

Andrew Kleine

FROM	NAME & TITLE	Andrew Kleine, Chief
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410 396-4941)
	SUBJECT	City Council Bill #08-0208 Plastic Bags-Surcharge

CITY of
BALTIMORE
MEMO



TO

The Honorable President and
Members of the City Council
Room 400, City Hall

DATE: November 26, 2008

Attention: Ms. Karen Randle

City Council Bill #08-0208 would impose a 25-cent surcharge on the use of plastic bags provided by dealers to customers in certain retail businesses such as supermarkets and convenience stores and require the Finance Department to oversee the collection of the surcharge.

Several other cities have enacted or proposed similar surcharges. New York is proposing a 6-cent surcharge of which the City would receive 5 cents per bag. Officials estimate that this would raise \$16 million annually, based on an estimated 40 bags per person. Baltimore City could raise \$1.6 million to \$6.4 million annually based on New York's estimate and factoring in a decrease in bag usage because of the higher fee. We estimate that annual additional expenditures related to this bill if passed would be \$85,000.

The Finance Department supports this bill's overall goal of moving towards sustainability and reducing the public's reliance on non-eco-friendly plastic bags; we also note the financial burden the bill will place on City residents and businesses.

cc: Edward J. Gallagher
Angela Gibson

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