



O-5-2024 Health and Safety - City of Annapolis Plastic Bag Reduction Act City Council of the City of Annapolis

Dear Mayor Buckley and Honorable Members of the City Council,

Please accept this statement as additional testimony from the Maryland Retailers Alliance (MRA) in response to Committee discussions held on Ordinance 5-2024.

MRA recently surveyed our members on their experiences with local carryout bag laws and their overhead costs for carryout bags. While retailers can typically source plastic bags for an average of \$0.01-\$0.02 each, every member that was able to share data reported that they are currently spending at least \$0.10-\$0.15 per bag for grocery-style paper bags. This correlates with MRA's own research into bag costs, which are shared on the following page.

When considering carryout bag proposals which would ban the distribution of plastic bags, the MRA strongly supports setting a minimum fee for paper bags in statute for all shoppers in all retail settings. The organization does not seek profits for businesses from bag fees; we simply wish to establish an even playing field for retailers alongside the mandated transition to a more expensive bag material. The required charge for bags offsets the cost of the transition to paper, provides consistent expectations for customers, and reduces competition between businesses. This ban-and-fee structure is proven to achieve the goal of reducing litter by effectively encouraging customers to bring their own bags when shopping. Jurisdictions that have not included a fee on paper bags in conjunction with a ban on plastic have seen a majority of customers simply transition to the next available free single-use bag – paper – rather than bringing their own bags. Competition between stores typically keeps voluntary paper bag fees low or nonexistent, which ultimately drives up prices for all customers due to the higher cost of paper compared to plastic. This also means that larger chain businesses with high buying power and more cash on hand traditionally have an advantage over small, locally owned retailers. Including a minimum charge requirement in law ensures that customers know what to expect no matter where they shop, that businesses of all shapes and sizes can transition more smoothly away from plastic, and that the entire community can benefit from the encouragement of sustainable habits.

We are also supportive of the language in the bill, which is also in the County law, that allows retailers to provide reusable bags for free during certain promotional periods. This is an important option for retailers to be able to provide discounts and connect with customers and helps ensure that all households in the area have access to reusable bags.

Finally, we continue to support the amendment which would remove the post-consumer recycled content requirement for paper bags and aligns the City's proposal with existing County law, and we would respectfully recommend that the City allow retailers to provide plastic hanging garment bags for the sale of items like suits and gowns, as is allowed under County law.

MARYLAND RETAILERS ALLIANCE

The Voice of Retailing in Maryland



Plain paper grocery sack
12"x7"x17"
1 case = 500 bags
Lowest price of \$59.99/case
achieved by purchasing at least 10
cases (5,000+ bags) = \$0.12/bag



Colored, matte laminated paper shopping bag with woven handles
13"x5"x10"
1 case = 100 bags
**\$94.50/case = \$0.95/bag



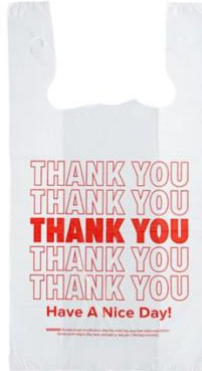
Customizable paper shopping bag with twisted handles
16"x6"x12"
1 case = 250 bags
\$69.99/case = \$0.28/bag
Customization increases price by
\$100+ per case for fewer than 12
cases



Plain colored plastic shopping bag,
1.25ml thick 15"x18"4"
1 case = 500 bags
\$73.00/case = \$0.15/bag



Customizable white paper bag with ribbon handles 16"x6"x16"
1 case = 100 bags
Lowest price of \$204.42/case
achieved by purchasing at least
500 cases (50,000+ bags) =
\$2/bag



Plastic "thank you" grocery bag,
0.5ml thick 12"x6.5"x15.5"
1 case = 700 bags
\$11.99/case = \$0.02/bag



Plain paper shopping bag with twisted handles, 40% PCR content 16"x6"x12"
1 case = 250 bags
**\$92.00/case = \$0.37/bag



Paper shopping bag with satin ribbon handles 16"x6"x12"
1 case = 12 bags
Lowest price of \$9.98/case
achieved by purchasing at
least 300 cases (3,600 bags) =
\$0.82/bag



*Colored paper shopping bag with twisted handles
8"x4.75"x10.5"
1 case = 250 bags
**\$110.00/case = \$0.44/bag



*Color recycled kraft paper shopping bags with twisted handles 10"x5"x13"
1 case = 250 bags
**\$124/case = \$0.50/bag

Bag prices sourced from WebstaurantStore, Nashville Wraps, Papermart, and Mid-Atlantic Packaging

**Material claims to be recycled but content percentages not available*

*** Customization with logo/brand printing available but impact on price not immediately available*