

Economic Impact Statement

Office of Legislative Oversight

Bill 18-22 Noise Control – Leaf Removal Equipment – Amendments

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that enacting Bill 18-22 would have an indeterminate impact on economic conditions in the County in terms of the Council’s priority indicators. By prohibiting the sale and use of combustion engine-powered leaf blowers and vacuums, the Bill would require certain landscaping companies and residents who currently use combustion engine-powered units to replace them before the end of their useful life with electric alternatives. These stakeholders would incur increased operating and household expenses through purchasing electric units and backup batteries. These costs, however, would be offset by the grant program described in the Bill and lower utility costs if future prices of electricity will be on average lower than gas prices. As discussed below, the Bill may also negatively impact certain fuel suppliers and the perception of the County held by businesses. Given the lack of data and uncertainty in key factors, OLO is unable to determine whether Bill 18-22 would have net positive or negative impact on overall economic conditions in the County in the short- or long-terms.

BACKGROUND

The goal of Bill 18-22 is “to ban gas-powered leaf blowers to address environmental, noise, and health concerns raised by County residents.”¹ The Bill would attempt to achieve this goal by prohibiting the sale and use of combustion engine-powered leaf blowers and leaf vacuums by certain dates. The ban on the sale of this equipment would take effect six months after the legislation is enacted, and the ban on its use would take effect a year after enactment. In addition, the Bill would authorize the Department of Environmental Protection (DEP) to establish a grant program to partially offset the cost of replacing combustion engine-powered leaf blowers or leaf vacuums with electric alternatives.²

INFORMATION SOURCES, METHODOLOGIES, AND ASSUMPTIONS

Per Section 2-81B of the Montgomery County Code, the purpose of this Economic Impact Statement is to assess, both, the impacts of Bill 18-22 on residents and private organizations in terms of the Council’s priority economic indicators and whether the Bill would have a net positive or negative impact on overall economic conditions in the County.³

¹ McCartney-Green to County Council, [Memorandum](#); and Legislative Request Report, [Bill 18-22](#).

² Ibid; and Bill [18-22](#).

³ Montgomery County Code, [Sec. 2-81B](#).

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The focus of this analysis is to assess Bill 18-22's impacts on residents and businesses on the following priority indicators:

- household expenses and income; and
- business operating costs and income.

Due to information and time limitations, OLO is unable to quantify the Bill's impacts on these indicators or overall economic conditions in the County. Instead, this analysis identifies the primary stakeholder groups impacted by the ban on combustion-powered leaf blowers and vacuums and discusses the conditions in which the economic impacts would have an overall positive or negative economic impact in the County.

VARIABLES

The primary variables that would affect the economic impacts of enacting Bill 18-22 are the following:

- average cost of electric leaf blowers and leaf vacuums;
- number of combustion engine-powered leaf blowers and leaf vacuums currently in use; and
- difference in future gas and electricity prices.

IMPACTS

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

Businesses, Non-Profits, Other Private Organizations

OLO anticipates that enacting Bill 18-22 would have mixed impacts on certain private organizations in the County in terms of business operating costs and income.

OLO expects the ban on the sale and use of combustion engine-powered leaf blowers and vacuums to affect the following stakeholder groups:

- landscaping companies;
- fuel suppliers; and
- retailers selling landscaping equipment.

The change in law would require **landscaping companies** to replace combustion engine-powered leaf blowers and vacuums with electric alternatives. For companies currently using combustion engine-powered units, replacing them before the end of their useful life with electric units would increase operating costs. Operating costs for affected landscaping companies also would increase from purchasing additional backup batteries.⁴ However, these costs would be

⁴ Hope, "[Best Leaf Blowers of 2022](#)."

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partially offset for companies that take advantage of the DEP grant program (see above). Moreover, companies would experience a decrease in operating costs if future electricity prices will be lower on average than gas prices. Depending on the net impact on operating costs, the Bill could increase or decrease net business income (holding all else equal).

Bill 18-22 likely would impact certain **fuel suppliers** who experience a net decrease in business income from reduced demand for gas. In addition, if there is a significant difference in future prices of combustion engine-powered and electric leaf blowers and vacuums, the Bill would affect revenues to certain **retailers selling landscaping equipment**.

In addition to these stakeholder impacts, Bill 18-22 may have a negative impact on the perception of the County held by businesses.

Beyond these potential impacts, OLO does not expect the Bill to affect private organizations in terms of the Council's other priority indicators.

Residents

OLO anticipates that enacting Bill 18-22 would have mixed impacts on residents who own combustion engine-powered leaf blowers or vacuums in terms of household expenses and income. Replacing these units before the end of their useful life with electric leaf blowers and purchasing backup batteries would increase household expenses for these residents. However, the replacement cost would offset by DEP's grant program and lower utility costs if future prices of electricity on average are lower than gas prices. Depending on the net impact on household expenses, the Bill could increase or decrease net household income (holding all else equal).

Beyond this potential impact, OLO does not expect the Bill to affect residents in terms of the Council's other priority indicators.

Net Impact

Given the lack of data and uncertainty in key factors (e.g., future energy prices), OLO is unable to determine whether Bill 18-22 would have net positive or negative impact on overall economic conditions in the County in the short- or long-terms.

DISCUSSION ITEMS

Not applicable

WORKS CITED

Hope, Paul. "[Best Leaf Blowers of 2022](#)." Consumer Reports. June 10, 2022.

McCartney-Green to County Council. [Memorandum](#). Bill 18-22, Noise Control – Leaf Removal Equipment – Amendments. June 23, 2022.

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

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Montgomery County Council. Bill 18-22, [Noise Control – Leaf Removal Equipment – Amendments](#). Introduced on June 28, 2022.

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 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.