

Economic Impact Statement

Montgomery County, Maryland

Expedited Bill 23-25: Early Care and Education Coordinating Entity

Summary

The Office of Legislative Oversight (OLO) anticipates that Expedited Bill 23-25 would have no direct impact on economic conditions in the County, as measured by the Council's priority economic indicators.

Background and Purpose of Expedited Bill 23-25

In 2022, the County Council passed Bill 42-21.¹ This Bill created the non-profit Early Care and Education Coordinating Entity, which is currently the Montgomery County Children's Opportunity Alliance (COA).² The Entity is comprised of 21 members who represent a range of stakeholders in early care and education (ECE). Members include parents, ECE providers, private employers and several County departments and agencies.³ The Entity is primarily responsible for developing recommendations to increase "availability of and access to high quality early care and education programs with particular attention to underrepresented and special populations."⁴

If enacted, Expedited Bill 23-25 would update the duties of the Early Care and Education Coordinating Entity.⁵ The Appendix includes current language of the Entity's duties and proposed language in Expedited Bill 23-25. Additionally, the Bill would:⁶

- Specify activities the Entity cannot engage in, such as providing ECE or awarding and/or funding grants;
- Clarify the Entity's members to include two parents or guardians who qualify for a government benefit based on income; and
- Make changes to the data and recommendations the Entity must include in their annual report.

The Council introduced Expedited Bill 23-25 on June 17, 2025.

Information Sources, Methodologies, and Assumptions

As required by 2-81B of the Montgomery County Code, this Economic Impact Statement evaluates the impacts of Expedited Bill 23-25 on residents and private organizations, using the Council's priority economic indicators

¹ [Bill 42-21 - Child Care – Early Care and Education Coordinating Entity – Established, Legislative Information Management System.](#)

² [Montgomery County Children's Opportunity Alliance.](#)

³ [Montgomery County Code § 10A-12.](#)

⁴ [Action Staff Report for Bill 42-21, Montgomery County Council, Action February 15, 2022, PDF pg. 3.](#)

⁵ [Introduction Staff Report for Expedited Bill 23-25, Montgomery County Council, Introduced June 17, 2025.](#)

⁶ Ibid.

as the measure. In doing so, it examines whether the Bill would have a net positive or negative impact on overall economic conditions in the County.⁷

By updating the duties of the Early Care and Education Coordinating Entity, the Bill could affect future recommendations made by the Entity to the County Executive and County Council. In turn, this could have *indirect effects* on the Council's priority indicators, meaning effects that depend on other factors such as the Council's willingness to adopt the Entity's recommendations.⁸

However, OLO cannot predict the nature of these potential changes to the Entity's recommendations or the Council's willingness to adopt them. For this reason, OLO anticipates the Bill would have no *direct* impact on private organizations, residents, and overall economic conditions in the County in terms of the Council's priority indicators.

Variables

Not applicable

Impacts

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Not applicable

Discussion Items

Not applicable

Caveat

Two caveats to the economic impact analysis conducted 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 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.

Contributions

Stephen Roblin (OLO) prepared this report.

⁷ Montgomery County Code, "[Sec. 2-81B, Economic Impact Statements](#)."

⁸ A direct causal effect is an effect on a variable that is not mediated by one or more variables.

Appendix

Current and Proposed Language for Duties of Early Care and Education Coordinating Entity

Current Language

Duties. In developing an equitable system of high quality, accessible, sustainable early care and education and eliminating systemic racism and structures that created access barriers for vulnerable, racially and ethnically diverse populations, the Early Care and Education Coordinating Entity must:

- (1) develop recommendations for increasing availability of and access to high quality early care and education programs, with particular attention to underrepresented and special populations, including low-income children, families of children with special needs, and English language learners and with a focus on children from birth to 5 years old;
- (2) convene and solicit input from all ECE stakeholders to identify unmet needs and barriers to accessing quality ECE services, develop common goals and priorities for system expansion and improvement, and identify opportunities for and barriers to collaboration and coordination among stakeholder groups. The Entity must seek advice from the members of the Early Childhood Coordinating Council while the Entity develops final recommendations for realigning existing County committees and advisory groups that provide input into the early care and education system;
- (3) solicit board members through a community-based process involving parent groups and other advisory bodies. Create and/or maintain existing advisory bodies to ensure continuing direct input from a wide range of community perspectives;
- (4) engage and educate families and the wider community about the importance of high-quality early care and education programs and advocate at the federal, state, and local level for greater public and private investment in and improvements to the early care and education system;
- (5) research and facilitate innovative service models and strategies to improve the early care and education system and identify community needs through periodic mapping of early care and education services and resources and County-wide needs assessments;
- (6) secure and administer private-sector funding to support the early care and education system and manage and administer public funding that is directly appropriated to the Entity;
- (7) measure and report on the efforts to improve and expand the early care and education system with a focus on achieving tangible results that improve access to high-quality ECE across the County;
- (8) address current inequities imposing barriers to accessible high quality, affordable care for all communities; and
- (9) create, as a neutral convener, a common early childhood education agenda based on community consensus that all major stakeholders commit to and maintain a 360 degree view of all aspects of the County's early childhood education sector.

Proposed Language in Bill 23-25

Duties. The Early Care and Education Coordinating Entity must act as a neutral convenor of ECE stakeholders and in collaboration and consultation with ECE stakeholders:

- (1) conduct a County-wide needs assessment for ECE programs;
- (2) identify and analyze specific ECE needs through periodic mapping of ECE services and resources throughout the County;
- (3) research and evaluate strategies to strengthen and sustain the ECE system in the County;
- (4) analyze and recommend to the County Executive and County Council how to increase the quantity of, and equitable access to, high-quality ECE programs, including for children whose parents or guardians

qualify for a government benefit based upon income, families of children with special needs, and English language learners;

- (5) create, publish, and periodically update a comprehensive common ECE agenda based upon the consensus of ECE stakeholders;
- (6) measure outcomes and progress towards the common agenda;
- (7) educate the public about the importance of high-quality ECE programs;
- (8) advocate at the federal, state, and local level for greater investment in and improvements to the ECE system; and
- (9) solicit and accept public and private funding to support the work of the Entity under this Section.