Economic Impact Statement

Montgomery County, Maryland

Expedited Personnel and Human Resources – Bill 5-23 Prospective Employees – Health Care Privacy

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that Expedited Bill 5-23 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 5-23

Prior to hiring, prospective County employees are required to complete a medical history review form from Occupational Medical Services within the Office of Human Resources (OHR). The form states, "[t]he information submitted is used to determine [the prospective employee's] ability to perform essential functions of the job for which [they] applied and could be used for evaluation in future workers' compensation claims."

As described in the introduction staff report for Expedited Bill 5-23:

"The medical form requires prospective employees to provide myriad information, including whether the applicant has been hospitalized over the past three years; whether the applicant is or might be pregnant; whether the applicant requires a reasonable accommodation; and what prescription medications and over-the-counter medications the applicant takes."

If enacted, Bill 5-23 would limit inquiries by the County regarding certain health information of prospective employees, and limit the County in considering certain health information in hiring decisions. As explained in the staff report, "the County would be permitted to ask prospective employees about health care information only to the extent information is 'business-related' in that it bears on the individual's ability to meet published minimum job qualifications."

The Bill would also prohibit inquiries by the County regarding certain reproductive health information of prospective employees, including abortion care, miscarriage, contraception, sterilization, pregnancy, or family planning. Additionally, the Bill would allow individuals aggrieved by violations of the proposed law to appeal to the Merit System Protection Board.

Expedited Bill 5-23, Personnel and Human Resources – Prospective Employees – Health Care Privacy, was introduced by the Council on January 31, 2023.¹

¹ Background on the Bill is based on the following sources: <u>Montgomery County Government Medical History Review Form</u>; <u>Wellons</u> to Council; and <u>Expedited Bill 5-23</u>.

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 Expedited Bill 5-23 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.²

Based on consultations with OHR personnel and a survey of County hiring managers conducted in January 2020,³ it is unlikely that any changes to the hiring process induced by the Bill would significantly affect whether candidates are offered or accept a position with the County. For this reason, OLO anticipates that the change in law would have insignificant impacts on private organizations, residents, and overall economic conditions in the County in terms of the economic indicators prioritized by the Council.

VARIABLES

Not applicable

IMPACTS

WORKFORCE = TAXATION POLICY = PROPERTY VALUES = INCOMES = OPERATING COSTS = PRIVATE SECTOR CAPITAL INVESTMENT = ECONOMIC DEVELOPMENT = COMPETITIVENESS Not applicable

DISCUSSION ITEMS

Not applicable

WORKS CITED

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

Montgomery Council. <u>Expedited Bill 5-23</u>, <u>Personnel and Human Resources – Prospective Employees – Health</u> <u>Care Privacy</u>. Introduced on January 31, 2023.

Office of Human Resources. Montgomery County Government Medical History Review Form.

Office of Human Resources. OHR Partner Survey. January 19, 2020.

Wellons, Christine to County Council. Memorandum. January 26, 2023.

² Montgomery County Code, <u>Sec. 2-81B</u>.

³ OHR Partner Survey.

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 <u>not</u> represent OLO's endorsement of, or objection to, the Bill under consideration.

CONTRIBUTIONS

Stephen Roblin (OLO) prepared this report.