunded Liability	435,857,803	396,770,650	(39,087,152)	396,770,650	(39,087,152)	400,414,777	(35,443,025)	401,840,502	(34,017,300)
Funded Ratio	357,104,418	331,528,043	(25,576,376)	331,528,043	(25,576,376)	327,883,916	(29,220,503)	326,458,191	(30,646,228)
Illustrative FY2014 Contribution	55.0%	54.5%	-0.5%	54.5%	-0.5%	55.0%	0.0%	55.2%	0.2%
	\$ 50,857,069	\$ 44,433,196	\$ (6,423,873)	\$ 43,916,072	\$ (6,940,997)	\$ 43,673,162	\$ (7,183,907)	\$ 43,579,735	\$ (7,277,334)
Total State Portion MSRPS									
Actuarial Liability									
Actuarial Value of Assets	\$ 53,707,077,267	\$ 53,732,621,077	\$ 25,543,810	\$ 53,732,621,077	\$ 25,543,810	\$ 53,732,621,077	\$ 25,543,810	\$ 53,732,621,077	\$ 25,543,810
Unfunded Liability	34,089,464,061	34,089,464,061	0	34,098,202,423	8,738,362	34,110,527,910	21,063,849	34,115,007,871	25,543,810
Funded Ratio	19,617,613,206	19,643,157,016	25,543,810	19,634,418,654	16,805,448	19,622,093,167	4,479,961	19,617,613,206	0
Illustrative FY2014 Contribution	63.5%	63.4%	0.0%	63.5%	0.0%	63.5%	0.0%	63.5%	0.0%
	\$ 1,791,982,884	\$ 1,797,119,888	\$ 5,137,004	\$ 1,796,485,685	\$ 4,502,801	\$ 1,795,661,617	\$ 3,678,733	\$ 1,795,366,994	\$ 3,384,110

Increase in Illustrative FY2014 Contribution after MTAPF transfer is attributable to additional normal cost contributions required for transferring members under State Police compared to LEOPS and additional unfunded liability.

Asset Transfer Calculation

	LEOPS MTAPF	LEOPS Non- MTAPF	Total LEOPS
	(a)	(b)	(c)
Actuarial Accrued Liability (1)	\$ 65,297,211	\$ 727,665,010	\$ 792,962,221
Employee Contributions (2)	9,716,416	23,194,573	32,910,989
Market Value of Assets (3)			434,547,280
Employer Market Value of Assets (4) = (3) - (2)			401,636,291
AAL Funded by Employer Assets (5) = (1) - (2)	\$ 55,580,795	\$ 704,470,437	\$ 760,051,232
Employer Assets Market Value Funded Ratio (6) = (4) / (5)			52.84%
Market Value of Assets transferred from LEOPS to State Police (7) = (2a) + (6)*(5a)	\$ 39,087,152		

Summary of Data Used (as of June 30, 2012)

	<u>LEOPS (State)</u>			<u>State Police</u>
	<u>MTAPF</u>	<u>Non-MTAPF</u>	<u>Total</u>	
Active Number Count	422	1,051	1,473	1,332
Active Payroll	\$ 24,519,326	\$ 59,152,196	\$ 83,671,522	\$ 77,689,914
Employee Contribution Balance	9,716,416	23,194,573	32,910,989	70,670,205
Active Average Age	38.4	43.2	41.8	35.3
Active Average Service	10.1	11.4	11.0	10.7
Active Average Pay	\$ 58,103	\$ 56,282	\$ 56,803	\$ 58,326

Summary of Key Benefit Provisions

	State Police	LEOPS
Benefit Accrual Rate	2.55% for first 28 years	2.00% for first 30 years
Retirement Eligibility	22 years or age 50	25 years or age 50
COLA	Unlimited (pre July 1, 2011 service)	Capped at 3% (pre July 1, 2011 service)
Normal Form of Payment	80% J&S	50% J&S
Member Contribution	8% of pay	7% of pay (6% during fiscal year 2012, and 4% prior to July 1, 2011)