

# Economic Impact Statement

Office of Legislative Oversight

## Expedited Bill 23-20

## Contracts – Management and Disposal of Goods – Emergency Procedures

### SUMMARY

The Office of Legislative Oversight (OLO) expects Expedited Bill 23-20 to have an insignificant impact on the Montgomery County economy.

### BACKGROUND

In response to the Covid-19 crisis, Montgomery County Government has received donations of masks and other personal protective equipment that health care workers and other essential workers can use.<sup>1</sup> Current procurement law requires the County to dispose of these donations to hospitals, nursing homes and other non-public entities through competitive methods, such as sealed bids, public auction, or trade.<sup>2</sup> Expedited Bill 23-20 would authorize the Department of Emergency Management and Homeland Security to “dispose of goods received in response to a declared emergency in accordance with emergency procedures and prioritization guidelines and without the need of a competitive process.”<sup>3</sup>

### 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

Not applicable.

### IMPACTS

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

OLO believes that Expedited Bill 23-20 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.

<sup>1</sup> Robert H. Drummer, Memorandum, April 13, 2020, Montgomery County Council, Maryland.

<sup>2</sup> Montgomery County Council, Expedited Bill No. 23-20 Contracts – Management and Disposal of Goods – Emergency Procedures, Montgomery County, Maryland, 2 and 4.

<sup>3</sup> Ibid, 4.

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

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### Residents

Employment, property values, taxes paid, etc.

OLO believes that Expedited Bill 23-20 would have little to no impact on County residents in terms of the Council's priority indicators, namely employment, property values, and taxes paid.

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### WORKS CITED

Drummer, Robert H. Memorandum. April 13, 2020. Montgomery County Council, Maryland.

Montgomery County Council. Expedited Bill No. 23-20 Contracts – Management and Disposal of Goods – Emergency Procedures. Montgomery County, Maryland.

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### 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.

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### CONTRIBUTIONS

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

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