

Economic Impact Statement

Office of Legislative Oversight

Bill 25-20

Rental Assistance – Amendments

SUMMARY

The Office of Legislative Oversight (OLO) expects Bill 25-20 to have a minimal impact on the Montgomery County economy.

BACKGROUND

Per Executive Order 135-19, Montgomery County Government is committed to providing County benefits and services to all residents “regardless of country of birth or immigration status.”¹ In line with this commitment, Bill 25-20 would make several changes to the Rental Assistance Program. These changes include the following: (i) lowering the age of eligibility to 55; (ii) clarifying the definition of a person with a documented disability; (iii) removing the prohibition of eligibility of residents who do not have immigration documentation; and (iv) providing that “the benefit amount for the Program is established in regulations.”²

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 primary variable that could affect the economic impacts of Bill 25-20 in the County are the number of residents who would now qualify for the Rental Assistance Program and need rental support.

IMPACTS

Businesses, Non-Profits, Other Private Organizations

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

OLO believes that Bill 25-20 would have a minimal impact on private organizations in the County. OLO sees no direct connection between the bill and the Council’s priority indicators, namely workforce, operating costs, property values, capital investment, taxation policy, economic development, and competitiveness.

¹ Marc Elrich, Executive Order 135-19 Promoting Community Trust, Office of the County Executive, Effective on July 22, 2019, Montgomery County, Maryland, 2, https://www.montgomerycountymd.gov/OPI/Resources/Files/2019/MC-executive_order_135-19.pdf?source=post_page-----.

² Montgomery County Council, Bill No. 25-20 Rental Assistance – Amendments, Montgomery County, Maryland.

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Residents

Employment, property values, taxes paid, etc.

OLO believes that Bill 25-20 would have a minimal impact on County residents. The primary beneficiaries of the bill would be residents who would both now qualify for the Rental Assistance Program (i.e. residents without immigrant documentation and fall between the old and new age criteria) and need help keeping up with rent payments. It is possible that receiving the rental assistance would prevent employment disruptions associated with failing to meet rent obligations. OLO sees no direction between the bill and property values and taxes paid.

WORKS CITED

Montgomery County Council. Bill No. 25-20 Rental Assistance – Amendments. Montgomery County, Maryland.

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).