

Economic Impact Statement

Montgomery County, Maryland

Expedited Bill 19-25, Noise Control – Leaf Removal Equipment – Seasonal Exemption

Summary

The Office of Legislative Oversight (OLO) anticipates that Expedited Bill 19-25 would have a positive impact on economic conditions in the County, as measured by the Council's priority economic indicators. The Bill would establish a three-year seasonal exemption from October through December to the County's ban on the use of gas-powered leaf blowers for professional landscaping companies. The exemption would allow local firms to maximize the value of their existing gas-powered equipment and delay the cost burden of transitioning to electric units. This would likely help companies bolster their profit margins.

This support is particularly valuable for an industry largely made up of small firms with limited revenue and high labor costs – many of which are already burdened by rising equipment prices due to tariffs, labor shortages driven by immigration policy, and the need to adapt to climate-related shifts in seasonal work patterns.

Additionally, the Bill would likely benefit residents employed by these firms, many of whom are lower-wage workers. By easing financial pressures on employers, the temporary exemption may help prevent reductions in employee hours or job losses unrelated to worker performance. As a result, the Bill could help prevent income losses for affected residents, which is particularly important given that low-income workers are especially vulnerable to the long-term financial consequences of job displacement.

Background and Purpose of Expedited Bill 19-25

The County Council passed a Bill in September 2023 which (1) established a ban on the sale of gas-powered leaf blowers beginning on June 1, 2024 and (2) completely banned the use of gas-powered leaf blowers beginning on July 1, 2025.¹ The purpose of this legislation was to decrease noise pollution and reduce greenhouse gas emissions associated with the use of gas-powered leaf blowers.²

Expedited Bill 19-25 would create a seasonal exemption for landscaping companies that either own or operate a business in the County. Specifically, the Bill would:

- Establish an exemption for professional landscaping companies between October 1 – December 31 with a limit on use between 8 AM – 8 PM for weekdays only; and
- Sunset this exemption three years after the Bill becomes law.³

The Council introduced Expedited Bill 19-25 on June 17, 2025.

¹ ["Leaf Blowers", Montgomery County Department of Environmental Protection, Accessed July 8, 2025.](#)

² ["Introduction Staff Report for Expedited Bill 19-25, Noise Control - Leaf Removal Equipment - Seasonal Exemption", Montgomery County Council, Introduced June 17, 2025.](#)

³ [Ibid.](#)

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 19-25 on residents and private organizations, using the Council's priority economic indicators 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.⁴

In this analysis, OLO performs a qualitative assessment of the Bill's economic impacts based on the Economic Impact Statement for the original Bill banning the sale and use of gas-powered leaf blows, analysis of the landscaping services industry in the U.S., and data from the U.S. Census Bureau on the industry in Montgomery County and place of work of residents:

- [Economic Impact Statement: Bill 18-22](#);
- [Landscaping Services in the US](#) (IBISWorld, 2025)⁵; and
- U.S. Census Bureau, [Economic Census](#), [Annual Business Survey](#), and [American Community Survey](#).

Additionally, OLO references peer-reviewed economic studies examining the effects of job displacement.

Variables

The primary variables that would affect the economic impacts of enacting Expedited Bill 19-25 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
- levels of employment in the landscaping services industry.

Impacts

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

Landscaping Services Industry

The landscaping services industry in the U.S. is a highly fragmented, labor-intensive sector composed primarily of small businesses serving residential, commercial, institutional, and government clients. Industry performance is closely tied to the strength of the housing market, commercial construction, and levels of disposable household income. Because landscaping is largely a discretionary service, demand tends to rise in strong economic conditions and fall during downturns. Seasonal fluctuations also shape industry activity, with peak demand occurring during spring, summer, and fall in the Mid-Atlantic region.⁶

The industry is highly competitive, due to low barriers to entry and a large number of small-scale operators. Nearly all firms employ fewer than 20 workers, and the four largest companies account for less than 5% of the

⁴ Montgomery County Code, [Sec. 2-81B, Economic Impact Statements](#), Montgomery County Code.

⁵ IBISWorld provides industry research reports and profiles for over 700 U.S. industries and is referenced by academic institutions as a credible source of industry analysis. For example, see Cornell University Library, "[Business Resources - Recommended by Mann Library: Industry Reports](#)," accessed July 24, 2025.

⁶ Dmitry Diment, [Landscaping Services in the US](#) (IBISWorld, 2025).

total market share. The industry's highly localized nature and reliance on local expertise and personal connections make it difficult for large firms to scale or dominate the market. In addition to competing with one another, landscaping businesses also face pressure from DIY alternatives and online platforms offering low-cost options for basic yard work like TaskRabbit.⁷

The industry currently faces three key challenges:

- **Tariffs:** The Trump administration's tariffs on imports from China, Vietnam, and India will inflate costs of landscaping equipment, parts, and fertilizers, which "could force landscaping businesses to increase service prices or delay equipment purchases, impacting profitability and competitiveness."
- **Immigration:** The administration's mass and indiscriminate arrests and deportations of undocumented immigrants will likely exacerbate labor shortages in the industry, especially among seasonal workers.⁸
- **Climate Change:** Climate change will continue to pressure landscaping firms to adopt more sustainable, and often more expensive, practices and capital, such as investing in drought-tolerant plants, advanced irrigation systems, and electric or battery-powered tools.⁹

Looking forward, the industry is expected to grow modestly, with growth driven by ongoing demand from high-income households, an increasing population of older adults who "age in place," and greater pressures from customers and government policy to adopt costly sustainable technology. Firms will continue to face pricing pressures, input costs, and labor constraints in a highly competitive market.¹⁰

Montgomery County

Tables 1.a and 1.b present U.S. Census Bureau data describing the landscaping services industry in Montgomery in 2022. These tables provide insight into the industry's overall size and the average characteristics of its firms. The findings suggest that the landscaping services industry is a minor share of the County's economy, comprised mainly of small firms with relatively low revenue, and characterized by a combination of low wages and high labor cost intensity.

Although essential to maintaining residential, commercial, and institutional properties and supporting seasonal employment, the landscaping services industry is a minor part of the County economy. Firms in this industry accounted for 1.8% of total firms across all industries, while making up only 0.4% of total revenue, 0.6% of total payroll, and 1.0% of total employment.

Landscaping firms tend to be small businesses that generate below-average revenue. The average number of employees per firm is 12 – almost half of the Countywide average of 22. These firms also generate significantly less revenue and payroll per firm than the Countywide average. In fact, average revenue per firm is only 24% of the all-industry average, and average payroll per firm is about 35%. This may reflect pricing limitations driven by market competition due to low barriers to entry, small scale, minimal the nature of services provided, or external factors such as the County's high cost of living that limits household disposable income.

⁷ Ibid.

⁸ For recent data on U.S. immigration enforcement, see Maanvi Singh et al., "[How Trump Has Supercharged the Immigration Crackdown - in Data](#)," US News, *The Guardian*, July 23, 2025.

⁹ Diment, *Landscaping Services in the US*.

¹⁰ Ibid.

Landscaping services is a low-wage, labor-intensive industry. Although workers in landscaping services earn less than the average County worker (\$45,717 vs. \$72,737), labor costs consume a disproportionate share of firm revenues. On average, payroll accounts for 35.8% of revenue in landscaping, compared to just 24.8% across all industries.

Table 1.a. Economic Footprint of Landscaping Services in Montgomery County, 2022

Metric	Landscaping Services	All Industries (County Total)	Landscaping Share of County Total
Employer Firms	383	21,207	1.8%
Total Annual Revenue	\$600,131,000	\$137,981,327,000	0.4%
Total Annual Payroll	\$214,595,000	\$34,243,031,000	0.6%
Total Employment	4,694	470,781	1.0%

Table 1.b. Average Firm-Level Characteristics of Landscaping Services in Montgomery County, 2022

Metric	Landscaping Services	All Industries (County Average)	Landscaping as % of County Average
Average Revenue per Firm	\$1,566,922	\$6,506,405	24.1%
Average Employment per Firm	12	22	55.2%
Average Payroll per Firm	\$560,300	\$1,614,704	34.7%
Payroll as % of Revenue	35.8%	24.8%	144.1%
Average Revenue per Employee	\$127,851	\$293,090	43.6%
Average Wage per Employee	\$45,717	\$72,737	62.9%

Data Sources (for Tables 1.a and 1.b): U.S. Census Bureau, [All Sectors: Summary Statistics for the U.S., States, and Selected Geographies: 2022, Table EC2200BASIC](#), Economic Census; and [Statistics for Employer Firms by Sex for the U.S.: 2022, Table ABSCS2022.AB00MYCSA01A](#), Annual Business Survey, Accessed July 23, 2025.

Businesses, Non-Profits, Other Private Organizations

OLO anticipates that Expedited Bill 19-25 would positively impact certain private organizations in the County.

The Bill would establish a three-year seasonal exemption to the County's ban on the use of gas-powered leaf blowers, which took effect on July 1, 2025. By doing so, the Bill would primarily impact businesses in the landscaping services industry, as well as fuel suppliers.

The County's ban has placed regulatory pressure on local landscaping firms to replace combustion engine-powered leaf blowers with electric models before the end of their useful lives. These electric units often require multiple backup batteries, increasing operating costs.

The exemption would allow firms to maximize the value of their existing gas-powered equipment and delay the cost burden of transitioning to electric units. OLO expects these factors to help companies bolster their long-term profit margins and competitiveness. This is particularly valuable for an industry largely made up of small firms with limited revenue and high labor costs – many of which are already burdened by rising equipment prices due to tariffs, labor shortages driven by immigration policy, and the need to adapt to climate-related shifts in seasonal work patterns.

In addition, the Bill would benefit certain fuel suppliers by temporarily preventing net decreases in business income from reduced demand for gas. OLO notes, however, that certain retailers selling landscaping equipment would not experience revenue gains from the sale of electric units in the short-term.

Beyond these impacts, OLO does not expect to affect local businesses in terms of the Council's preferred economic indicators.

Residents

OLO anticipates that Expedited Bill 19-25 would positively impact certain residents in the County.

The Bill would primarily impact residents who work for affected landscaping firms. While OLO does not have specific data on where these workers live, data from the U.S. Census Bureau's American Community Survey (ACS) for 2019–2023 indicate that between 58% and 80% of workers in this industry also reside in the County. (See Figure A.1 in the Appendix.) Applying these percentages to the estimated 4,692 landscaping workers in 2022, OLO estimates that between 2,721 and 3,753 of them were County residents.

Most residents employed by landscaping companies are likely lower-wage workers. As indicated above, the average worker in this industry made an annual wage of \$45,717—which was significantly lower than \$72,737 annual wage across all sectors.

The temporary exemption of the gas-powered leaf blower ban may prevent certain employers from reducing hours for certain employees or displacing them for reasons unrelated to their performance. As a result, the Bill may prevent income losses for affected residents. This would be particularly valuable given that economic studies have found that displaced workers experience large and enduring losses in annual earnings, with losses around 25 percent¹¹ and lasting up to 20 years¹² and that low-income workers are more vulnerable to these impacts.¹³

Beyond this, OLO does not expect the Bill to substantially affect residents in terms of other priority indicators.

¹¹ Ariel Gelrud Shiro and Kristin Butcher, "[Job Displacement in the United States by Race, Education, and Parental Income](#)," *Brookings Institution*, July 2022.

¹² Johannes F. Schmieder et al., "[The Costs of Job Displacement over the Business Cycle and Its Sources: Evidence from Germany](#)," *American Economic Review* 113, no. 5 (2023): 1208–54.

¹³ Chloe N. East and David Simon, "[How Well Insured Are Job Losers? Efficacy of the Public Safety Net](#)," Working Paper no. 28218, Working Paper Series (National Bureau of Economic Research, December 2020).

Net Impact

OLO anticipates that Expedited Bill 19-25 would have a positive impact on economic conditions in the County. As shown above, the exemption would allow local firms in the landscaping services industry to maximize the value of their existing gas-powered equipment and delay the cost burden of transitioning to electric units, helping companies bolster their long-term profit margins and competitiveness. The Bill may also benefit residents employed by these firms by preventing household income losses from reduced hours and job displacement.

Discussion Items

Not applicable

Caveats

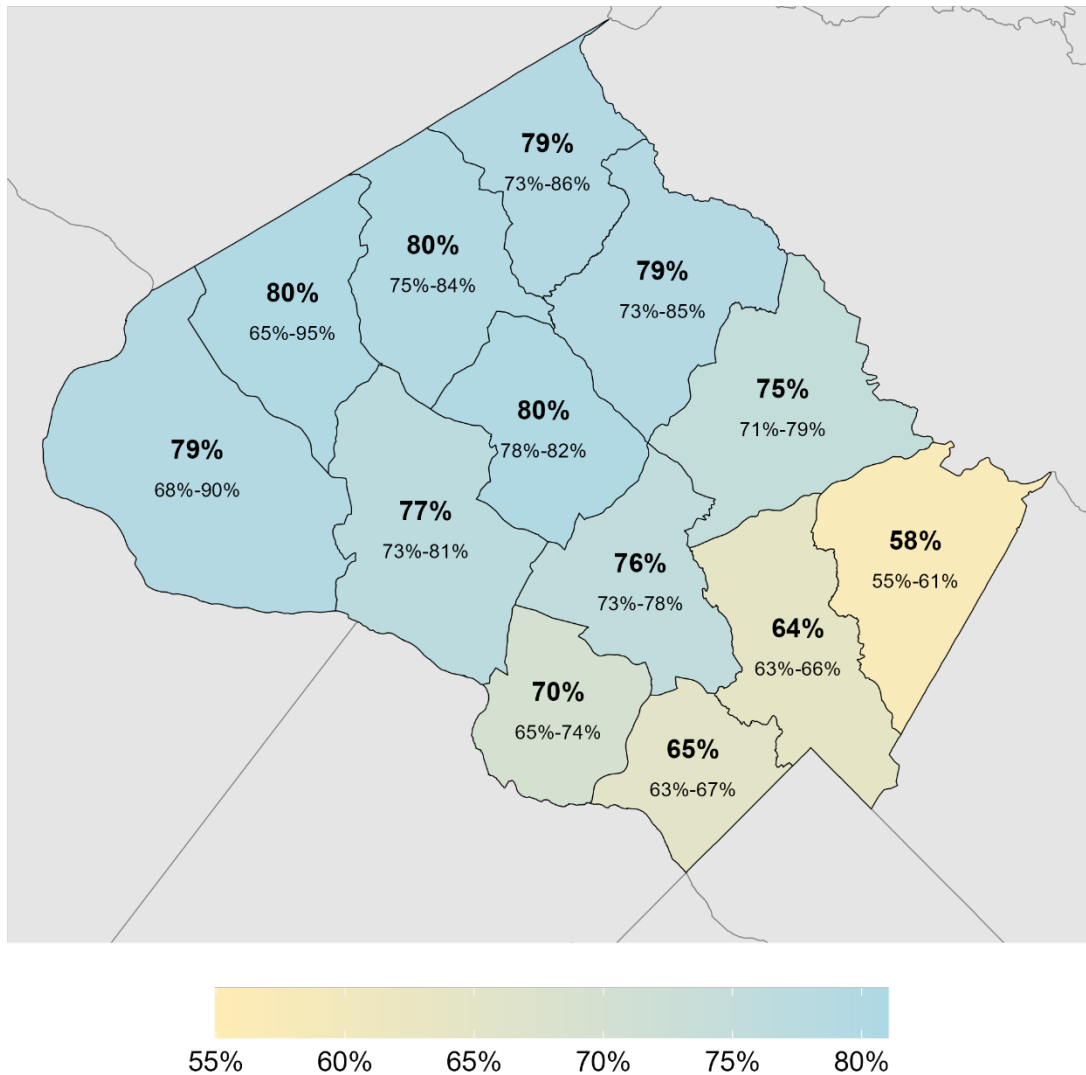
Two caveats to the economic impact analysis conducted here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis 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.

Appendix

Figure A.1. Percentage of Workers Aged 16 and Older Employed Within the County of Residence by Census County Subdivision¹⁴



¹⁴ U.S. Census Bureau, *American Community Survey, 5-Year Estimates (2023)*, Table B08007, "[Sex of Workers by Place of Work--State and County Level](#)," accessed January 3, 2025. For details on how the Census measures an individual's place-of-work, see "Journey to Work" section in "[American Community Survey and Puerto Rico Community Survey 2022 Subject Definitions](#)" (U.S. Census Bureau, 2022); and questions 30 and 31 in the "[2024 American Community Survey Questionnaire](#)" (U.S. Census Bureau).