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HB 314 DATE: January 26, 2021

SPONSOR: Delegate Lierman

ASSIGNED TO: Environment and Transportation and Economic Matters

CONTACT PERSON: Amy Samman (amy.samman@montgomerycountymd.gov)

POSITION: Support

Plastic Bag Reduction Act

House Bill 314 prohibits retail establishments from distributing plastic carryout bags less than 4 mils thick to customers beginning July 1, 2022, and requires county governments to enforce the ban. The bill prohibits local governments from enacting a law or ordinance requiring retail establishments to charge for nonplastic bags and plastic bags more than 4 mils thick unless authorized by the State. However, there is an exception for any county or municipality that enacted a law or ordinance that requires retail establishments to "charge and collect a fee, tax or other charge" on nonplastic and plastic bags more than 4 mils thick prior to February 1, 2021.

Montgomery County supports House Bill 314. In 2012, Montgomery County enacted a \$0.05 excise tax on both paper and plastic disposable carryout bags. Under County ordinance, the retailer retains \$0.01 and the County receives \$0.04. The County's tax is intended to act as an incentive to help consumers rethink their need for disposable bags. The revenue from the bag tax goes directly into the County's Department of Environmental Protection's Water Quality Protection Fund – a dedicated fund for water quality improvement activities. The total revenue generated from the bag tax since its inception is approximately \$20 million. This has had a tremendous impact on the County's initiatives to improve the water quality of streams and reduce the impacts of stormwater. Water quality programs include: inspection and maintenance of stormwater management facilities; restoration of polluted and eroded streams; watershed restoration to add stormwater controls and improve local water quality; stream monitoring; and storm drain cleaning and maintenance. A ban on the distribution of plastic carryout bags less than 4 mils thick could reduce the number of bags in our waterways and further the County's efforts to improve water quality.

For the foregoing reasons, Montgomery County supports House Bill 314 and respectfully requests a favorable Committee report.