

Waste & Recycling News

Maryland county passes tax on plastic and paper bags

Thursday, May 5, 2011

May 5 — Montgomery County, Md., with a population of nearly 1 million people, has joined neighboring Washington, D.C., and become the second community in the United States to tax plastic and paper carryout bags.

The 5-cent tax on carryout bags passed May 3. It will go into effect Jan. 1, 2012, and apply to all retailers in the county. That's more stringent than the Washington tax, which went into effect Jan. 1, 2010, and only applies to retailers that sell food in that city of nearly 600,000 people.

Like Washington, Montgomery County officials said it will use the funds that are collected for river, stream and litter cleanup.

Officials estimate that roughly 83 million carryout bags are currently handed out annually in the county. They calculate that the tax will bring in just \$562,000 in fiscal year 2012 because of initial startup and collection costs, a projected 50% drop in bag use and because the tax will only be in effect for six months of that time frame.

In Washington, the use of carryout bags dropped 80% after the tax was enacted, and the city collected \$2.1 million in bag taxes in 2010 compared to the \$4 million it had estimated.

Montgomery County officials said revenues from the bag tax will likely rise to just over \$1 million in fiscal year 2013 — the first full year of the tax. Revenues will fall steadily in subsequent years to about \$423,000 by fiscal year 2017, officials estimate, because they project that overall bag use will continue to decline and be 85% lower than the base period by fiscal year 2017.

The Montgomery County bill exempts bags handed out for pharmaceutical prescriptions, newspaper and dry cleaning bags, bags initially intended for garbage or yard waste, and bags handed out at seasonal events such as outdoor farm markets, street fairs and yard sales.

In addition, restaurants would still be permitted to give customers paper bags to take home prepared or leftover foods and drinks.

County executive Isiah Leggett, who supported the bill, is expected to sign the bill shortly.

"It's unfortunate that the county council would take this approach," said Shari Jackson, director of the Progressive Bag Affiliates group in a statement issued by the American Chemistry Council. "Instead of entertaining recycling partnerships and programs, the county council chose a policy that punishes families by raising grocery costs unnecessarily ... and could also have the unintended effect of dismantling [the] at-store recycling infrastructure."

In its written opposition to the tax, ACC has urged the county to take a comprehensive reduce, reuse and recycle approach to its efforts to reduce plastic and paper carryout bag litter.

"When it comes to litter, we need workable solutions that are based on a comprehensive approach and avoid unintended consequences that could negatively impact residents and the environment," Jackson wrote in a letter to the Montgomery County council. "What we've found to be an effective option are programs that make it easier for people to recycle their bags. We have found that you cannot ban or tax your way toward environmental stewardship and these policy approaches have unintended consequences that adversely affect not only consumers, but ultimately the environment."

There are currently 21 plastic bag bans in the U.S. Oregon is considering a measure to ban plastic and paper carryout bags, which would be the first statewide ban of that type in the United States.

Mike Verespej is a reporter for Crain Communications' Plastics News, a sister publication of Waste & Recycling News.

Link: <http://www.wasterecyclingnews.com/article/20110505/NEWS01/305059993?template=printarticle>

Copyright © 1995-2013 Crain Communications Inc. All Rights Reserved. [Terms of Use](#) [Privacy Statement](#)