

Expedited Bill No. 40-15
Concerning: Economic Development -
Workforce Development -
Amendments
Revised: September 25, 2015 Draft No.5
Introduced: September 29, 2015
Enacted: October 13, 2015
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

- (1) authorize the Council to designate a non-profit corporation as the County's workforce development organization;
- (2) assign certain duties to that workforce development organization; and
- (3) generally amend the economic development laws.

By amending

Montgomery County Code
Chapter 30B, Economic Development Corporation
Sections 30B-1, 30B-2, and 30B-4

By adding

Montgomery County Code
Chapter 30B, Economic Development Corporation
Sections 30B-8, 30B-9, 30B-10, 30B-11, 30B-12, 30B-13, and 30B-14

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec 1. Sections 30B-1, 30B-2 and 30B-4 are amended as follows:**

2 **Chapter 30B Economic Development [Corporation].**

3 **Article I. Economic Development Corporation**

4 **30B-1. Policy objectives.**

5 * * *

6 **30B-2. Designation.**

7 (a) The County Council must designate, by resolution approved by the
8 County Executive, a single nonprofit corporation which complies with
9 all the requirements and criteria of this [Chapter] Article as the
10 Montgomery County Economic Development Corporation. If the
11 Executive disapproves the resolution within 10 days after receiving it,
12 the Council may readopt the resolution with at least 6 affirmative votes.

13 (b) To continue to qualify as the County's Business Economic
14 Development Corporation, the Corporation's articles of incorporation
15 and bylaws must comply with all requirements of this [Chapter] Article.

16 * * *

17 **30B-4. Status; incorporation; bylaws.**

18 (a) To qualify as the County's Economic Development Corporation, the
19 Corporation's articles of incorporation must provide for the
20 appointment of the members of its board of directors as set forth in this
21 [Chapter] Article. The articles of incorporation must also provide that
22 the Corporation is:

23 * * *

24 (b) The Corporation's bylaws may contain any provision necessary to
25 govern and manage the Corporation that does not conflict with this
26 [Chapter] Article. The Corporation may exercise all powers and is
27 subject to all requirements which apply to non-stock corporations under

the Corporations and Associations Article of the Maryland Code.

* * *

Sec 2. Sections 30B-8, 30B-9, 30B-10, 30B-11, 30B-12, 30B-13, and 30B-14 are added as follows:

Article II. Workforce Development

30B-8. Policy objectives.

(a) The success of Montgomery County's economic development goals is dependent upon a comprehensive and demand-driven system of workforce development that:

- (1) meets the talent attraction, development, and retention needs of strategic industries;
- (2) meets the needs of the underemployed and unemployed; and
- (3) develops career pathways that lead to sustainable wage jobs to support a thriving economy.

(b) To achieve these goals, the County Government may designate a nonprofit corporation as the County's Workforce Development Corporation to implement the County's workforce development policies established by the Workforce Development Board.

30B-9. Designation.

(a) The Council must designate, by resolution approved by the Executive, a single nonprofit corporation which complies with all requirements of this Article as the County's Workforce Development Corporation. If the Executive disapproves the resolution within 10 days after receiving it, the Council may readopt the resolution with at least 6 affirmative votes.

(b) To continue to qualify as the County's Workforce Development Corporation, the Corporation's articles of incorporation and bylaws

55 must comply with all requirements of this Article.

56 (c) Any designation under this Section expires at the end of the fifth full
57 fiscal year after the resolution is adopted unless the Council extends the
58 designation by adopting another resolution under this Section.

59 (d) The Council at any time may suspend or revoke the designation of a
60 corporation as the County's Workforce Development Corporation by
61 resolution, adopted after at least 15 days public notice that is approved
62 by the Executive, or, if the Executive disapproves the resolution within
63 10 days after receiving it, is readopted by a vote of at least 6
64 Councilmembers.

65 **30B-10. Board of Directors.**

66 (a) The president of the Workforce Development Corporation must serve
67 as the executive director of the County's Workforce Development
68 Board and the staff of the Workforce Development Corporation must
69 also staff the County's Workforce Development Board.

70 (b) Each voting member must be either a resident of the County or a senior
71 manager in a for-profit or nonprofit entity that has a significant presence
72 in the County.

73 (c) A member must not be paid for service on the Board, but may be
74 reimbursed for necessary travel expenses.

75 (d) A member is not subject to Chapter 19A because of serving on the
76 Board. The Workforce Development Corporation's bylaws must
77 protect against any conflict of interest or similar impropriety by
78 members of the Board of Directors or the Executive Director or any
79 other employees. The bylaws must include:

80 (1) a prohibition against self-dealing and collusive practices;

81 (2) a provision for the disclosure of a financial or similar interest of

any person in any matter before the corporation that would create a conflict of interest;

(3) a provision establishing conditions under which a person is disqualified from participating in decisions or other actions in which there is a conflict between the person's official duties and private interests;

(4) appropriate remedies for a violation of the bylaws, including removal or termination; and

(5) a policy to protect whistleblowers.

(e) Notwithstanding any inconsistent provision of County Code Section 19A-21, a member of the Board of Directors or a staff member of the Workforce Development Corporation who engages in legislative, administrative, or executive advocacy as part of that person's duties is not required to register as a lobbyist under Article V of Chapter 19A because of that advocacy.

(f) The Board must direct the program, management, and finances of the Workforce Development Corporation.

30B-11. Status; incorporation; bylaws.

(a) To qualify as the County's Workforce Development Corporation, the Corporation's articles of incorporation must provide that the Corporation is:

(1) a Maryland nonprofit, non-stock corporation, the purposes and activities of which are limited to those that are permitted to be promoted or performed by a corporation that is recognized as exempt from federal income tax under 26 U.S.C. § 501, as amended;

(2) not an instrumentality of the County;

(3) incorporated for the purpose of serving as the County's Workforce Development Corporation and implementing the County's workforce development policies, as established by the Workforce Development Board;

(4) organized and operated under the laws of the State of Maryland; and

(5) headquartered in the County.

(b) The Workforce Development Corporation's bylaws may contain any provision necessary to govern and manage the Corporation that does not conflict with this Article. The Corporation may exercise all powers and is subject to all requirements which apply to non-stock corporations under the Corporations and Associations Article of the Maryland Code.

30B-12. Workforce development program.

(a) The Workforce Development Corporation's Board of Directors must recommend workforce development programs and associated performance measures to the Executive, Council, and Workforce Development Board each year to advance the policy objectives listed in Section 30B-8.

(b) The Workforce Development Corporation's workforce development programs may include a plan for sponsorship of private investment, marketing, and advocacy initiatives.

(c) The Workforce Development Corporation's Board and staff must meet with the Executive, the Council, and the Workforce Development Board at least annually regarding the Workforce Development Corporation's activities and finances.

30B-13. Staff; support from County Government.

(a) The Office of Management and Budget, the Department of Finance, and

other departments of County government and County-funded agencies, if the Workforce Development Corporation's Board of Directors requests, should provide relevant economic data to the Corporation. The research division of the County Planning Board must provide research support to the Corporation to the extent approved by the Council as part of the Planning Board's work program.

(b) The Workforce Development Corporation may raise public and private funds and may accept services from any source consistent with its purposes.

(c) The Workforce Development Corporation must:

(1) make public data sets available on the web to:

(A) improve public knowledge of the Corporation and its operations;

(B) further its mission; or

(C) increase its accountability and responsiveness; and

(2) provide the Executive, the Council, and the Workforce Development Board, upon request, all non-confidential data produced and received by the Corporation, including research, economic data, and minutes of Board meetings.

30B-14. Report.

The Workforce Development Corporation's Board of Directors must report annually on the activities and finances of the Corporation and provide an audited financial statement of the Corporation to the Executive, the Council, and the Workforce Development Board by November 1 of each year. The report must also include the Corporation's plan to solicit and receive additional public and private funding for its operations.

Sec. 3. Expedited Effective Date.

163 The Council declares that this legislation is necessary for the immediate
164 protection of the public interest. This Act takes effect on the date on which it becomes
165 law.

166 *Approved:*

167 *George Leventhal*

10/14/15

George Leventhal, President, County Council

Date

168 *Approved:*

169

Isiah Leggett, County Executive

Date

170 *This is a correct copy of Council action.*

171

Linda M. Lauer, Clerk of the Council

Date