

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

EXPEDITED OPT/SLT BARGAINING UNITS – PENSION MULTIPLIER BILL 39-23: CORRECTIONS FOR GROUP E AND J MEMBERS

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Expedited Bill 39-23 will have a positive impact on racial equity and social justice in the County through making corrections that will prevent a reduction in pension benefits for a group of County employees who are disproportionately Black.

PURPOSE OF RESJ IMPACT STATEMENTS

The purpose of RESJ impact statements (RESJIS) is to evaluate the anticipated impact of legislation on racial equity and social justice in the County. Racial equity and social justice refer to a **process** that focuses on centering the needs, leadership, and power of communities of color and low-income communities with a **goal** of eliminating racial and social inequities.¹ Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social harms that have caused racial and social inequities.²

PURPOSE OF EXPEDITED BILL 39-23

In August 2023, the Council enacted Expedited Bill 20-23 “to implement provisions of the negotiated Memorandum of Agreement between the Montgomery County Government and the Municipal & County Government Employees Organization, UFCW, Local 1994 (MCGEO).”³ The purpose of Bill 39-23 is to correct a drafting error in Expedited Bill 20-23. According to the County Executive, because of the drafting error, the final agreement between the County and MCGEO included an unintended pension multiplier change that “will result in a reduction in benefits that does not reflect that parties’ intent.”⁴ If enacted, Bill 39-23 “would correct the pension multiplier for retirement Groups E and J in order to reflect the bargained-for intent” of Bill 20-23.⁵

Expedited Bill 39-23, OPT/SLT Bargaining Units – Pension Multiplier Corrections for Group E and J Members, was introduced by the Council on October 17, 2023.

In May 2023, OLO published a RESJIS on Expedited Bill 20-23, OPT/SLT Bargaining Units – Pension and Retirement Adjustments.⁶ Please refer to this RESJIS for more information on retirement and racial equity.

ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of Bill 39-23 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who are the primary beneficiaries of this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

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As presented in the RESJIS for Bill 20-23, Table 1 suggests that Black people are overrepresented among Corrections and Sheriff personnel that may qualify as Group E or Group J employees in the County's Employees' Retirement System, while White, Asian, and Latinx people are underrepresented.

Table 1: Percent of Adult Constituents and Corrections/Sheriff Employees by Race and Ethnicity, Montgomery County

Race and ethnicity ⁷	County Constituents 18 Years and Over	Corrections/Sheriff Employees ⁸
Asian	15.9	3.2
Black	17.7	46.5
White	43.4	29.8
Latinx	18.6	9.8

Source: Table P4, 2020 Decennial Census, Census Bureau;
OLO Analysis of Unpublished Office of Human Resources Data as of May 6, 2022.

Therefore, OLO anticipates Bill 39-23 will have a positive impact on RESJ in the County through making corrections that will prevent a reduction in pension benefits for a group of County employees who are disproportionately Black, which in turn will avoid the worsening of established racial inequities in retirement outcomes.

RECOMMENDED AMENDMENTS

The Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.⁹ OLO anticipates Expedited Bill 39-23 will have a positive impact on RESJ in the County. As such, OLO does not offer recommended amendments.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than 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.

¹ Definition of racial equity and social justice adopted from "Applying a Racial Equity Lens into Federal Nutrition Programs" by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools. <https://www.racialequitytools.org/glossary>

² Ibid.

³ [Introduction Staff Report for Expedited Bill 39-23](#), Montgomery County Council, Introduced October 17, 2023.

⁴ Memorandum from County Executive to Council President, Introduction Staff Report for Expedited Bill 39-23.

⁵ Introduction Staff Report for Expedited Bill 39-23.

⁶ [RESJIS for Expedited Bill 20-23](#), Office of Legislative Oversight, May 3, 2023.

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⁷ Latinx people are not included in other racial groups for this data point.

⁸ May include staff that do not qualify for ERS's Group E or Group J. Conversely, other staff that qualify for Group E or Group J may not be included in this calculation.

⁹ Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council