Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

EXPEDITED BILL 20-25: ECONOMIC DEVELOPMENT CORPORATION - ECONOMIC DEVELOPMENT STRATEGIC PLAN - DEADLINES

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Expedited Bill 20-25 will have a minimal impact on racial equity and social justice (RESJ) in the County. Bill 20-25 would extend the Montgomery County Economic Development Corporation's deadline for submitting the County's Economic Development Strategic Plan by one year. This is not likely to meaningfully benefit or burden community members by race and ethnicity nor impact racial and social inequities in the County.

PURPOSE OF RESJ IMPACT STATEMENTS

RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is important to achieve RESJ. ¹ This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities. ²

PURPOSE OF EXPEDITED BILL 20-25

The Montgomery County Economic Development Corporation (MCEDC) – a nonprofit public-private partnership, funded by the County – is the County's official economic development organization. Every four years, MCEDC is required to submit a draft Economic Development Strategic Plan to the Executive and the Council.³

The Economic Development Strategic Plan ("the Strategic Plan") aims to foster "a thriving and diversified economy; racial equity and social justice; greater innovation; and environmental sustainability." It must include several measures to assess the capacity of the County and its partners to promote economic development. Once MCEDC has submitted a draft Strategic Plan, the Executive may suggest revisions. After, the Council must hold a public hearing and adopt the final Strategic Plan by resolution.⁴

Under current law, MCEDC is required to submit a draft Strategic Plan to the Executive and the Council by July 1, 2025. MCEDC informed the Council that it is unable to meet this deadline. The purpose of Expedited Bill 20-25 is to provide MCEDC with additional time to develop the Strategic Plan. If enacted, Bill 20-25 would amend the deadlines to:⁵

- July 31, 2026 for the draft plan;
- January 15, 2027 for the Executive's revised plan; and
- March 15, 2027 for the Council's approved plan.

The Council introduced Expedited Bill 20-25 on June 17, 2025.

RESJ Impact Statement

Expedited Bill 20-25

ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of Bill 20-25 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who would primarily benefit or be burdened by this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

OLO anticipates Bill 20-25 will have a minimal impact on RESJ in the County. Bill 20-25 would extend MCEDC's deadline for submitting the Economic Development Strategic Plan by one year. The Strategic Plan will have implications on RESJ. However, extending the deadline for submitting the plan by one year is not likely to meaningfully benefit or burden community members by race and ethnicity nor impact racial and social inequities in the County.

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.⁶ OLO anticipates Expedited Bill 20-25 will have a minimal 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 <u>Marlysa Gamblin et al., "Applying Racial Equity to U.S. Federal Nutrition</u> Programs," Bread for the World and Racial Equity Tools.

² Ibid.

³ Montgomery County Code § 15-4A.

⁴ Ihid

⁵ Introduction Staff Report for Bill 20-25, Montgomery County Council, Introduced June 17, 2025, pgs. 1-2.

⁶ <u>Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council.</u>