

Expedited Bill No. 43-10
Concerning: Administration – Legislative
Branch – County Council – Fiscal
Impact Statements
Revised: September 29, 2010 Draft No. 5
Introduced: July 27, 2010
Enacted: October 5, 2010
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Knapp, Council President Floreen, Council Vice President Ervin, and
Councilmembers Andrews, Trachtenberg, Elrich, Leventhal, Navarro, and Berliner

AN EXPEDITED ACT to:

- (1) require the Executive to submit a statement to the Council describing the fiscal 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. Fiscal 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 Fiscal impact means an estimate of changes in future County revenue
7 and expenditures attributable to a change in the law.

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

12 (c) Time for submission. A fiscal impact statement should be submitted to
13 the Council:

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

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

19 If the Director is unable to submit the statement within the time required
20 by paragraph (2), the Director must notify the Council President in
21 writing of the delay, the reason for the delay, and the revised delivery
22 date. If the Council President finds that the revised delivery date is
23 unreasonable, the Council President may set a different delivery
24 deadline.

25 (d) Content of fiscal impact statement. Each fiscal impact statement must
26 include:

- 27 (1) the sources of information, assumptions, and methodologies
 28 used;
- 29 (2) an estimate of changes in County revenues and expenditures
 30 regardless of whether the revenues or expenditures are assumed
 31 in a recommended or approved budget;
- 32 (3) revenue and expenditure estimates covering at least the next 6
 33 fiscal years;
- 34 (4) an actuarial analysis through the entire amortization period for
 35 each bill that would affect retiree pension or group insurance
 36 costs;
- 37 (5) later actions that may affect future revenue and expenditures if
 38 the bill authorizes future spending;
- 39 (6) an estimate of the staff time needed to implement the bill;
- 40 (7) an explanation of how the addition of new staff responsibilities
 41 would affect other duties;
- 42 (8) an estimate of costs when an additional appropriation is needed;
- 43 (9) a description of any variable that could affect revenue and cost
 44 estimates;
- 45 (10) ranges of revenue or expenditures that are uncertain or difficult to
 46 project; and
- 47 (11) if a bill is likely to have no fiscal impact, why that is the case.
- 48 (e) Compliance. Council action on a bill that is otherwise valid is not
 49 invalid because of any failure to follow the requirements of this Section.

50 **Sec. 2. Expedited Effective Date.**

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

54

55 *Approved:*

56 *Nancy Floreen* 10/6/10
 Nancy Floreen, President, County Council Date

57 *Approved:*

58 _____
 Isiah Leggett, County Executive Date

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

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