Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

BILL 18-22: NOISE CONTROL — LEAF REMOVAL EQUIPMENT — AMENDMENTS

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that Bill 18-22 could narrow racial and social disparities as its benefits to Latinx employees in the local landscaping sector and County residents exceed its costs to local landscape business owners, who are disproportionately Latinx. The anticipated impact magnitude of the Bill on racial equity and social justice (RESJ) in the County is small.

PURPOSE OF RESJ IMPACT STATEMENT

The purpose of RESJ impact statements is to evaluate the anticipated impact of legislation on racial equity and social justice in the County. Racial equity and social justice refer to a **process** that focuses on centering the needs, leadership, and power of communities of color and low-income communities with a **goal** of eliminating racial and social inequities.¹ Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social harms that have caused racial and social inequities.²

PURPOSE OF BILL 18-22

Current law requires noise levels for leaf blowers to not exceed 70 decibels at a distance of 50 feet.³ The Montgomery County Department of Environmental Protection (DEP), however, finds it is difficult to regulate the noise emanating particularly from gas-powered leaf blowers and vacuums when they no longer have the original manufacturer labels.⁴ They also find that gas-powered leaf blowers have "specific low and high-frequency noise qualities and tones that are highly penetrative and result in noise being two to four times louder than electric plug in or battery-operated options" and these noises can be heard up to 400 feet away.⁵ They further note the adverse health effects of leaf blowers on hearing loss, reduced mental performance and health, and hypertension.⁶ In 2021, there were 62 formal complaints to DEP on leaf blower noise.⁷

Bill 18-22 would change current law by prohibiting the sale of gas-powered handheld, backpack, or walk-behind leaf blowers or vacuums six months after legislation is enacted.⁸ It would also prohibit the use of the same varieties of leaf blowers and vacuums a year after legislation is enacted.⁹ Further, the Bill would authorize DEP to establish a reimbursement program for residents and businesses who purchase electric leaf blowers in exchange for gas-powered leaf blowers and vacuums.¹⁰ Finally, Bill 18-22 would require DEP to have one witness with photographic evidence of a leaf blower violation to issue a noise citation rather than the minimum of two witnesses required under current County statute.¹¹

At the request of the County Executive, Bill 18-22 was introduced to the Council on June 28, 2022. 12

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ENTREPRENEURSHIP, LANDSCAPE CONTRACTING, LEAF BLOWERS, AND RACIAL EQUITY

Landscape contracting has provided a pathway to opportunity for many Latinx entrepreneurs and employees. While Latinx people, like other people of color, are under-represented among business owners and earn revenue far below their White peers, they are overrepresented in the landscape contracting industry. As such, Latinx people are especially impacted by gas-powered leaf blower laws and regulations. This section describes inequities in business ownership by race and ethnicity, the demographics of the landscaping industry, and the benefits and costs associated with gas-powered leaf blowers to begin to unpack the potential RESJ implications of Bill 18-22.

Business Ownership Inequities. Prior research shows that a variety of factors adversely impact people of color as they consider starting and growing businesses, including disparities in educational attainment, personal wealth, access to mainstream capital, and exposure to entrepreneurship in family and social networks.¹³ For example, a study by the Small Business Administration found that Black- and Latinx-owned businesses are more likely to have been denied credit, to receive only a portion of the funding requested, or to refrain from applying for needed funding out of fear their applications will be rejected.¹⁴ Other factors that explain the disparity in capital include discriminatory lending practices, less wealth to leverage, recent financial challenges, and lower credit scores.¹⁵

Nationally, Black and Latinx residents represent 28 percent of the population, but only 8 percent of the nation's business owners with employees. Available local data also show evidence of disparities in entrepreneurship by race and ethnicity, particularly with respect to revenue. For example, while the 2012 Survey of Business Owners indicated that Black and Latinx firms each accounted for 15 percent of local firms in Montgomery County and Asian firms accounted for 14 percent of County firms, Asian firms accounted for 4 percent of local business revenue, Black firms accounted for 1.7 percent of local business revenue, and Latinx firms accounted for 1.5 percent of local business revenue.

More recent local data on self-employed residents also demonstrate disparities in entrepreneurship by race and ethnicity. The 2018 Census data on self-employed residents includes information on residents self-employed in their own incorporated and unincorporated business, professional practice, or farm. As noted in Table 1, White residents were overrepresented among the self-employed compared to their share of the population, while Black, Latinx, and Other residents were underrepresented among the self-employed.¹⁸

Table 1. Representation of Self-Employed Montgomery County Residents by Race and Hispanic Origin, 2018

Demographic Group	Population	Incorporated	Unincorporated
White	52%	67%	59%
Black	19%	11%	13%
Asian	15%	16%	13%
Multiracial	10%	5%	12%
Other	5%	1%	3%
Non Latinx	80%	85%	84%
Latinx	20%	15%	16%

Source: COVID-19 Recovery Outlook: Minority-Owned Businesses, Office of Legislative Oversight, September 21, 2020

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Demographics of Landscape Contractors. While Latinx-owned businesses are underrepresented in the economy as a whole relative to their share of the population, available data suggests that Latinx-owned businesses are overrepresented in the landscaping industry. For example, a 2011 study by the U.S. Hispanic Chamber of Commerce examining the impact of landscaping and lawn care industry upon the Latinx community found that:¹⁹

- The landscape industry in the U.S. employs almost 1.6 million workers and generates almost 959,000 jobs in other industries. In total, Latinx people accounted for more than 830,000 workers in both categories.
- Latinx workers accounted for 35.2 percent of the landscaping and lawn care services workforce compared to 13.4 percent of all U.S. workers.
- Latinx households earned 25 percent of earnings attributable to the landscape and lawn care industry compared to 8.3 percent of earnings among all households in the U.S. economy.
- Latinx-owned businesses account for 16 percent of businesses in the landscaping industry compared to 8.2 percent of businesses nationwide.
- Latinx-owned businesses in the landscaping and lawn care industry account for 9 percent of total industry receipts compared to 1.2 percent of total receipts across all industries.

Available data suggests that Latinx residents are also overrepresented in the landscaping workforce. For example, 6 percent of all County residents worked in natural resources, construction, and maintenance occupations that include landscaping positions, compared to 21 percent of Latinx residents in 2019.²⁰ Anecdotal evidence also suggests landscape contractor businesses and employment play major roles in providing income and small business ownership opportunities to Latinx residents in the County. Many of these companies are family-owned and operated by recent immigrant or first- and second-generation members of Latinx communities.

Benefits and Costs of Gas-Powered Leaf Blowers. The benefits of gas-powered leaf blowers and vacuums include time and convenience in landscaping. They allow homeowners and professionals to clean landscapes and gutters, to remove debris from and around buildings and to maintain lawns in a shorter time frame than using a rake or broom. Compared to electric-powered leaf blowers, gas-powered leaf blowers can also be time and cost effective. Landscapers and homeowners already have gas-powered leaf blowers and can use them for longer time frames than electric-powered leaf blowers, which require charging and frequent battery changes to cover the same amount of square footage in the same amount of time. In short, gas-powered leaf blowers minimize the short-term costs of maintaining landscapes.

The longer-term costs of gas-powered leaf blowers, however, are significant. In addition to creating noises that can damage hearing, gas-powered leaf blowers also foster air pollution. According to the California Air Resources Board, gas-powered leaf blowers contribute to exhaust emissions that create ozone, carbon monoxide, and fine particulate matter. Health effects associated with air pollution include "adverse respiratory and cardiovascular effects, including premature death, hospital and emergency room visits, aggravated asthma, and shortness of breath. Population groups at risk to the adverse effects of air pollution include "the elderly, children, and those with chronic illnesses.

Data on mortality and emergency room visits for heart, cerebrovascular, and chronic respiratory diseases suggest that White and Black residents in Montgomery County are at greatest risk for the negative health effects of air pollution. As noted in Table 2, White residents experienced the highest rates of age-adjusted disease mortality for all three chronic diseases between 2017 and 2019. During this same time frame, Black residents experienced the highest rates of emergency room visits for these three chronic diseases. Nevertheless, since the operators of gas-powered leaf blowers are most at risk for their associated adverse health impacts, ²⁴ Latinx residents likely experience the most direct health costs associated with gas-powered leaf blowers in the County.

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Table 2. Chronic Disease Mortality, Age-Adjusted per 100,000 Montgomery County Residents by Race and Ethnicity, 2017-19

Demographic Group	Heart Disease	Cerebrovascular	Lower Respiratory
		Disease	Disease
White, Non-Hispanic	198.7	41.5	33.2
Black, Non-Hispanic	110.9	29.5	11.0
Asian/Pacific Islander	78.1	21.5	8.0
Latinx/Hispanic Origin	36.5	10.5	4.0

Source: Healthy Montgomery in Montgomery County, 2010 - 2019

Table 3. Chronic Disease Emergency Room Visits, Age-Adjusted per 100,000 Montgomery County Residents by Race and Ethnicity, 2017-19

Demographic Group	Heart Disease	Cerebrovascular	Lower Respiratory
		Disease	Disease
White, Non-Hispanic	1,846.3	20.3	525.5
Black, Non-Hispanic	3,330.1	44.8	1594.1
Asian/Pacific Islander	814.6	17.2	211.2
Latinx/Hispanic Origin	1,335.3	28.2	922.7

Source: Healthy Montgomery in Montgomery County, 2010 - 2019

ANTICIPATED RESJ IMPACTS

Within the context of racial inequity in entrepreneurship and health outcomes, it is important to consider two questions when considering the anticipated impact of Bill 18-22 on RESJ in the County:

- Who are the primary beneficiaries of this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

For the first question, OLO considered the demographics of landscape business owners and employees. Landscape employees, who are disproportionately Latinx, are one of the primary beneficiaries of Bill 18-22, followed by the public at large. A ban on gas-powered leaf blowers and vacuums will reduce the health risks to landscape workers associated with loud noises and air pollution from gas-powered leaf blowers. The ban will also reduce the health risks for residents in the County, including BIPOC residents that experience health disparities in cardiovascular and respiratory health.

Available data on business ownership suggests that Latinx business owners could be harmed by the passage of Bill 18-22 as they are likely over-represented among landscape contractors in the County. Their business costs, at least in the short-term, will likely increase as they replace gas-powered leaf blowers with electric ones and allocate additional staff to cover the same amount of landscape currently maintained with gas-powered blowers. The landscape contractors increased costs would in turn primarily impact home- and business-owners in the County, who are disproportionately White. Bill 18-22's authorization of a grant program to partially offset the cost of replacing gas-powered blowers with electric ones, however, will help offset the costs of the gas blower ban on landscaping businesses and their customers.

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For the second question, OLO considered data on entrepreneurship and health disparities. With the concentration of Latinx-owned businesses among landscape contractors and the likely smaller size of these businesses relative to White-owned businesses, Bill 18-22 could widen the revenue gap between Latinx- and White-owned businesses. The reimbursement program, however, could help offset this negative impact on RESJ. The concentration of Latinx employees in landscaping also suggests that Latinx residents could benefit from reduced emissions associated with electric leaf blowers. White and Black residents across the County that experience three chronic conditions most associated with air pollution - heart disease, cerebrovascular disease, and lower respiratory disease – would also benefit from the decline in emissions resulting from the ban on gas-powered leaf blowers.

Taken together, OLO anticipates Bill 18-22 could narrow racial and social disparities in the County as its overall benefits to Latinx employees in the local landscaping sector and to County residents exceed its costs to local landscape business owners, who are disproportionately Latinx. To the extent Latinx business owners are disproportionately harmed, the grant reimbursement program authorized under Bill 18-22 to help defray the cost of replacing gas-powered blowers for electric ones will dampen this harm. Further, OLO anticipates a small impact of Bill 18-22 on RESJ in the County.

RECOMMENDED AMENDMENTS

The Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.²⁵ OLO anticipates that Bill 18-22 could narrow racial and social disparities as the benefits of banning gas-powered leaf blowers, particularly for Latinx landscape employees, exceeds the costs of replacing gas-powered leaf blowers for electric ones among Latinx-owned businesses and other landscape contractors, particularly with the Bill's authorization of a grant reimbursement program. As such, OLO does not offer recommended amendments for Bill 18-22.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than 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.

¹ Definition of racial equity and social justice adopted from "Applying a Racial Equity Lens into Federal Nutrition Programs" by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools. https://www.racialequitytools.org/glossary

³ Ludeen McCartney-Green, Memorandum to County Council on Bill 18-22, June 23, 2022

⁴ Jason Mathias, Legislative Request Report for Bill 18-22, Montgomery County Department of Environmental Protection

Marc Elrich, Memorandum to Gabe Albornoz, Introduction of Bill 18-22, March 15, 2022

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¹³ Joyce Klein, "Bridging the Divide: How Business Ownership Can Help Close the Racial Wealth Gap" Washington: The Aspen Institute 2017; Robert Fairlie and Alicia Robb, "Why Are Black-Owned Businesses Less Successful than White-Owned Businesses? The Role of Families, Inheritance, and Business Human Capital," Journal of Labor Economics 25(2) 2017; "Kaufmann Compilation: Research on Race and Entrepreneurship," Kaufmann Foundation, December 2016

¹⁴ Stephen Roblin, "COVID-19 Recovery Outlook: Minority-Owned Businesses," Office of Legislative Oversight, September 21, 2020. https://www.montgomerycountymd.gov/OLO/Resources/Files/2020%20Reports/COVID-19RecoveryOutlook- MinorityOwnedBusinesses.pdf

¹⁵ Robert Fairlie and Alicia Robb, "Disparities in Capital Access between Minority and Non-Minority-Owned Businesses: A Troubling Reality of Capital Limitations Faced by MBE's," U.S. Department of Commerce, January 2010.

 $\underline{https://www.mbda.gov/sites/default/files/migrated/files-attachments/Disparities in Capital Access Report.pdf}$

¹⁶ Joseph Parilla and Darin Redus, "How a New Minority Business Accelerator Grant Program Can Close the Racial Entrepreneurship Gap." Brookings December 9, 2020 https://www.brookings.edu/research/how-a-new-minority-business-accelerator-grant-program-can-close-the-racial-entrepreneurship-gap/

¹⁷ Jupiter Independent Research Group, Racial Equity Profile Montgomery County, OLO Report 2019-7, Office of Legislative Oversight, July 15, 2019

https://www.montgomerycountymd.gov/council/Resources/Files/agenda/col/2019/20190611/20190611 3.pdf

¹⁹ Inter-University Program for Latino Research: A report to the U.S. Hispanic Chamber of Commerce on "The Economic Impact of the Landscaping and Lawn Care Services Industry on US Latinos." November 2011.

https://latinostudies.nd.edu/assets/95362/original/ushccnational report novermber 21 2011 final.pdf

⁶ Mathias

⁷ Ibid

⁸ McCartney-Green

⁹ Ibid

¹⁰ Ibid

¹¹ Ibid

¹² Bill 18-22

¹⁸ Roblin

²⁰ S0201: Selected Population Profile in the United States, 2019 American Community Survey, Census Bureau.

²¹ https://ww2.arb.ca.gov/sites/default/files/2018-11/Health%20and%20Environmental%20Impacts%20of%20Leaf%20Blowers.pdf

²² https://nca2018.globalchange.gov/chapter/13/

²³ Ibid

²⁴ QC/PDX https://www.quietcleanpdx.org/leaf-blowers-dangers-pollution/

²⁵ Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council