

# The Bag Fee Is a Win for All

HB 1381 puts **a new focus on reducing the amount of trash** that pollutes Virginia's neighborhoods, farmlands, and waterways and **bolsters a fund dedicated to the cleanup and restoration of the Chesapeake Bay**. The legislation represents a unique yet proven solution to work with business and environmental leaders to develop a shared strategy to reduce the amount of trash in the Chesapeake Bay and its tributaries.



## How the Initiative Works

- HB 1381 will place a small 5-cent fee on all single-use plastic and paper carryout bags.

## 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 cents will be divided between the state's Water Quality Improvement Fund and the business.
- The bulk of the fee will be used 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 Virginia residents, in particular to elderly and low-income residents.
- Businesses will retain 1 cent, to cover additional record-keeping costs.

## 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 two weeks of a similar fee, demand for plastic bags dropped by at least 60%. **Volunteers in DC report a significant 60% 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.** Counties and the state Department of Transportation spend millions of dollars each year on litter pickup.

**For more information, please visit [www.TrashFreeVirginia.org](http://www.TrashFreeVirginia.org).**

# The Bag Fee Is a Win for Business

## According to a recent survey of businesses<sup>1</sup> 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 three grocery stores in Virginia: “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.