

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1067 (Delegate Conaway)

Environment and Transportation and
Economic Matters

Local Government - Fee for Plastic and Paper Carryout Bags - Prohibition on Charge

This bill prohibits a county or municipality that enacts a local law authorizing or requiring a retailer to charge a fee for providing a plastic or paper carryout bag to a customer from allowing a retailer to charge the bag fee to a customer making a purchase using a form of payment issued as part of the federal Supplemental Nutrition Assistance Program (SNAP) or the federal Special Supplemental Food Program for Women, Infants, and Children (WIC). A retailer is a person engaged in the retail sale of goods.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: The bill does not materially affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: Although local jurisdictions with general taxing powers (*e.g.*, Baltimore City and Baltimore and Montgomery counties) have the authority to levy a bag fee, State law does not broadly address carryout bags provided by retail establishments. Listed below are the local jurisdictions identified by the Department of Legislative Services that have enacted plastic bag bans and fees in recent years.

Local Plastic Bag Bans and Fees

Anne Arundel County enacted legislation that generally (1) prohibits retailers from providing plastic checkout bags to customers and (2) requires a store to charge a 10-cent fee for paper bags supplied to customers. The legislation took effect January 1, 2024.

Baltimore City enacted the Comprehensive Bag Reduction Act, which generally (1) prohibits grocers and other retailers from providing plastic checkout bags to customers and (2) requires a store to charge a 5-cent fee for any other bag supplied to customers, including paper bags. Retailers are authorized to keep 4 cents from the fee for each alternative bag they supply. The remaining 1 cent is remitted to the city government. The prohibition and fee requirements took effect on October 1, 2021.

Baltimore County enacted legislation that generally (1) prohibits retailers from providing plastic checkout bags to customers and (2) requires a store to charge a 5-cent fee for paper bags supplied to customers. The legislation took effect November 1, 2023.

Chapter 725 of 2019 authorized Howard County to impose up to a 5-cent fee for the use of each disposable bag used as part of a retail sale of products. In December 2019, the Howard County Council used this authority and enacted a 5-cent fee on the use of disposable plastic bags. Fees are collected by each store at the point of sale and are remitted to the county government quarterly. Stores are authorized to retain up to 20% of the 5-cent fee collected. The fee took effect October 1, 2020.

Montgomery County enacted legislation that imposes a 5-cent charge on each paper or plastic carryout bag provided by retail establishments at the point of sale, pickup, or delivery. The law took effect January 1, 2012. However, the county recently enacted the Bring Your Own Bag law, banning the use of plastic carryout bags by specified retail establishments. The legislation raises the paper bag fee from 5 cents to 10 cents. The legislation goes into effect January 1, 2026.

Prince George's County enacted legislation that generally (1) prohibits retailers from providing plastic checkout bags to customers and (2) requires a store to charge a 10-cent fee for paper bags supplied to customers. The legislation took effect on November 1, 2024.

The cities of Annapolis, College Park, Frederick, Laurel, Salisbury, Takoma Park, and Westminster and the towns of Centreville, Chestertown, and Easton also have local ordinances governing the distribution of plastic carryout bags.

Supplemental Nutrition Assistance Program

SNAP is a federally funded benefit that helps low-income households purchase food. Program rules and requirements are issued by the federal government, while administrative costs are split equally between the State and federal government. Participants must meet income and resource requirements.

Special Supplemental Food Program for Women, Infants, and Children

WIC is a federally funded program that provides nutrition services, including nutrition education and supplemental foods, through local agencies located across the State to low-income pregnant and postpartum women, infants, and children up to age five.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Human Services; Anne Arundel, Baltimore, Cecil, Frederick, and Montgomery counties; Maryland Municipal League; City of Annapolis; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2025
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