THE DISTRICT’S BAG LAW

LILLIAN POWER
ENVIRONMENTAL PROTECTION SPECIALIST
MOTIVATION FOR THE DISTRICT’S LEGISLATION

THE ANACOSTIA RIVER
MOTIVATION FOR THE DISTRICT’S LEGISLATION

THE ANACOSTIA RIVER
MOTIVATION FOR THE DISTRICT’S 5 CENT BAG FEE

CONCERNS WITH BAG FEE LEGISLATION

From residents and their representatives:
- The fee would have disproportionate impact on low-income residents

From businesses:
- Hassle charging restaurant patrons 5 cents for doggy bag after bill settled
- Conflict with customers upset with paying the fee

From the plastics industry:
- Legislation would be unsuccessful in reducing plastic waste, outreach and education around litter and recycling more impactful
Effective January 1, 2010, all District retailers that sell food or alcohol must charge a 5¢ fee for each paper or plastic disposable bag provided to customers at the point of sale.
Exemptions to the fee:

Businesses that provide paper bags and have seating
- Restaurants (doggy bags)
- Cafes
- Delis
- Etc.

Bags used to:
- Bag bulk items, raw produce, or baked goods (candy, nuts, etc.)
- Wrap frozen foods, meat, or fish
- Wrap flowers, newspapers, laundry, garbage, pet waste, etc.
Identifying the regulated community:

- Worked with DCRA to pull business, billing, and agent addresses for all food and beverage licenses
  - Bakery
  - Food Products
  - Grocery Store
  - Restaurant
  - Delicatessen
  - Etc.
- Between 4,000-5,000 regulated businesses in DC
- Trade associations and local organizations

5¢ Bag Fee
It’s the law and it’s working to reduce pollution.

Over 75% of District residents have reduced their use of disposable bags.

District businesses that sell food or alcohol must charge 5 cents for each disposable paper or plastic bag.

For information on how the Bag Law funds are utilized to protect the District’s waters, please go to doe.dc.gov/bags

skip the BAG save the RIVER

@DOEE_DC
First 11 months focused on outreach and compliance assistance

- Reusable bags distributed to thousands of low-income and senior residents
- Mailers sent to all regulated businesses
- Advertisements through radio, newspapers, online media, bus shelters
- Educational materials

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Enforcement began December 2010

- Revenue and # of bags used from first 6 months of bag fee reported and announced
- Door-to-door “inspections” periodic through first 11 months for compliance assistance purposes
- 66 businesses inspected in first month of enforcement, 51% not in compliance
WHERE DOES THE NICKEL GO?

8-102.05(b) of DC Code established the Anacostia Clean Up and Protection Fund (“the Fund”) to use for:

- Administration
- Enforcement and fee collection
- Outreach and reusable bag distribution
- Watershed education
- Trash capture
- Stream restoration
- Green infrastructure
WHERE DOES THE NICKEL GO?

The Anacostia Clean Up and Protection Fund ("the Fund")

- Businesses retain $.01 and submit $.04 to OTR
- Carry-out Bag Credit Program allows businesses to keep $.02 of the $.05 collected
- Fees deposited into special purpose fund (the Fund), administered by DOEE
- Roughly, an average of $200,000 remitted per month in FY17
The Anacostia Clean Up and Protection Fund ("the Fund")

- Businesses remit fees on sales tax form
- DOEE has memorandum of understanding with the Office of Tax and Revenue (OTR)
  - OTR responsible for collecting remitted fees and depositing into the fund
  - OTR also responsible for remitting other sources (DC Anacostia License place purchases, voluntary contributions, etc.)
**WHERE DOES THE NICKEL GO?**

Approximately $2 million in bag fees remitted per year

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<tbody>
<tr>
<td>Revenue ($)</td>
<td>1,510,088.35</td>
<td>1,845,313.25</td>
<td>1,993,183.25</td>
<td>2,001,575.50</td>
<td>2,084,613.59</td>
<td>2,236,275.44</td>
<td>2,284,104.15</td>
<td>2,382,747.11</td>
<td>2,294,977.50</td>
<td>2,282,879.44</td>
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*Partial fiscal year from January to October

**Figure 2:** Total Fund Revenue for FY19 Broken Down by Source

- Bag fee
- Tax contributions
- Interest
- License plates
- Enforcement fines collected

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*DOEE_DC*
PROJECTS FUNDED BY BAG LAW FEES

RIVERSMART
DEPARTMENT OF ENERGY AND ENVIRONMENT
DOEE inspects 550 businesses per year

- Assignments are proportional to each ANC’s total number of regulated businesses
- Example: 50% of businesses are in Wards 1 and 2, so 50% of assignments are in Wards 1 and 2
DOEE regularly solicits tips from the public from:

• 311 app
• Website: doee.dc.gov/bags
• Calls/emails
• In person
BUSINESSES FOUND IN VIOLATION:

- 1st Violation: Warning letter (Notice of Violation - NOV)
- 2nd Violation: $100 fine
- 3rd Violation: $200 fine
- 4th Violation: $400 fine
- 5th Violation: $800 fine*
- Fines build over 3 year inspection history of business*
Compliance rate stabilizing over time

<table>
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<tr>
<th>FY11*</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
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<tr>
<td>40%</td>
<td>47%</td>
<td>55%</td>
<td>62%</td>
<td>68%</td>
<td>70%</td>
<td>76%</td>
<td>73%</td>
<td>77%</td>
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* FY11 incomplete inspection year

Compliance Rate Over Time
IMPACT OF THE LAW

5¢ BAG FEE
BY THE NUMBERS

Since 2010, the Bag Law has generated more than $19 million in revenue to use in the District.

70,000 lbs of trash & debris removed through installation of 7 trash traps in District waters.

More than 3,000 trees planted and installation of over 2,300 rain barrels to capture stormwater.

More than 9,700 students participating in overnight field trips to learn about watersheds & natural environment.

Boat tours allowing over 7,500 people to experience the Anacostia River.

Over 29,000 linear feet of restored streams.

Celebrating 10 years of reducing single-use plastic pollution, improving water quality, and creating educational experiences on the Anacostia River.
IMPACT OF THE LAW

Fewer plastic bags reported at trash clean ups

Number of plastic retail bags seen per volunteer at trash cleanups in DC since before and after passage of the Bag Law – Data courtesy of Alice Ferguson Foundation, 2017
Residents are using 80% fewer bags

In 2013, DOEE commissioned a survey to measure the impact of the Bag Law on disposable bag usage rates in the District.

“As you may recall, in 2010 D.C. introduced a new 5-cent fee on disposable bags at stores and carry-outs. Have you reduced your usage of disposable bags since the 5-cent bag fee was introduced in 2010?”
Businesses report a 50% reduction in the number of bags purchased by businesses

<table>
<thead>
<tr>
<th>CALCULATED CHANGE</th>
<th>% OF BUSINESSES</th>
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<tbody>
<tr>
<td>81 – 100% reduction</td>
<td>4%</td>
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<tr>
<td>61 – 80% reduction</td>
<td>20%</td>
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<tr>
<td>41 – 60% reduction</td>
<td>44%</td>
</tr>
<tr>
<td>21 – 40% reduction</td>
<td>23%</td>
</tr>
<tr>
<td>1 – 20% reduction</td>
<td>2%</td>
</tr>
<tr>
<td>No change</td>
<td>6%</td>
</tr>
<tr>
<td>Increase</td>
<td>2%</td>
</tr>
<tr>
<td>Median</td>
<td>50% reduction</td>
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“How many disposable bags are you buying for your business in a typical month today, whether that is the total number of bags, the number of cases of bags you order, or the amount your business spends on disposable bags?”

“Using the same type of measurement, in other words (fill in appropriate measure based on prior question): {number of bags/cases of bags/dollars spent on bags}, how many disposable bags were you buying for your business in a typical month before the bag law went into effect three years ago?”
LESSONS LEARNED

• Tailored outreach plan key to success
  • Ample time for businesses to transition (1 yr min.)
  • Allow opportunities for feedback, adapt campaign to suit needs
  • Accessibility! Translated materials, services
  • Clear messaging
    • What do you need to do
    • When do you need to do it by
    • Direct contact information for businesses with questions
• Plan for enforcement/ implementation over long term
  • Fee laws are behavior based for business and customer, need routine reminders
• How will you measure impact?
  • Track bag distribution?
  • Partnerships with nonprofits?
QUESTIONS?

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