

## OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE

Marc Elrich
County Executive

Tiffany Ward

Director and Chief Equity Officer

## **MEMORANDUM**

February 6, 2024

To: Jennifer Bryant, Director

Office of Management and Budget

From: Tiffany Ward, Director

Office of Racial Equity and Social Justice

Re: CORRECTED: Racial Equity Impact Assessment (REIA) Supplemental

Appropriation (SA) #24-43 Implementation of Bill 18-22 – Noise Control – Leaf

Removal Equipment – Amendments (\$295,000)

- I. <u>FINDING</u>: The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #24-43 has the potential to advance racial equity and social justice for residents, workers, and small and minority-owned businesses. The Implementation of Bill 18-22-Noise Control-Leaf Removal Equipment-Amendments and supplemental funding will address environmental, health, and noise concerns within the County environmental, health, and noise concerns. Small and minority-owned businesses stand to be disproportionately burdened financially by the phase-out of gas-powered leaf blowers. However, through plans for targeted outreach and education—as well as prioritization of rebate dollars—the County stands to achieve more equitable outcomes for small and minority-owned landscaping and lawncare businesses.
- II. **BACKGROUND:** The purpose of SA #24-43 is to provide funding to implement Bill 18-22<sup>1</sup>, which phases out the sale and use of gas-powered leaf blowers and vacuums. The supplemental will help the Department of Environmental Protection (DEP) set up and fund a time-limited rebate program, the Leaf Blower Incentive Program (LBIP). The

https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2765 1 25331 Bill 18-22 Signed 20231009.pdf.

<sup>&</sup>lt;sup>1</sup> On September 26, 2023, the County Council enacted Bill 18-22-Noise Control-Leaf Removal Equipment-Amendments which will phase out the sale of gas-powered leaf blowers and vacuums after July 1, 2024, and prohibit the use of gas-powered leaf blowers and vacuums after July 1, 2025. Available at:

Corrected: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #24-43 Implementation of Bill 18-22 – Noise Control – Leaf Removal Equipment - Amendments February 20, 2024 Page 2 of 4

funding would also provide resources for DEP to implement an outreach and awareness campaign for retailers, lawn care companies, and residents regarding the phasing out of gas-powered leaf blowers and vacuums.

Gas-powered leaf blowers have faced scrutiny in recent years due to their impact on carbon emissions, air quality, noise pollution, and public health. The two-stroke engines used in most gas-powered leaf blowers produce high levels of carbon monoxide, particulate matter, and other pollutants that contribute to climate change and impact air quality. Additionally, gas-powered leaf blowers and vacuums generate noise levels well above recommended exposure limits that can lead to hearing loss over time and other health issues such as heart attack and stroke. Workers utilizing leaf blowers are especially burdened by noise and air pollution generated from gas-powered leaf blowers and vacuums. Recognizing these impacts, over 170 jurisdictions have banned or begun phasing out gas-powered leaf blowers in favor of electric models.

III. <u>ANALYSIS</u>: The Office of Legislative Oversight (OLO) completed a Racial Equity and Social Justice Impact Statement (RESJIS) for Bill 18-22 Noise Control – Leaf Removal Equipment – Amendments. The RESJIS analyzed the intersection of racial equity, entrepreneurship, landscape contracting, public health, and leaf-blowing equipment. The statement anticipated Bill 18-22 narrowing 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.

Demographic data regarding entrepreneurship and landscape contractors was examined in the RESJIS, citing an overrepresentation of Latinx business owners and employees in the landscaping industry. The Bureau of Labor Statistics estimated in 2022, as many as 47% of Hispanics worked in landscaping and groundskeeping occupations.<sup>4</sup> Health outcomes for residents attributed to air pollution were also examined, noting that white and black residents are most susceptible to the deleterious effects of air pollution, which can cause respiratory and cardiovascular issues. Additionally, the analysis identified operators of gaspowered leaf blowers as most at risk for adverse health impacts, stating, "Latinx residents likely experience the most direct health costs associated with gas-powered leaf blowers in the County." The full RESJIS is available here:

 $\frac{https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2022/Bill18-22.pdf}{}$ 

The legislation requires a time-limited, partial reimbursement rebate program to mitigate the financial burden for residents and businesses. This supplemental will fund the LBIP, offering a rebate to offset the cost of converting from gas-powered leaf blowers to electric ones. Executive Regulations for the rebate program have been drafted and were posted in

 $<sup>^2\,\</sup>underline{\text{https://www.health.harvard.edu/heart-health/how-noise-pollution-may-harm-the-heart}}$ 

<sup>&</sup>lt;sup>3</sup> https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2765 1 25261 Bill 18-22 Action 20230926.pdf

<sup>&</sup>lt;sup>4</sup> https://www.bls.gov/opub/reports/race-and-ethnicity/2022/home.htm

Corrected: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #24-43 Implementation of Bill 18-22 – Noise Control – Leaf Removal Equipment - Amendments February 20, 2024 Page 3 of 4

the Montgomery County Register.<sup>5</sup> Although the regulations have not yet been transmitted to the County Council, the posted regulations reflect information previously shared with the County Council.<sup>6</sup> There were (3) rebate categories in the draft regulations, which include Resident, Revenue Qualifying Business, and Non-Revenue Qualifying Business. The rebate details for each proposed category are defined below.

- **Resident** would be eligible to receive one rebate not to exceed \$100, or the cost of the equipment.
- **Revenue Qualifying Business** means a leaf removal business that generated annual revenue of less than \$250,000 in the preceding year or employs five or fewer employees. These applicants would receive a rebate not to exceed \$1,500 per 12-month period, limited to the cost of the equipment.
- **Non-Revenue Qualifying Business** generated annual revenue of \$250,000 or more in the preceding year and employs six or more employees. These applicants would receive a rebate not to exceed \$1,000 per 12-month period, limited to the cost of the equipment.

The County previously offered a rebate for the purchase of electric leaf blowers. The program was offered to businesses--large and small--and would reimburse up to \$100 for (2) electric leaf blowers in exchange for gas-powered leaf blowers. Sharing outcomes from the rebate program, especially to the extent that it has information on small and minority business participation, could be useful in helping the County in its forthcoming rebate program. The Montgomery County Green Bank, an independent nonprofit that works with residents and businesses to make energy efficiency and clean energy solutions affordable, helped advertise the rebate program. <sup>7</sup> The Green Bank offers various financing options and leverages investments with regional partners, including the County. <sup>8</sup> The County could explore potential partnerships with the Green Bank to expand the reach of any new leaf blower incentive programs.

Supplemental funding will also help create an outreach and awareness campaign for retailers, lawn care companies, and residents. DEP plans an extensive outreach and education campaign to reach small/minority-owned contractors to maximize participation

https://www.montgomerycountymd.gov/exec/register/regs/2024/Jan24ProposedRegs.html

<sup>&</sup>lt;sup>5</sup> Montgomery County Register. January 2024. Available at:

<sup>&</sup>lt;sup>6</sup> https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2765 1 25261 Bill 18-22 Action 20230926.pdf

<sup>&</sup>lt;sup>7</sup> Montgomery County Green Bank. Go Electric Event Notice. Available at: <a href="https://mcgreenbank.org/event/go-electric/">https://mcgreenbank.org/event/go-electric/</a>

<sup>&</sup>lt;sup>8</sup> The Montgomery County Green Bank is the County's designated Green Bank. It was established by Bill 18-15-Environmental Sustainability - Montgomery County Green Bank, and later amended by Bill 26-15. Bill 44-21 requires the County to appropriate 10 percent of the revenue received by the County from the fuel energy tax each year to the Montgomery County Green Bank. Bill 28-23 restricts the use of the 10% appropriation to remain dedicated to investment in clean energy, not climate resiliency activities for the County Green Bank-which was later authorized under Bill 3-23.

Corrected: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #24-43 Implementation of Bill 18-22 – Noise Control – Leaf Removal Equipment - Amendments February 20, 2024 Page 4 of 4

in the LBIP. Additional features of the community outreach component include the following.<sup>9</sup>

- Outreach and education to ensure that residents and businesses understand the effective dates associated with the ban and how to apply for the rebate.
- Emphasize small landscaping companies and retailers to educate them on the upcoming ban and how the rebate program works.
- Outreach and education include graphics and outreach materials in 6 languages, including website additions, digital/print/radio/ bus/metro ads, social media posts, and mailings.
- Outreach/education commensurate with pesticide law, i.e., mailing to all addresses in Montgomery County.
- Working with retailers to facilitate access by small businesses to the rebate program, and with community organizations to promote understanding of the rebate program and how to access it.
- The county provided signage to retail businesses to post in their stores to boost awareness of the phasing out of the sale and use of gas-powered leaf blowers.

Establishing connections with the Climate Justice Academy/Initiative, which developed following the Climate Action Plan, may help in this regard.

The law also requires the submittal of an annual report to the County Council for the preceding year on the successes or challenges of the reimbursement program. Outreach activities, statistical data related to enforcement, new technology trends for electrification of lawn care equipment, and any recommended changes to the law or operating budget are also required to be included in the report. Collecting demographic data from residents and businesses applying for a rebate could help identify who benefits most directly benefits from the program. This data should also be included in the transmittal of the annual report to ensure the intended outcome of prioritizing funding for small and minority-owned landscaping companies is being realized. It may also help identify opportunities to address any disparities.

cc: Jon Monger, Director, Department of Environmental Protection Ken Hartman, Director, Strategic Partnerships, Office of the County Executive

<sup>&</sup>lt;sup>9</sup> Leaf Blower Incentive Program Study and Model Recommendations. Available at: <a href="https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2765">https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2765</a> 1 25261 Bill 18-22 Action 20230926.pdf