

# Economic Impact Statement

Office of Legislative Oversight

## Bill 19-21

## Finance – Reports on Settlement Agreements

### SUMMARY

The Office of Legislative Oversight (OLO) believes that enacting Bill 19-21 would have insignificant impacts on economic conditions in the County.

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### BACKGROUND

The purpose of Bill 19-21 is to improve public transparency regarding settlement agreements entered by the County. The bill would attempt to do so by making the following changes to County law regarding the settlement of claims by or against the County: “(1) require the County Attorney periodically to report to the County Executive and County Council regarding settlement agreements entered into by the County; [and] (2) require the County Attorney to publish each report on the County website.”<sup>1</sup>

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### METHODOLOGIES, ASSUMPTIONS, AND UNCERTAINTIES

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

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### VARIABLES

Not applicable

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<sup>1</sup> Montgomery County Council, Bill 19-21, Finance – Reports on Settlement Agreements, introduced on May 18, 2021. See Introduction Staff Report, [https://apps.montgomerycountymd.gov/ccllms/DownloadFilePage?FileName=2710\\_1\\_14446\\_Bill\\_19-21\\_Introduction\\_20210518.pdf](https://apps.montgomerycountymd.gov/ccllms/DownloadFilePage?FileName=2710_1_14446_Bill_19-21_Introduction_20210518.pdf).

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## IMPACTS

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

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

OLO believes that Bill 19-21 would have no economic impacts on private organizations in the County in terms of the Council's priority indicators, namely business income, workforce, operating costs, capital investments, property values, taxation policy, economic development, and competitiveness.<sup>2</sup>

### Residents

OLO does not believe that enacting Bill 19-21 would affect County residents in a way that would significantly impact the Council's priority indicators.

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## DISCUSSION ITEMS

Not applicable

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## WORKS CITED

Montgomery County Code. Sec. 2-81B. Economic Impact Statements.

Montgomery County Council. Bill 19-21, Finance – Reports on Settlement Agreements. Introduced on May 18, 2021.

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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

Stephen Roblin (OLO) prepared this report.

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<sup>2</sup> For the Council's priority indicators, see Montgomery County Code, Sec. 2-81B. Economic Impact Statements, [https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco\\_md/0-0-0-80894](https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco_md/0-0-0-80894).