The Bag Fee Is a Win for All

Trash Free MARYLAND

The legislation puts **a new focus on reducing the amount of trash** that enters Maryland's waterways and **bolsters a fund dedicated to the cleanup and restoration of the Chesapeake Bay.** The legislation represents a unique attempt to work with business and environmental leaders to develop a shared strategy to reduce the amount of trash in the Chesapeake Bay and coastal waterways.

How the Initiative Works

- The legislation will place a small 5-cent fee on all single-use plastic and paper carryout bags.
- All plastic and paper carryout bags must be recyclable.

Community Education and Outreach

- The legislation delays implementation for 6 months to a year, requiring the state to conduct an intensive public information campaign and work with service providers to distribute multiple free reusable bags to seniors and low-income households.

How the Fee Would Be Used

- The 5-cent fee will be divided between the state, the Chesapeake Bay Trust and the business.
- The bulk of the fee will be returned to the counties to target environmental cleanup, reclamation, and restoration efforts on impaired local waterways, as well as continue a public education campaign and provide free reusable bags to Maryland residents, in particular to elderly and low-income residents. Grants will also be awarded to nonprofit organizations.
- Businesses will retain either 1 or 2 cents of the fee, depending whether they offer customers a carryout bag credit program for reusable bags.

Bag Fees Are Successful for Business, the Environment, and Taxpayers

- Other jurisdictions are moving in this direction, both regionally and internationally. In Washington, DC, after just one month of a similar fee, demand for plastic bags dropped as much as 60%. **Volunteers in DC report a significant 66% drop in bags collected at recent river cleanup events.**
- Many businesses are already taking steps on their own in addition to selling low-cost durable, reusable bags. Discount food stores like ALDI and Save-A-Lot charge customers a nominal fee for every bag – greatly reducing the number of plastic and paper bags used and encouraging customers to bring reusable bags. Walmart is testing a fee in California. Furniture store IKEA found that a 5-cent fee reduced disposable bag use so much that it phased them out entirely. **DC businesses report cost savings and cleaner property, and 78% of surveyed owners say the fee has had either a positive or neutral impact on their business.**
- **Reduced litter reduces litter cleanup costs.** Maryland's Department of Transportation spends $29 per bag of litter collected along the state's highways. Counties spend millions of dollars each year on local pickup.

For more information, please visit www.TrashFreeMaryland.org.

Fact Checking the American Chemistry Council

Who is the American Chemistry Council? The ACC is an industry trade association for chemical companies. To date they have spent more than $2.5 million lobbying against grassroots campaigns to reduce plastic bag litter.

Are their claims always true? No.

"Plastic bag use in Ireland went up after the imposition of a bag tax."

- Carryout bag use has declined 90 percent since Ireland's fee was enacted in 2002. Claims that consumers are purchasing more bags in bulk for household use are meaningless because no base data on their use exists. (Source: Ronan Mulhall, Ireland's Department of the Environment, Heritage, and Local Government, testimony to the DC Council, 2009)

"More than 90 percent of Americans report that they reuse their plastic grocery bags as trash can liners, for packing lunches, picking up after pets and other household uses. Taxing 'free' bags simply punishes and adds another burden on working families that currently get these bags with their groceries and extensively reuse them."

- The bags aren't free—the store buys them and builds that cost into the price of the merchandise. Customers who don't take a bag are then subsidizing those who do, and it raises the cost of the merchandise for everyone. Making the cost of the bag (both in purchase and disposal) more transparent allows consumers to make the choice that is right for them.

- The cited "reuses" are one-time reuses, and the bags still get thrown out with the trash; there is no reduction in the amount of waste going to landfills or incinerators, or in the cost to the jurisdiction for waste management.

- Many types of reusable bags and containers exist for packing lunches.

- Other types of bags, not included in the fee, can be used for trash can liners and pet waste (e.g., produce bags, bread bags, newspaper bags).

- Pet owners take on numerous responsibilities in the care of their pets; finding solutions to dispose of the waste is among those, and certainly far from the greatest expense of responsible ownership.

"Bans or restrictions on plastic bags do not prevent litter" (e.g., San Francisco)

- San Francisco's ban is only on plastic bags from the largest grocery stores, a different model. The Maryland proposal includes paper bags in order to encourage use of reusable bags, rather than a simple switch from plastic to paper.

- Volunteers in Washington, DC reported a decrease of 60% in plastic bags collected during a cleanup in April 2010, over the same event in 2009. This is just three months after DC's fee took effect. (Source: Alice Ferguson Foundation)

"Taxing plastic bags would destroy existing recycling programs"

- Many cities now accept bags for recycling at curbside collection.

- We have been recycling for more than 20 years, and litter is a still a problem. It is time for a new approach.

- The market for recyclable material is very weak in this economy, and cities now pay for recycling, rather than earning revenue off the materials.

- This point suggests that the fee would be superlatively successful in reducing use of disposable bags, a contradiction to their claims about Ireland and San Francisco.

"inadequately sanitized reusable bags harbor bacteria that could cause food-borne illness"

- Many reusable bags are washable, and consumers should take care of them as they would any other household item, particularly those used in food preparation.

- Do studies exist on the bacteria living on grocery carts, and on other public surfaces?

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The Bag Fee Is a Win for Business

According to a recent survey of businesses[1] in Washington, DC:

- **78% of businesses interviewed report that the bag fee has had either a positive or no impact on their business.** Only 12% of business owners and managers said the bag fee has affected their business negatively. 20% said it has affected them positively. Most owners and managers (58%) said the bag fee has not affected their business at all.
- Bag use by customers declined by a range of a few percentage points to 80% fewer bags used. The majority of the businesses estimate that bag use is down by at least 50%.
- Positives reported: **Cost savings** and a reduction in litter.
- **None reported lower sales.**
- Businesses said their **customers have adjusted to the law,** and report very little complaining about it by customers.

Bag use down by 80–90%

"This little 5-cent fee has really raised the level of public awareness in not using bags unnecessarily. I am so thrilled at the way this has played out for both my business and the environment."

– Marcia Levi
Owner, Chocolate Moose (downtown DC)

Saved $1,750 in 2010, bag use cut in half

"Helping to keep the city clean by using reusable totes for their shopping here and at other businesses has become a desirable habit for many of the residents and visitors who shop at our store."

– Guy Christman
General Manager, Books A Million

Saved an estimated $800

Savings were "a welcome change and let us put the difference to better use."

– Thomas Bowes
Owner, Hayden's Liquor (Southeast DC)

Maryland Businesses: Ready to Save Money

- **MOM's Organic Market,** a regional business with five grocery stores in MD: "Even with our bag-credit program, we saved upwards of $10,000 last year—even after we upped the credit to 10 cents per bag for reusing both paper/plastic and reusable cloth bags."
- Ladan Tehrani, owner of **Quench Beer, Wine and Deli** in Colesville, MD: "I love the idea. Too many people come in here, get just a pack of gum and ask me for a plastic bag. It's such a waste!"

1. Surveys and interviews were conducted by OpinionWorks for the Alice Ferguson Foundation, with funding from the District of Columbia Department of the Environment (DDOE). Among other purposes of this study, DDOE, as the regulator of the District of Columbia bag fee law, wanted to assess citizen and business experience with the bag fee. Standard random sampling practices were used.

51 interviews were conducted among on-site managers of businesses that are responsible for implementing the bag fee. Businesses in all wards of the city, large and small, locally owned and chains, and across various sectors that are subject to the law were interviewed.

The Community Cleanup and Greening Act of 2012
(HB1247 / SB511)

What are the economic impacts of the bill?

- Free bags aren't free – retailers pass their cost of purchasing bags on to consumers (over $4 billion yearly).
- The average Maryland consumer pays up to $37.50 in higher food and retail prices each year to cover these hidden bag costs.
- Reusable bags cost $1-3 and last 2 years or longer – much more cost-efficient for consumers.
- MOM's grocery store gave up plastic bags years ago, and reports thousands in cost savings despite giving a 10-cent credit for reusable bag use.

The true cost of bags

- The Worldwatch Institute estimates US usage at 100 billion plastic bags yearly, produced from fossil fuels.
- Discarded bags cost taxpayers for disposal and clean ups of highways, waterways, parks, etc.
- In 2010, State Highway Administration spent $7.7 million in mostly staff time cleaning up 6.4 million pounds of roadside litter. The SHA's maintenance budget has been cut by $20 million in the past two years, reducing service.
- Baltimore Harbor and the Anacostia River are legally impaired for trash, requiring cleanup and incurring hefty fines.
- Lower income communities generally have the most litter, suffering a disparate impacts from plastic bags.
- Landfilling these bags costs money.

Why don't we just recycle more?

- Americans consume 8 billion pounds of plastic bags every year. In 2006, just 590 million pounds were recycled in the US and Canada, leaving over 7 billion pounds to be discarded.
- In 2009, 364 million pounds were recycled in the US and Canada, which is 226 million pounds less than 2006, due to decreased demand for the recycling of plastic bags.
- Reduce – Reuse – Recycle is given in order of preference. We can reduce plastic bag use with a simple alternative: reusable bags.

Why a 5-cent fee and not a ban on disposable bags?

- 5 cents averages the cost of plastic & paper disposable bags, so the fee exposes this cost to the consumer.
- A higher fee is not needed. 5 cents was enough to dramatically change behavior in D.C.
- Bans do not give consumers a choice, but a fee allows that freedom.
- If you don't want to pay the bag fee, you never have to – a win for families.
- Tying the fee to cleanup costs makes consumers aware of the plastic bag problem.

How has the bag bill worked in D.C.?

- 78% of businesses report positive/neutral experience
- 75% of residents have reduced bag use
- $3.5 million raised in two years, supporting green jobs and restoration of the Anacostia River

A 5-cent fee is a win-win

- Retailers save millions of dollars in reduced bag purchase costs.
- Consumers save money by avoiding the hidden cost of bags.
- Low-income populations receive free reusable bags.
- Many stores give away free bags for promotional activities and advertising.
- Proceeds fund environmental restoration such as WIPs, stormwater improvements, and trash cleanups.

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For more information, visit www.trashfreemaryland.org

Why Reusable Bags?

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Reusable bags are easy to use, widely available, and hold more groceries. They also last much longer and create much less waste than disposable bags.

The **Community Cleanup and Greening Act of 2012** (HB1247/SB511) aims to reduce litter in Maryland's neighborhoods and waterways by encouraging the use of reusable bags. It will place a five-cent fee on disposable plastic and paper bags, with the proceeds supporting water quality restoration.

The Chesapeake Bay Trust is named as a recipient of funds in this bill and would use these dollars to fund trash removal and community cleanup projects, environmental education programs about trash reduction, and restoration projects that improve local water quality.

Why are reusable bags better than plastic?

Plastic bags harm our environment and undermine our quality of life.

- The United States uses about 100 billion bags a year. Maryland alone uses 3 billion!
- These bags are made with 12 million barrels of dirty oil.
- Many of these bags are littering our streams, parks, and streets—degrading our communities.
- Disposable plastic bags are one of the largest sources of litter in Maryland's rivers and streams.

Plastic bags cost businesses and consumers.

- Plastic bags cost grocery stores and small businesses thousands of dollars a year.
- Retailers pass the cost of bags on to consumers by adding it to the price of products.
- The average Maryland consumer pays up to $37.50 each year in hidden bag costs.
- Reusable bags cost $1 to $3 and last two years or more, saving you money.

Plastic bags cost taxpayers millions of dollars.

- Counties spend millions each year on litter pickup (Montgomery: $3 million, Prince George's: $2.5 million, Baltimore City: $10 million).
- The State Highway Administration spends over $7.5 million to clean up roadside litter.
- Under the Clean Water Act, the U.S. Environmental Protection Agency (EPA) has set trash pollution limits in the Anacostia Watershed and Baltimore Harbor. Penalties for violating this act by exceeding these limits could eventually cost local governments $32,500 per day per violation, meaning millions of dollars in fines each year.

For more information, please visit www.TrashFreeMaryland.org.

Cleaning up Baltimore

The **Community Cleanup and Greening Act** aims to reduce litter in Maryland's neighborhoods and waterways by encouraging the use of reusable bags. It will place a five-cent fee on disposable plastic and paper bags, with the proceeds supporting water quality restoration.

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Why does Baltimore need stronger bag reduction legislation?

- Baltimore City currently spends $10 million every year to clean up litter.

- Businesses in the Inner Harbor area pay an additional $300,000 via the Waterfront Partnership for enhanced litter pickup service, to clean what the City misses.

- Now that the Inner Harbor has been declared impaired by trash under the Clean Water Act, Baltimore City will soon be required to implement new measures to reduce litter—a cost borne by taxpayers.

- Skimmer boats remove more than 600 tons of trash from Harbor waters each year.

- In 8 months in 2008, an estimated 58,000 plastic bags were caught in the Waterwheel Powered Trash Interceptor at the Jones Falls.

Why doesn't Baltimore's voluntary bag reduction program work?

- The program requires stores to have recycling collection bins for plastic bags. However, only 12 percent of plastic bags are recycled, lulling consumers into complacency.

- The program also requires cashiers to ask customers if they want a bag, rather than automatically giving one. Compliance is estimated to be just 15 percent, and there is little to no enforcement.

Sample trash data

it is estimated that the Waterwheel Powered Trash Interceptor collected the following in an 8-month period at the Jones Falls:

Plastic bottles – 189,000
Styrofoam cups – 160,000
Styrofoam plates and trays – 40,000
OPP bags (potato chip bags) – 177,000
LDPE bags (grocery bags) – 58,000
Cigarette butts – 1,072,000
Aluminum cans – 37,000
Drinking straws – 250,000
Misc. trash – 30,000

For more information, please visit www.TrashFreeMaryland.org.

The Community Cleanup & Greening Act of 2012

Trash Free MARYLAND

WHAT: HB1247/SB511, A five-cent fee on disposable plastic and paper bags

LEAD SPONSORS: Delegate Mary Washington (District 43, Baltimore City), Senator Brian Frosh (District 16, Montgomery County)

This legislation will

- Reduce litter in Maryland's neighborhoods and waterways. Plastic bag use could drop 60% or more.
- Save retailers money by not having to buy as many bags to give away. A single shop owner could save upwards of $1,000 per year.
- Save consumers money when they avoid the hidden cost of "free" bags in higher prices. The average Maryland consumer spends up to $37.50 each year in hidden bag costs.
- Create green jobs by giving counties valuable funds for community investments such as neighborhood greening, stormwater improvements, watershed implementation plans, etc.
- Distribute hundreds of thousands of free cloth bags to those in need.

What will make the bill successful this year?

- **County governments will receive 50%** of the proceeds to target environmental cleanup. The Chesapeake Bay Trust will administer the remainder as grants to nonprofit organizations in Maryland.
- The bill has new sponsors, **Delegate Mary Washington** and **Senator Brian Frosh**.
- Montgomery County's fee took effect in January, providing additional data and experience before the bill is considered by the General Assembly. Chestertown passed a ban, and Prince George's County is seeking a bag fee. These programs demonstrate **public support for litter reduction**. A **consistent policy across the state is better for business** than patchwork ordinances.
- The campaign has strong grassroots **support on the Eastern Shore** and in **Baltimore**.

What are the results in DC?

- In two years the bag fee raised $3.9 million. More than $2 million has already been distributed to environmental nonprofits and small green businesses, leading to the creation of green jobs.
- Businesses, from mom & pop shops to national chains, report saving on overhead and less litter on their properties. 78 percent say the fee has had a positive or neutral impact on business.
- 75 percent of DC residents say they have changed their behavior and use fewer bags.

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