

# Economic Impact Statement

Montgomery County, Maryland

## Expedited Bill 2-23

## Board of Investment Trustees – Membership – Amendments

### SUMMARY

The Office of Legislative Oversight (OLO) anticipates that enacting Expedited Bill 2-23 would have an insignificant impact on economic conditions in the County in terms of the Council's priority indicators.

### BACKGROUND AND PURPOSE OF EXPEDITED BILL 2-23

The purpose of Bill 2-23 is to replace the Director of Human Resources (OHR) with the Chief Labor Relations officer as an ex-officio member of the Board of Investment Trustees, as requested by the County Executive. The responsibility of bargaining and the administration of employee retirement benefits was transferred from OHR to the Chief Labor Relations Officer, whose responsibility is to formulate and implement the County's labor relations policy, including contract negotiations and administration of collective bargaining agreements. As the bargaining responsibilities have been transferred from OHR to the Chief Labor Relations Officer, it is more appropriate for that individual to serve on the Board of Investment Trustees, according to the County Executive.<sup>1</sup>

### INFORMATION SOURCES, METHODOLOGIES, AND ASSUMPTIONS

Per Section 2-81B of the Montgomery County Code, the purpose of this Economic Impact Statement is to assess the impacts of Bill 2-23 on County-based private organizations and residents in terms of the Council's priority economic indicators and whether the Bill would likely result in a net positive or negative impact on overall economic conditions in the County.<sup>2</sup> The Office of Management and Budget concludes that transferring the responsibility of bargaining and administering employee retirement benefits from OHR to the Chief Labor Office would not impact County revenues or expenditures.<sup>3</sup> Because County employee compensation is not expected to change, OLO concludes that the Bill would have no impact on private organizations, residents, and overall economic conditions in the County in terms of the indicators prioritized by the Council.

### VARIABLES

Not applicable

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<sup>1</sup> [Expedited Bill 2-23](#); McCartney-Green to Council, [Memorandum](#); Elrich to Albornoz, [Memorandum](#).

<sup>2</sup> Montgomery County Code, [Sec. 2-81B](#).

<sup>3</sup> Fiscal Impact Statement, [Expedited Bill 2-23](#).

## IMPACTS

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

Not applicable

## DISCUSSION ITEMS

Not applicable

## WORKS CITED

Jackson, Shantée. [Fiscal Impact Statement: Expedited Bill 2-23, Board of Investment Trustees – Membership – Amendments](#). October 14, 2022.

McCartney-Green, Ludeen to County Council. [Memorandum](#). January 12, 2023.

Montgomery County Code. [Sec. 2-81B, Economic Impact Statements](#).

Montgomery County Council. [Expedited Bill 2-23, Board of Investment Trustees – Membership – Amendments](#). January 17, 2023.

## 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

Stephen Roblin (OLO) prepared this report.