


MEMORANDUM

TO: County Council

FROM: Robert H. Drummer, Senior Legislative Attorney 

SUBJECT: **Public Hearing:** Expedited Bill 47-10, Administration – Legislative Branch –
County Council – Economic Impact Statements

Expedited Bill 47-10, Administration – Legislative Branch – County Council – Economic Impact Statements, sponsored by Councilmember Knapp, Council President Floreen, Council Vice President Ervin, and Councilmembers Navarro and Berliner was introduced on July 27, 2010. A Management and Fiscal Policy Committee worksession is tentatively scheduled for September 27 at 10:30 a.m.

A complete economic impact statement is an important tool for the Council to review in making public policy decisions necessary to enact legislation. The Code does not currently require an economic impact statement. Bill 47-10 would require the Director of OMB to submit an economic impact statement to the Council for each bill under consideration before Council action. The Bill would also establish a timeline for submission and the required content for the statement. A Bill would not be subject to challenge solely because OMB failed to timely submit an economic impact statement to the Council.

This packet contains:	<u>Circle #</u>
Expedited Bill 47-10	1
Legislative Request Report	4

Expedited Bill No. 47-10
Concerning: Administration – Legislative
Branch – County Council – Economic
Impact Statements
Revised: July 28, 2010 Draft No. 5
Introduced: July 27, 2010
Expires: January 27, 2012
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Knapp, Council President Floreen, Council Vice President Ervin, and
Councilmembers Navarro and Berliner

AN EXPEDITED ACT to:

- (1) require the Executive to submit a statement to the Council describing the economic impact of a bill before Council action; and
- (2) generally amend the law governing the consideration of bills by the Council.

By adding

Montgomery County Code
Chapter 2, Administration
Article IV, Legislative Branch
Section 2-81A

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. Section 2-81A is added as follows:**

2 **2-81A. Economic Impact Statements**

3 (a) Definitions. In this Section, the following words and phrases have the
4 following meanings:

5 Director means the Director of the Office of Management and Budget.

6 Economic impact means an estimate of the costs and benefits to private
7 organizations and individuals in the County attributable to a change in
8 the law.

9 (b) Economic impact statements. The Director must submit a statement to
10 the Council describing the economic impact, if any, of each bill under
11 consideration by the Council. The Director must submit a separate
12 statement for each bill.

13 (c) Time for submission. An economic impact statement should be
14 submitted to the Council:

15 (1) no later than 7 days before the public hearing on each bill
16 introduced by the Council President at the request of the County
17 Executive; and

18 (2) no more than 21 days after a bill sponsored by a Councilmember
19 is introduced.

20 (d) Content of economic impact statement. Each economic impact
21 statement must include:

22 (1) the sources of information, assumptions, and methodologies
23 used;

24 (2) a description of any variable that could affect economic impact
25 estimates;

26 (3) the bill's positive or negative effect, if any, on employment,
27 spending, saving, investment, incomes, and property values in the
28 County; and

29 (4) if a bill is likely to have no economic impact, why that is the case.

30 (e) Compliance. Council action on a bill that is otherwise valid is not
31 invalid because of any failure to follow the requirements of this Section.

32 **Sec. 2. Expedited Effective Date.**

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

36
37 *Approved:*

38 _____
Nancy Floreen, President, County Council Date

39 *Approved:*

40 _____
Isiah Leggett, County Executive Date

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

42 _____
Linda M. Lauer, Clerk of the Council Date

LEGISLATIVE REQUEST REPORT

Expedited Bill 47-10

Administration – Legislative Branch – County Council –Economic Impact Statements

DESCRIPTION: The Bill would require the Director of OMB to submit an economic impact statement to the Council for each bill under consideration by the Council. The Bill would also establish a timeline for submission and the required content for the statement.

PROBLEM: A complete economic impact statement is an important tool for the Council to review in making public policy decisions necessary to enact legislation. The Code does not currently require an economic impact statement.

GOALS AND OBJECTIVES: To enhance the information available to the Council when making public policy decisions necessary to enact legislation.

COORDINATION: OLO, OMB

FISCAL IMPACT: To be requested.

ECONOMIC IMPACT: To be requested.

EVALUATION: To be requested.

EXPERIENCE ELSEWHERE: To be researched.

SOURCE OF INFORMATION: Robert H. Drummer, Senior Legislative Attorney

APPLICATION WITHIN MUNICIPALITIES: NA

PENALTIES: NA