



**Committee GO**  
**Staff:** Robert H. Drummer, Senior Legislative Attorney  
**Purpose:** To receive testimony – no vote expected  
**Keywords:** #MoCoBusinessAdvancement

AGENDA ITEM #13  
May 5, 2020  
**Public Hearing**

## SUBJECT

Bill 20-20, Administration – Office of the County Executive – Business Advancement Team - Established  
Lead Sponsor: Council President Katz at the request of the County Executive

## EXPECTED ATTENDEES

None

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Public Hearing – no vote expected

## DESCRIPTION/ISSUE

Bill 20-20 would rename the existing Business Solutions Group as the Business Advancement Team and assign additional duties to the Business Advancement Team from the Department of Finance and the Community Engagement Cluster.

## SUMMARY OF KEY DISCUSSION POINTS

### This report contains:

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**MEMORANDUM**

April 30, 2020

TO: County Council

FROM: Robert H. Drummer, Senior Legislative Attorney

SUBJECT: Bill 20-20, Administration – Office of the County Executive – Business Advancement Team - Established

PURPOSE: Public Hearing – no Council votes required

Bill 20-20, Administration – Office of the County Executive – Business Advancement Team - Established, sponsored by Lead Sponsor Council President at the request of the County Executive, was introduced on April 14, 2020.<sup>1</sup>

Bill 20-20 would rename the existing Business Solutions Group as the Business Advancement Team and assign additional duties to the Business Advancement Team from the Department of Finance and the Community Engagement Cluster. When the Department of Economic Development was abolished, the County’s business support positions were scattered across several different departments and offices. This caused a lack of continuity in our business support services.

Bill 20-20 would consolidate business support services in the new Business Advancement Team by transferring 4 employees from Finance and 3 employees from the Community Engagement Cluster into the Team to join with the Business Solutions Group. The Team would be part of the Office of the County Executive. It is our understanding that the Executive intends to designate Special Projects Manager, Tina Benjamin, as the leader of the Team.

OMB estimated that this Bill would not have a fiscal impact on the County. See, ©8-9.

This packet contains:	<u>Circle #</u>
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<sup>1</sup> #MoCoBusinessAdvancement

Bill No. 20-20  
Concerning: Administration – Office of  
the County Executive – Business  
Advancement Team - Established  
Revised: 4-28-2020 Draft No. 3  
Introduced: April 14, 2020  
Expires: October 14, 2021  
Enacted: [date]  
Executive: [date signed]  
Effective: [date takes effect]  
Sunset Date: None  
Ch. [#], Laws of Mont. Co. [year]

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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

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**AN ACT** to:

- (1) rename the existing Business Solutions Group as the Business Advancement Team;
- (2) assign additional duties to the Business Advancement Team from the Department of Finance and the ~~[[Office of the County Executive]]~~ Community Engagement Cluster; and
- (3) generally amend the law governing the Office of the County Executive.

By amending

Montgomery County Code  
Chapter 2, Administration  
Sections 2-25B

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<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. Section 2-25B is amended as follows:**

2   **Sec. 2-25B. [Business Solutions Group] Business Advancement Team.**

3           (a)   Definitions. As used in this Section:

4                   [*Group*] Team means the [Business Solutions Group] Business  
5                   Advancement Team.

6                   *Navigator* means the Small Business Navigator designated by the  
7                   Executive under subsection (c).

8                   *Small business* means a privately owned business that meets the  
9                   requirements of Section 11B-65(a).

10          (b)   *Establishment of [Group] Team*. The Executive must create and  
11                  administer a Business [Solutions Group] Advancement Team that  
12                  includes a Small Business Navigator. The [Group] Team must be part of  
13                  the Office of the County Executive.

14          (c)   *Small Business Navigator*. The Executive must designate an employee  
15                  as the Small Business Navigator. Among other duties, the Navigator  
16                  must:

17                  (1)   advise the Executive, the Council, the Chief Administrative  
18                  Officer, County Department heads, the Planning Board, and any  
19                  other appropriate government agency, of any action needed to  
20                  assist small businesses to comply with County requirements and  
21                  regulations;

22                  (2)   promote communications between a small business and each  
23                  County department or agency that the small business must  
24                  interact with;

25                  (3)   develop and maintain a database of information necessary for a  
26                  small business to comply with County requirements and  
27                  regulations;

28 (4) advise small businesses on how to comply with County  
 29 requirements and regulations; and

30 (5) identify changes to regulations and requirements that would  
 31 improve turnaround, eliminate duplication, resolve conflicts in  
 32 authority, and eliminate unnecessary regulations and  
 33 requirements.

34 (d) *Additional duties for the [Group] Team.* In addition to the duties of the  
 35 Small Business Navigator described in subsection (c), the [Group]  
 36 Team must:

37 (1) provide constituent services for businesses operating in the  
 38 County or planning to operate in the County, including:

39 (A) communicating about new and revised County laws and  
 40 regulations affecting County businesses;

41 (B) outreach;

42 (C) providing publications on County policies;

43 (D) operating workshops and conferences; [and]

44 (E) convening targeted business events; [and]

45 (F) providing oversight and leadership on business programs  
 46 including:

47 (i) incubator management;

48 (ii) economic development incentives and financing  
 49 programs;

50 (iii) business development projects; and

51 (iv) other business-related special initiatives;

52 (2) serve as a point of contact for County businesses seeking to  
 53 comply with County requirements and regulations; and

- 54                   (3)    assist County businesses to interact with other State, County, and  
55                                    local government agencies.
- 56           (e)    *Reports.* On or before September 15 of each year, the Executive must  
57                   report to the Council on the activities and recommendations of the  
58                   [Group] Team.

## LEGISLATIVE REQUEST REPORT

Bill 20-20

*Administration – Office of the County Executive – Business Advancement Team – Established*

**DESCRIPTION:** This Bill renames the existing Business Solutions Group as the Business Advancement Team and assigns additional duties to the Team.

**PROBLEM:** When the Department of Economic Development was abolished, our business support positions were scattered across several different departments and offices. This means that there has been a lack of continuity in our business support services.

**GOALS AND OBJECTIVES:** This effort will bring the totality of our resources together with a strategic focus to coordinate delivery of County services in support of business development and related projects.

**COORDINATION:** Office of the Chief Administrative Officer

**FISCAL IMPACT:** Office of Management and Budget

**ECONOMIC IMPACT:** Office of Legislative Oversight

**EVALUATION:**

**EXPERIENCE ELSEWHERE:** Unknown

**SOURCES OF INFORMATION:** Fariba Kassiri  
Deputy Assistant Chief Administrative Officer

**APPLICATION WITHIN MUNICIPALITIES:** NA

**PENALTIES:** None.

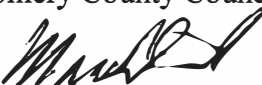


OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Marc Elrich  
County Executive

MEMORANDUM

March 31, 2020

TO: Sidney Katz, President, Montgomery County Council  
FROM: Marc Elrich, County Executive   
RE: **Proposed Legislation: Business Advancement Team**

I am transmitting for Council introduction, the attached legislation which would rename the existing Business Solutions Group to the Business Advancement Team, assign additional duties to the Business Advancement Team and rename the non-merit position of Special Projects Manager to the Business Advancement Manager.

The additional resources that will be transferred to the Business Advancement Team will strengthen the array of business services provided by the County government. When the Department of Economic Development was abolished, our business support positions were scattered across several different departments and offices. This effort will bring the totality of our resources together with a strategic focus to coordinate delivery of County services in support of business development and related projects. The Business Advancement Team will partner with the Montgomery County Economic Development Corporation, Worksource Montgomery and related private business and non-profit organizations throughout the community to advance the County's Economic Development Mission and goals.

The benefits of this structure are numerous and include:

- More efficient deployment of County resources;
- A more visible point of entry within the government for the business community;
- Increased coordination with outside business development entities, which will help to ensure more success as the County jointly pursues its economic development objectives; and
- More effective and efficient use of County and State programs/resources that are available to serve Montgomery County companies.

As a part of this proposal, four positions will move from Finance and three positions from CEC will move to the CEX budget and become part of this new unit. These seven positions will continue to work from their current office locations.



Proposed Bill: Business Advancement Team  
March 31, 2020  
Page 2 of 2

Also attached is a legislative request report and a Fiscal Impact Statement. I look forward to the Council's approval of this bill.

cc: Marc Hansen, County Attorney  
Dale Tibbitts, Special Assistant

**Fiscal Impact Statement**  
**Bill XX-20, Administration - Business Advancement Team**

**1. Legislative Summary**

This legislation would rename the existing Business Solutions Group as the Business Advancement Team and assign additional duties to the Business Advancement Team that were previously implemented in the Department of Finance and the Office of the County Executive. The purpose of this legislation is to bring the totality of the County's resources together with a strategic focus to coordinate delivery of County services in support of business development and related projects.

**2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.**

This Bill does not impact County revenues and would have minimal impact on expenditures related to updating publications and materials to reflect the proposed changes. These costs can be absorbed within current appropriation. To be more efficiently and effectively serving the County's business community, this legislation allows realignment of existing staff from the Office of County Executive and Department of Finance to the new Business Advancement Team.

**3. Revenue and expenditure estimates covering at least the next 6 fiscal years.**

Per Question #2, this Bill does not impact County revenues and expenditures over the next six years.

**4. An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.**

Not applicable.

**5. An estimate of expenditures related to County's information technology (IT) systems, including Enterprise Resource Planning (ERP) systems.**

Staff time required will be minimal and can be accommodated by current staff.

**6. Later actions that may affect future revenue and expenditures if the bill authorizes future spending.**

Not applicable.

**7. An estimate of the staff time needed to implement the bill.**

Not applicable.

**8. An explanation of how the addition of new staff responsibilities would affect other duties.**

Not applicable.

**9. An estimate of costs when an additional appropriation is needed.**

Not applicable.

**10. A description of any variable that could affect revenue and cost estimates.**

Not applicable.

**11. Ranges of revenue or expenditures that are uncertain or difficult to project.**

Not applicable.

**12. If a bill is likely to have no fiscal impact, why that is the case.**


This Bill is making structural and name changes and will have minimal fiscal impact on the County if enacted.

**13. Other fiscal impacts or comments.**

Not applicable.

**14. The following contributed to and concurred with this analysis:**

Jerome Fletcher, Assistant Chief Administrative Officer, County Executive's Office  
Pofen Salem, Office of Management and Budget

  
\_\_\_\_\_  
Richard S. Madaleno, Director  
Office of Management and Budget

  
\_\_\_\_\_  
Date

# Economic Impact Statement

Office of Legislative Oversight

## Bill 20-20

## Administration – Office of the County Executive – Business Advancement Team – Established

### SUMMARY

The Office of Legislative Oversight (OLO) believes Bill 20-20 would likely have a positive impact on the Montgomery County economy. However, the magnitude of this impact cannot be anticipated.

### BACKGROUND

In 2015, the County abolished the Department of Economic Development and transferred its duties across several different departments and offices.<sup>1</sup> This administrative restructuring has “caused a lack of continuity” in the County’s business support services.<sup>2</sup> At the request of the County Executive, the Council introduced Bill 20-20 on April 14, 2020. According to the County Executive, Bill 20-20 would “bring the totality of [County] resources together with a strategic focus to coordinate delivery of County services in support of business development and related projects.”<sup>3</sup> The bill would attempt to improve the County’s business support services by consolidating these services under the newly named Business Advancement Team, which would include a position called “Small Business Navigator.”<sup>4</sup>

The Business Advancement Team and Small Business Navigator would serve as the interface between small businesses and the County. The duties of the Small Business Navigator would include: advising County leadership on how to support small business compliance with County regulations<sup>5</sup>; advising businesses, as well as creating a database with information, on how to comply with these regulations; and identifying changes to these regulations to “improve turnaround, eliminate duplication, resolve conflicts in authority, and eliminate unnecessary regulations.”<sup>6</sup> The Team would be responsible for the following duties: providing a wide-range of constituent services for businesses operating or

<sup>1</sup> Robert H. Drummer, Senior Legislative Attorney, to County Council, Memorandum, June 26, 2015, Montgomery County Council, Maryland.

<sup>2</sup> Robert H. Drummer, Senior Legislative Attorney, to County Council, Memorandum, April 9, 2020, Montgomery County Council, Maryland.

<sup>3</sup> Marc Elrich, County Executive, to Sidney Katz, President, Montgomery County Council, Memorandum, March 31, 2020, Office of the County Executive, Montgomery County, Maryland.

<sup>4</sup> Drummer, April 9, 2020 Memorandum.

<sup>5</sup> For an overview of County business regulations, see [Montgomerycountymd.gov, Business Regulations & Laws, Montgomery County Government, Maryland, https://www.montgomerycountymd.gov/Biz-Resources/Regulatory-Environment.html](https://www.montgomerycountymd.gov/Biz-Resources/Regulatory-Environment.html) (accessed April 27, 2020).

<sup>6</sup> Where Bill 20-20 refers to “requirements and regulations,” this statement uses “regulations” as shorthand. Montgomery County Council, Bill No. 20-20 Administration – Office of the County Executive – Business Advancement Team – Established, Montgomery County, Maryland, 2-3.

# Economic Impact Statement

## Office of Legislative Oversight

planning to operate in the County; serving as a “point of contact” for businesses; and facilitating business interaction with other State, County, and local government agencies.<sup>7</sup>

### INFORMATION, ASSUMPTIONS and METHODOLOGIES

No methodologies were used in this statement. The assumptions underlying the claims made in the subsequent sections are based on the judgment of OLO staff. The primary assumptions made in this statement are the following: First, consolidating business support services within the Business Advancement Team would improve the quality of these services to businesses operating in the County. Second, the Small Business Navigator would identify redundant or unnecessary business regulations, which would facilitate regulatory reform.

### VARIABLES

The primary variables that would affect the economic impact of Bill 20-20 are the following:

- Ease of regulatory compliance—the time, cost, and number of procedures to comply with County business regulations<sup>8</sup>
- Ease of starting a business—the time, cost, and number of procedures required by the County to start a business

### IMPACTS

#### Businesses, Non-Profits, Other Private Organizations

Workforce, operating costs, property values, capital investment, taxation policy, economic development, competitiveness, etc.

OLO believes that Bill 20-20 could have a positive impact on private organizations in the County. By improving the quality of business support services, the Business Advancement Team could decrease the time it takes entrepreneurs to start a business and business owners to comply with County regulations. This time-saving effect should be strongest for small businesses, which lack compliance officers and other resources that large firms use to efficiently and effectively comply with outside regulatory requirements. Moreover, by identifying redundant or unnecessary regulations that small businesses face, the Small Business Navigator could facilitate regulatory reforms that lower the costs of complying with business regulations and starting a business.

It is impossible for OLO to guarantee, much less estimate the magnitude of, these potential time-savings and cost-savings. However, there is theoretical reason to believe that these *potential* savings, if sufficiently large, would have an impact on the Council’s priority indicators. Any financial savings, of course,

<sup>7</sup> Ibid, 3.

<sup>8</sup> The ease of compliance and starting-a-business variables are based on the World Bank’s Doing Business Index. See [Doingbusiness.org](https://www.doingbusiness.org), Starting a Business Methodology, The World Bank, <https://www.doingbusiness.org/en/methodology/starting-a-business> (accessed on April 28, 2020). |

# Economic Impact Statement

## Office of Legislative Oversight

would allow small business owners to offset operating and employment costs, and to increase capital investments. Improving the ease of starting a business and regulatory compliance for small businesses could lead to gains in economic development and the County's competitiveness relative to other jurisdictions in the Washington D.C. metropolitan region. Moreover, it is possible that some taxes on businesses could be eliminated if regulatory reform occurs as a result of what the Small Business Navigator finds. However, OLO sees no clear connection between Bill 20-20 and property values.

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### Residents

Employment, property values, taxes paid, etc.

As previously stated, OLO cannot guarantee, much less estimate the magnitude of, the time-savings and cost-savings that Bill 20-20 could potentially generate for small businesses. If sufficiently large, these savings could generate employment gains for County residents, which would increase taxes paid. However, OLO sees no connection between Bill 20-20 and property values for County residents.

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### WORKS CITED

Doingbusiness.org. Starting a Business Methodology. The World Bank, <https://www.doingbusiness.org/en/methodology/starting-a-business>.

Drummer, Robert H., Senior Legislative Attorney, to County Council. Memorandum. June 26, 2015. Montgomery County Council, Maryland.

Drummer, Robert H., Senior Legislative Attorney, to County Council. Memorandum. April 9, 2020. Montgomery County Council, Maryland.

Elrich, Marc, County Executive, to Sidney Katz, President, Montgomery County Council. Memorandum. March 31, 2020. Office of the County Executive. Montgomery County, Maryland.

Montgomery County Council. Bill No. 20-20 Administration – Office of the County Executive – Business Administration Team – Established. Montgomery County, Maryland.

Montgomerycountymd.gov. Business Regulations & Laws. Montgomery County Government, Maryland, <https://www.montgomerycountymd.gov/Biz-Resources/Regulatory-Environment.html>.

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### 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

# Economic Impact Statement

Office of Legislative Oversight

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.

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## CONTRIBUTIONS

This economic impact statement was drafted by Stephen Roblin (OLO).