



Committee: T&E
Committee Review: Completed
Staff: Keith Levchenko, Senior Legislative Analyst
Purpose: Final action – vote expected
Keywords: #DEP and Noise Control and Leaf Removal Equipment

AGENDA ITEM #3K
 April 2, 2024
Action

SUBJECT

Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment

EXPECTED ATTENDEES

Department of Environmental Protection (DEP) Staff

BACKGROUND/DESCRIPTION/ISSUE

- [Bill 18-22 – Noise Control – Leaf Removal Equipment – Amendments](#), enacted on September 26, 2023, prohibits the sale of gas-powered leaf blowers in Montgomery County as of July 1, 2024 and their use in Montgomery County as of July 1, 2025. For more details regarding Bill 18-22 and the Council’s deliberations, please see the [September 26 Staff Report for Council Action](#).
- Bill 18-22 required that the Executive transmit a Method (1) regulation by March 30, 2024 that establishes a time-limited partial reimbursement program for County residents and businesses that purchase electric leaf blowers or leaf vacuums. *NOTE: As a Method 1 Executive Regulation, Council approval is required for adoption (with no deadline for action).*
- On February 22, 2024, the County Executive transmitted “Executive Regulation 1-24 – “Incentive Program for Electric Leaf Removal Equipment.” Executive Regulation 1-24 was advertised in the January 2024 County Register.
- **Fiscal Impact:** The rebate program is assumed to run from July 1, 2024 to December 31, 2026. The rebates are expected to total \$300,000 in annualized costs (i.e. \$300,000 each in FY25 and FY26) and \$150,000 in FY27 (half a year of funding). \$150,000 in program costs per year are also assumed.
- On March 5, the Council approved an FY24 supplemental appropriation to the DEP budget for \$295,000 to fund an outreach and awareness campaign for retailers, lawncare companies, and residents as well as to initiate a rebate program by July 1, 2024, as mandated in Bill 18-22.

COMMITTEE RECOMMENDATION

- The Council’s Transportation and Environment Committee discussed the regulation on March 18, 2024 and unanimously recommended approval.

This report contains:

- Draft Resolution
- March 18 T&E Committee Council Staff Report

Page #

©A
 1-©14

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Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment

Background

1. Sec. 31B-9 of the County Code requires the County Executive to transmit a regulation for the purpose of establishing a time-limited program to partially reimburse County residents and businesses that purchase electric leaf blowers or leaf vacuums.
2. On February 22, 2024, the County Council received Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment.

Action

The County Council for Montgomery County, Maryland approves Executive Regulation 1-24.

This is a correct copy of Council action.

Sara R. Tenenbaum
Clerk of the Council

MEMORANDUM

March 13, 2024

TO: County Council

FROM: Keith Levchenko, Senior Legislative Analyst

SUBJECT: **Worksession:** Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment

Council Staff Recommendation: Approve Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment

Expected Participants

- Amy Stevens, Acting Chief, Watershed Restoration Division, Department of Environmental Protection (DEP)
- Mary Travaglini, Program Manager, Organic Lawn and Landscape Program, DEP
- Rich Harris, Fiscal and Policy Analyst, Office of Management and Budget

Attachments

- **February 22, 2024 Transmittal of Regulation 1-24 from the County Executive** ©1-14
 - County Executive Transmittal Memorandum ©1-2
 - Public Comments Received ©3-4
 - Executive Regulation 1-24 - ©5-12
 - Fiscal Impact Statement ©13-14

For more background information, please see the following on-line resources:

- [Bill 18-22 – Noise Control – Leaf Removal Equipment – Amendments](#)
- [September 26, 2024 Council Action Staff Report on Bill 18-22](#)
- [March 5, 2024 Council Action Staff Report for FY24 Supplemental Appropriation for \\$295,000 for the implementation of Bill 18-22](#)

Background

On February 22, 2024, the County Executive transmitted “Executive Regulation 1-24 – “Incentive Program for Electric Leaf Removal Equipment.”¹

[Bill 18-22 – Noise Control – Leaf Removal Equipment – Amendments](#), enacted on September 26, 2023, prohibits the sale of gas-powered leaf blowers in Montgomery County as of July 1, 2024 and their use in Montgomery County as of July 1, 2025. For more details regarding Bill 18-22 and the Council’s deliberations, please see the [September 26 Staff Report for Council Action](#).

Bill 18-22 also required that the Executive transmit a regulation by March 30, 2024 that establishes a time-limited partial reimbursement program for County residents and businesses that purchase electric leaf blowers or leaf vacuums.

Executive Regulation 1-24 was advertised in the January 2024 County Register. One comment was received (see ©3-4). The Executive’s transmittal letter acknowledges the comment received but notes that the changes suggested are not consistent with Bill 18-22 and that the transmitted regulation is unchanged from what was advertised in the County Register.

On January 9, 2024 the County Executive transmitted a supplemental appropriation request for the Department of Environmental Protection (DEP) budget for \$295,000 for an outreach and education campaign for retailers, lawncare companies, and residents and to put in place the mandated rebate program by July 1, 2024 (i.e. when the ban on gas-powered leaf blower/vacuum sales begins). This request was based on the rebate provisions included in Executive Regulation 1-24 as advertised in the January 2024 County Register. The Council approved this supplemental appropriation request on March 5, 2024.

Executive Regulation 1-24

Timeframe

The regulation establishes the time-limited duration of the program as from July 1, 2024 to December 31, 2026. The start date coincides with the date the ban on the purchase of gas-powered leaf blowers/vacuums takes effect and one year before the ban on use goes in effect. This starting timeframe is consistent with past Council discussions. Regarding the December 31, 2026 rebate end date, DEP staff have noted that,

“By extending through the calendar year (2026), it allows DEP to provide rebates for two falls seasons after the law goes into effect, rather than one fall season. This will better assist landscapers and residents and ensure there is more access to rebates by providing 3

¹ As a Method 1 Executive Regulation, this regulation is not adopted until the Council approves it. There is no time period by which the Council must act before the regulation is adopted by default.

opportunities to apply and distribute rebates to more stakeholders.”

DEP expects to award the contract for the administration of the rebate program within the next several weeks. The details of the rebate application, processing, and payment process, will be developed once the contract is awarded.

Eligibility

The regulation notes that a Montgomery County resident or leaf removal business may qualify to receive a rebate under the rebate program if the resident or leaf removal business has a Montgomery County street mailing address. This language is consistent with Bill 18-22 which requires the reimbursement program to apply to both residents and county businesses.

Business applicants are allowed to seek a rebate once per 12-month period. Given the timeframe of the rebate program, a business could apply for and receive up to 3 rebates. Residents are limited to one rebate.

The regulation notes that applicants must be pre-approved by DEP for rebates. This is required to ensure that participants are eligible for a rebate prior to purchase, and to track and ensure that funds are available during that fiscal year.²

Details such as how the rebate will be paid to the applicant (i.e. directly from the County or via the retailer at the point of sale (who is reimbursed by the County) will be finalized by DEP and the rebate administration contractor later this spring.

Amount of the Rebate

The regulation establishes the following rebate amounts based on the type of applicant:

- A County resident is eligible to receive one rebate for up to \$100 for eligible purchases during the rebate period.
- A revenue-qualifying business (annual revenue of less than \$250,000 or employs five or fewer employees) is eligible to receive rebates up to \$1,500 every 12 months for eligible purchases during the rebate period.
- A non-revenue qualifying business (annual revenue of \$250,000 or employs six or more employees) is eligible to receive rebates up to \$1,000 every 12 months for eligible purchases during the rebate period.

DEP created the “revenue-qualifying” business definition to allow for a higher rebate for small businesses with relatively low annual revenue. DEP noted that there are many small landscaping businesses which could be adversely affected by this law and targeting a higher rebate for these businesses can help offset this impact.

²The regulation notes that the rebate program is subject to appropriation and the availability of funds. This language is consistent with language in Bill 18-22. Therefore, if funding for the rebate is exhausted during a fiscal year, the rebate program either needs to be suspended or supplemental funding provided to continue the rebate program for the rest of that fiscal year.

DEP provided the following information regarding how the rebate amounts were set in the regulation:

DEP engaged a contractor to do a research project looking at rebate programs nationwide. Based on this research, data on small business income, and the understanding of the costs for one electric leaf blower with 1-2 batteries and chargers for commercial and residential models, we concluded that these amounts would cover 50-75% of the costs for 1 blower for residential models and 50-75% of the costs for 2 commercial models. The higher cost (\$1500) was selected for businesses that are smaller or generate less revenue, in accordance with equity goals.

The regulation also makes clear that the amount of the rebate cannot exceed the purchase price of the eligible equipment.

Fiscal Impact

A fiscal impact statement is attached on ©13-14. These costs summarize the rebate costs and rebate program administration costs. The rebates themselves are expected to be \$300,000 in annualized costs (i.e. \$300,000 each in FY25 and FY26) and \$150,000 in FY27 (half a year of funding). However, as noted earlier, if demand for rebates exceeds the budget, then the County will need to decide whether to suspend the rebate program for the rest of the fiscal year or approve supplemental funding.

A summary table discussed during the supplemental appropriation request review provided the broader program costs (rebates, rebate administration, and education and outreach efforts). See ©9 of the [March 5 Council Staff Report for the FY24 Supplemental Appropriation](#).

Racial Equity and Social Justice Impact

A Racial Equity Impact Assessment (REIA) (see ©5-8 of the [March 5 Council Staff Report for the FY24 Supplemental Appropriation](#)) was received from the Office of Racial Equity and Social Justice (ORESJ) on February 6th. The REIA references the [Office of Legislative Oversight's RESJ Impact Statement for Bill 18-22](#) which found that while the increased costs (at least in the short-term) for electric powered leaf blowers could widen the revenue gap between Latinx and White-owned businesses, a reimbursement program (i.e. rebate program) would help offset the negative impact. Also, the concentration of Latinx employees in landscaping suggests that Latinx residents could benefit from the reduced emissions of electric leaf blowers.

Council Staff Recommendation

Council Staff recommends approval of Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

February 22, 2024

TO: Andrew Friedson, Council President
Montgomery County Council

FROM: Marc Elrich, County Executive *Marc Elrich*

SUBJECT: Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment

I am attaching Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment, for the Montgomery County Council's consideration. This Regulation will authorize a time-limited program to partially reimburse County residents and businesses that purchase electric leaf removal equipment.

This incentive program is essential in supporting the transition of tens of thousands of gas leaf blowers in the county by July 1, 2025. The regulation outlines eligibility criteria for rebates, rates, and categories for residents and businesses.

The regulation was advertised in the January Register, and one comment set was received (see attachment) during the comment period. These comments recommended that the county:

- provide rebates for the purchase of electric leaf removal equipment only by landscaping businesses (including solo landscapers) and not by individual residents and
- encourage the selection of non-motorized leaf removal equipment options in addition to electric ones in its education and outreach and raise awareness of the ecological and environmental benefits of leaving fallen leaves on the ground as a natural mulch.

We have considered these comments, and, for the following reasons, are not making changes to the regulation.

Section 31B-9 of Montgomery County Code, as amended by Bill 18-22 (Noise Control – Leaf Removal Equipment - Amendments), states that “the director must establish a time-limited program based on criteria set by regulation to partially reimburse county residents and businesses that purchase electric leaf blowers or leaf vacuums.” Since the law specifically requires the

Executive Regulation 1-24, Incentive Program for Electric Leaf Removal Equipment

February 22, 2024

Page 2 of 2

reimbursement of both residents and businesses, we can not limit access to only businesses in these regulations.

While we will continue to educate residents and businesses about the full range of options through other means, this program is only designed to replace gas-powered equipment with electric equipment. Therefore, the final proposed regulations do not include a reference to other outreach activities.

If you have any questions, please get in touch with Ms. Mary Travaglini, Department of Environmental Protection, at 240-777-7709 or mary.travaglini@montgomerycountymd.gov.

ME:mt

Enclosures: Comments Received re: Executive Regulation #1-24

Executive Regulation #1-24 (Marked Up Copy)

Executive Regulation #1-24 (Clean Copy)

FIS – Executive Regulation #1-24

January 10, 2023

To: Frank Dawson
Chief, Watershed Restoration Division
Montgomery County Department of Environmental Protection
2425 Reedy Drive, 4th Floor
Wheaton, MD 20902

We, the County's Climate, Energy, and Air Quality Advisory Committee (CEAQAC), would like to offer the following comments on the regulations being developed with regard to leaf removal equipment and a potential exchange and rebate program, pursuant to recently passed **Bill 18-22, Noise Control – Leaf Removal Equipment**.

- We recommend that the County **provide rebates for the purchase of electric leaf removal equipment only by landscaping businesses (including solo landscapers) and not by ordinary residents**.
 - Residents who already have motorized leaf removal equipment for home use in most cases can afford the cost of switching from gas to electric equipment (or to non-motorized equipment). Limited County funds for subsidies should be reserved for those whose livelihoods depend on the equipment, who often have low incomes and/or are from historically underserved communities.
 - There is no need to incentivize purchases of electric leaf removal equipment for home use. Although electric equipment may contribute little or no greenhouse gas emissions in its operation, it does generate emissions in its manufacture (Scope 3 emissions), more so than non-motorized equipment such as rakes and push lawn sweepers. In many cases, residents can feasibly perform leaf moving work on their property using non-motorized equipment, and this would be the best approach for the climate and for noise levels.
 - It is encouraging to see that the County may already be planning to limit the rebates to landscaping businesses and focus on small or solo businesses especially, judging from the public outreach it has conducted since the bill was passed.
- We also recommend that the County **encourage the selection of non-motorized leaf removal equipment options in addition to electric ones** in its education and outreach to the public outside of the landscaping industry. Furthermore, whenever appropriate, the County should **also raise awareness of the ecological and environmental benefits of leaving fallen leaves on the ground** as a natural mulch; the city of Takoma Park has done that in its public communications regarding its roadside leaf collection service, see <https://takomaparkmd.gov/government/public-works/curbside-collection-services/yard-waste-and-fall-leaf-collection/>. In its outreach to retailers, the County could encourage them to help customers consider non-motorized equipment as well as electric equipment as alternatives to gas-powered equipment - for example, by including such information on the notice signs that it provides for retail stores.

- Finally, we commend DEP for communicating the gas-powered equipment phase-out in multiple languages. This is an important part of promoting a just transition to a zero-carbon and sustainable future.

Thank you for considering our suggestions. We would be glad to discuss with you further the issues raised in this letter; you may contact us through CEAQAC's staff liaison, Lindsey Robinett Shaw (Lindsey.Shaw@montgomerycountymd.gov).



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

Department of Environmental Protection
Montgomery County Regulation on:

Incentive Program for Electric Leaf Removal Equipment

Issued by: County Executive
COMCOR 31B.00.04

Authority: Code Section 31B-9
Council Review Method (1) Under Code Section 2A-15
Register Vol. 41, No. 1

Comment Deadline: January 31, 2024

Effective Date: _____

Sunset Date: None

SUMMARY: The regulation establishes a time-limited program to partially reimburse County residents and businesses that purchase electric leaf removal equipment.

STAFF CONTACT: For further information or to obtain a copy of this regulation, contact Mary Travaglini at mary.travaglini@montgomerycountymd.gov or 240-777-7700.

ADDRESS: Written comments on this regulation should be sent to.

Mary Travaglini
Department of Environmental Protection
2425 Reddie Drive, 4th Floor
Wheaton, MD 20902
LeafBlowerRebateProgram@montgomerycountymd.gov



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

COMCOR 31B.00.04 Leaf Blower Rebate Program

31B.00.04.01 Definitions

In this Section, the following items have the meanings indicated.

Department means the Montgomery County Department of Environmental Protection.

Director means the Director of the Montgomery County Department of Environmental Protection or the Director’s designee.

Electric leaf removal equipment means a handheld, backpack, or walk-behind device that is (1) designed to move leaves or any other type of unattached debris or material by generating a concentrated stream of air, including devices that accept vacuum attachments; and (2) powered by only electric means, including battery-powered and corded leaf blowers, leaf vacuums, and batteries and charges required to power such equipment.

Eligible equipment means leaf removal equipment designated by the Department as satisfying the criteria necessary for the purchaser to receive a rebate under the program.

Gas powered leaf removal equipment means a combustion engine powered handheld, backpack, or walk-behind leaf blower or leaf vacuum.

Leaf removal business means an individual or entity that (a) earns income using leaf removal equipment to perform paid work, and (b) has a business mailing address located in Montgomery County.

Non-revenue qualifying business means a leaf removal business that generated an annual revenue of \$250,000 or more in the preceding year or employs 6 or more employees.

Program means the leaf removal equipment rebate program.

Rebate means an amount of money, or a discount provided by the Department, for purchase of eligible equipment.

Resident means a person that owns or rents and maintains their property.

Revenue qualifying business means a leaf removal business that generated an annual revenue of less than \$250,000 in the preceding year or employs 5 or fewer employees.



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

Retailer means a licensed entity that sells eligible equipment.

31B.00.04.02 Program Established

There is an electric leaf removal equipment rebate program (“rebate program”) to partially offset the cost for County residents and businesses to replace gas powered leaf removal equipment with electric leaf removal equipment.

31B.00.04.03 Eligibility Criteria

A Montgomery County resident or leaf removal business may qualify to receive a rebate under the rebate program if the resident or leaf removal business has a Montgomery County street mailing address.

31B.00.04.04 Application

- a. An applicant that satisfies the eligibility criteria under Section 31B.00.04.03 must apply to the Department in a form prescribed by the Director not later than December 31, 2026, to receive a rebate.
- b. The Director must make the application available online via the Department’s website.
- c. The application must be pre-approved by the Director prior to the purchase of eligible equipment.
- d. An applicant may only submit one application and receive a rebate once per 12-month period as designated by the Department.
- e. The Director may deny an applicant for rebates if:
 1. the Department receives multiple applications from the same applicant or address;
or
 2. the applicant requests a rebate for items that the Department has not designated as eligible equipment.

31B.00.04.05 Funding and Limitations

- a. All rebates awarded under the rebate program are subject to appropriation and the availability of funds.



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

b. A rebate must not exceed the cost of the eligible equipment listed in an application.

31B.00.04.06 Rates and Categories

For purposes of determining the applicable rebate rate, applicants are assigned to the following categories:

- a. **Resident.** An applicant that is a County resident may receive only one (1) rebate limited to the cost of the eligible equipment listed in the application. The rebate must not exceed \$100.
- b. **Revenue qualifying business.** An applicant that is a revenue qualifying business may receive a rebate limited to cost of the eligible equipment listed in the application. The rebate for a revenue qualifying business must not exceed \$1,500 per 12-month period.
- c. **Non-revenue qualifying business.** An applicant that is a non-revenue qualifying business may receive a rebate limited to the cost of the eligible equipment listed in the application. The rebate award for a non-revenue qualifying business must not exceed \$1,000 per 12-month period.

Approved:

Marc Elrich, County Executive

02/22/2024

Date

Approved as to Form and Legality:
Office of the County Attorney

Assistant County Attorney

Walter E. Wilson

12/13/23

Date



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

Department of Environmental Protection
Montgomery County Regulation on:

Incentive Program for Electric Leaf Removal Equipment

Issued by: County Executive
COMCOR 31B.00.04

Authority: Code Section 31B-9
Council Review Method (1) Under Code Section 2A-15
Register Vol. 41, No. 1

Comment Deadline: January 31, 2024

Effective Date: _____

Sunset Date: None

SUMMARY: The regulation establishes a time-limited program to partially reimburse County residents and businesses that purchase electric leaf removal equipment.

STAFF CONTACT: For further information or to obtain a copy of this regulation, contact Mary Travaglini at mary.travaglini@montgomerycountymd.gov or 240-777-7700.

ADDRESS: Written comments on this regulation should be sent to.

Mary Travaglini
Department of Environmental Protection
2425 Reedie Drive, 4th Floor
Wheaton, MD 20902
LeafBlowerRebateProgram@montgomerycountymd.gov



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

COMCOR 31B.00.04 Leaf Blower Rebate Program

31B.00.04.01 Definitions

In this Section, the following items have the meanings indicated.

Department means the Montgomery County Department of Environmental Protection.

Director means the Director of the Montgomery County Department of Environmental Protection or the Director's designee.

Electric leaf removal equipment means a handheld, backpack, or walk-behind device that is (1) designed to move leaves or any other type of unattached debris or material by generating a concentrated stream of air, including devices that accept vacuum attachments; and (2) powered by only electric means, including battery-powered and corded leaf blowers, leaf vacuums, and batteries and charges required to power such equipment.

Eligible equipment means leaf removal equipment designated by the Department as satisfying the criteria necessary for the purchaser to receive a rebate under the program.

Gas powered leaf removal equipment means a combustion engine powered handheld, backpack, or walk-behind leaf blower or leaf vacuum.

Leaf removal business means an individual or entity that (a) earns income using leaf removal equipment to perform paid work, and (b) has a business mailing address located in Montgomery County.

Non-revenue qualifying business means a leaf removal business that generated an annual revenue of \$250,000 or more in the preceding year or employs 6 or more employees.

Program means the leaf removal equipment rebate program.

Rebate means an amount of money, or a discount provided by the Department, for purchase of eligible equipment.

Resident means a person that owns or rents and maintains their property.

Revenue qualifying business means a leaf removal business that generated an annual revenue of less than \$250,000 in the preceding year or employs 5 or fewer employees.



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

Retailer means a licensed entity that sells eligible equipment.

31B.00.04.02 Program Established

There is an electric leaf removal equipment rebate program (“rebate program”) to partially offset the cost for County residents and businesses to replace gas powered leaf removal equipment with electric leaf removal equipment.

31B.00.04.03 Eligibility Criteria

A Montgomery County resident or leaf removal business may qualify to receive a rebate under the rebate program if the resident or leaf removal business has a Montgomery County street mailing address.

31B.00.04.04 Application

- a. An applicant that satisfies the eligibility criteria under Section 31B.00.04.03 must apply to the Department in a form prescribed by the Director not later than December 31, 2026, to receive a rebate.
- b. The Director must make the application available online via the Department’s website.
- c. The application must be pre-approved by the Director prior to the purchase of eligible equipment.
- d. An applicant may only submit one application and receive a rebate once per 12-month period as designated by the Department.
- e. The Director may deny an applicant for rebates if:
 1. the Department receives multiple applications from the same applicant or address;
or
 2. the applicant requests a rebate for items that the Department has not designated as eligible equipment.

31B.00.04.05 Funding and Limitations

- a. All rebates awarded under the rebate program are subject to appropriation and the availability of funds.



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Incentive Program for Electric Leaf Removal Equipment	Number 1-24
Originating Department Department of Environmental Protection	Effective Date

- b. A rebate must not exceed the cost of the eligible equipment listed in an application.

31B.00.04.06 Rates and Categories

For purposes of determining the applicable rebate rate, applicants are assigned to the following categories:

- a. **Resident.** An applicant that is a County resident may receive only one (1) rebate limited to the cost of the eligible equipment listed in the application. The rebate must not exceed \$100.
- b. **Revenue qualifying business.** An applicant that is a revenue qualifying business may receive a rebate limited to cost of the eligible equipment listed in the application. The rebate for a revenue qualifying business must not exceed \$1,500 per 12-month period.
- c. **Non-revenue qualifying business.** An applicant that is a non-revenue qualifying business may receive a rebate limited to the cost of the eligible equipment listed in the application. The rebate award for a non-revenue qualifying business must not exceed \$1,000 per 12-month period.

Approved:

Marc Elrich, County Executive

02/22/2024

Date

Approved as to Form and Legality:
Office of the County Attorney

Assistant County Attorney

Walter E. Wilson

12/13/23

Date

Fiscal Impact Statement

Office of Management and Budget

Executive Regulation 1-24

Incentive Program for Electric Leaf Removal Equipment

Regulation Summary

Executive Regulation 1-24 implements a rebate program for residents and qualifying businesses that purchase electric leaf removal equipment (like leaf blowers). The rebate program is authorized under Bill 18-22, which prohibits the sale of gas-powered leaf removal equipment on July 1, 2024, and the use of gas-powered leaf removal equipment on July 1, 2025. The purpose of the rebate program is to ease the burden of transitioning from gas-powered to electric-powered equipment for residents and qualified businesses.

The regulation is not estimated to impact revenues.

Administrative and operating costs are estimated to total \$450,000 in FY25 and FY26, and \$200,000 in FY27. The regulation provides for a 30-month rebate program, which concludes in FY27. As such, the cost is estimated at \$0 in FY28 and FY29.

Fiscal Impact Summary

The FY23 budget added \$100,000 for an electric lawn care equipment incentive program, which somewhat offsets the need for new money to implement the regulation. The costs in the table below are on top of the \$100,000 added in FY23.

In addition, the County Executive transmitted a \$295,000 supplemental request to Council in December 2023 (Res. 24-23) to prepare administratively to offer a rebate program (\$150,000) and to start outreach to affected businesses and retailers regarding the ban on gas-powered leaf removal equipment (\$145,000).

Fiscal Year	2024	2025	2026	2027	2028	2029	Total
Personnel Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$150,000	\$350,000	\$350,000	\$100,000	\$0	\$0	\$950,000
Total Expenditures	\$150,000	\$350,000	\$350,000	\$100,000	\$0	\$0	\$950,000
Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Impact	(\$150,000)	(\$350,000)	(\$350,000)	(\$100,000)	\$0	\$0	(\$950,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00	

The costs of Regulation 1-24 are 1) the administrative costs to run a rebate program and 2) the rebates themselves.

Fiscal Impact Analysis

The Department of Environmental Protection (DEP) plans to engage a consultant with experience operating a rebate program to develop and manage the one outlined in this regulation. The program will need to be communicated to stakeholders throughout the County in multiple languages, especially Spanish. A contractor will manage logistics with retailers and distributors, determine equipment eligible for rebates, communicate with program applicants, run public events, develop and distribute outreach campaign materials, and provide other support and resources required for program management.



These administrative costs are estimated to total \$150,000 per year.

The regulation sets the rebate amount depending on the applicant:

- Residents: Montgomery County residents are eligible for a one-time rebate of \$100.
- Revenue-qualifying businesses: Businesses with annual revenue less than \$250,000 or that have five or fewer employees are eligible for rebates totaling \$1,500 per-year for the length of the program.
- Non-revenue qualifying businesses: Businesses with annual revenue above \$250,000 or that have six or more employees are eligible for rebates totaling \$1,000 per-year for the length of the program.
- Any business receiving a rebate must have a Montgomery County mailing address.

DEP plans for the rebate program to total \$300,000 per year.

Staff Impact	DEP believes that the regulation can be implemented within the existing complement. Staff within the Watershed Restoration Division will be used to oversee and manage the rebate program, somewhat reducing capacity for other activities such as the organic lawn care program, the pet waste program, and the pesticide law.
Actuarial Analysis	The regulation is not expected to impact retiree pension or group insurance costs.
Information Technology Impact	The regulation will require the development of an online portal to manage applications, but it will be developed and maintained by existing staff at DEP.
Other Information	
<i>Later actions that may impact revenue or expenditures if future spending is projected</i>	The regulation does not authorize future spending.
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