

# Economic Impact Statement

Office of Legislative Oversight

## Bill 14-20

## Human Rights and Civil Liberties – Discriminatory Employment Practices – Workplace Harassment

### SUMMARY

The Office of Legislative Oversight (OLO) expects Bill 14-20 to have an insignificant impact on the Montgomery County economy.

### BACKGROUND

Bill 14-20 is intended to address the problem of discriminatory workplace harassment in Montgomery County. The bill would amend Sections 27-19 of the Montgomery County Code by defining and prohibiting, both, discriminatory harassment and sexual harassment against employees by their employers.<sup>1</sup> The bill would also alter the standard on “the level of harassing conduct that constitutes an employment discrimination claim under County law.”<sup>2</sup> Under the current standard followed in County law, the harassing conduct must be “sufficiently severe or pervasive to alter the plaintiff’s conditions of employment and to create an abusive work environment.”<sup>3</sup> Under the proposed standard, the conduct need only arise to the level of “more than a petty slight, trivial inconvenience, or minor annoyance.”<sup>4</sup> In brief, Bill 14-20 would expand the scope of workplace harassment that is prohibited under County law.

### INFORMATION, ASSUMPTIONS and METHODOLOGIES

No methodologies were used in this statement. The assumptions underlying the claims made in the subsequent sections are based on the judgment of OLO staff.

### VARIABLES

The variables that could affect economic impacts in the County are the following:

- Number of workplace harassment claims filed against employers
- Amount of harassment claims paid to employees
- Percentage of workforce subject to harassing conduct

<sup>1</sup> County Council for Montgomery County, Maryland. Bill 14-20 Human Rights and Civil Liberties – Discriminatory Employment Practices – Workplace Harassment. March 17, 2020. 1-4; and County Council for Montgomery County, Maryland. Memorandum. Christine Wellons. March 12, 2020. 1.

<sup>2</sup> County Council. Memorandum. 1.

<sup>3</sup> *Magee v. Dansources Tech. Serv.*, 137 Md. App. 527, 549 quoted in County Council. Memorandum.

<sup>4</sup> County Council. Bill 14-20. 3-4.

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## IMPACTS

### Businesses, Non-Profits, Other Private Organizations

Workforce, operating costs, property values, capital investment, taxation policy, economic development, competitiveness, etc.

OLO believes that Bill 14-20 would have little to no impact on private organizations in the County in terms of the Council's priority indicators, namely workforce, operating costs, capital investments, property values, taxation policy, economic development and competitiveness.

### Residents

Employment, property values, taxes paid, etc.

OLO believes that Bill 14-20 would have little to no impact on County residents in terms of the Council's priority indicators, namely employment, property values, and taxes paid.

## WORKS CITED

County Council for Montgomery County, Maryland. Bill 14-20 Human Rights and Civil Liberties – Discriminatory Employment Practices – Workplace Harassment. March 17, 2020.

County Council for Montgomery County, Maryland. Memorandum. Christine Wellons. March 12, 2020.

## CAVEATS

Two caveats to the economic analysis performed here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

## CONTRIBUTIONS

This economic impact statement was drafted by Stephen Roblin (OLO).