



Committee: Directly to Council
Committee Review: N/A
Staff: Amanda Mihill, Legislative Attorney
Purpose: To introduce agenda item – no vote expected
Keywords: #SuspendBagTax

SUBJECT

Expedited Bill 17-20, Carryout Bag Tax – Suspension
Lead Sponsor: Councilmember Jawando
Co-Sponsor: Councilmembers Rice and Albornoz, Council President Katz, and Councilmembers Riemer and Navarro

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- To introduce Bill – no vote expected

DESCRIPTION/ISSUE

On March 5, 2020, Lawrence Hogan, Jr., Governor of Maryland issued a proclamation declaring a state of emergency and existence of a catastrophic public health emergency due to the novel coronavirus which can cause the respiratory disease COVID-19.

Expedited Bill 17-20 would suspend the imposition of the carryout bag tax until 15 days after the conclusion of the Maryland state of emergency. Within 7 days after the state of emergency ceases, Bill 1720 would require the County Executive to notify retail establishments and the public of the date on which the imposition of the carryout bag tax will resume.

SUMMARY OF KEY DISCUSSION POINTS

- None

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MEMORANDUM

March 30, 2020

TO: County Council

FROM: Amanda Mihill, Legislative Attorney

SUBJECT: Expedited Bill 17-20, Carryout Bag Tax – Suspension

PURPOSE: Introduction – no Council vote required¹

Expedited Bill 17-20, Carryout Bag Tax – Suspension, sponsored by Lead Sponsor Councilmember Jawando and Co-sponsors Councilmembers Rice and Albornoz, Council President Katz, and Councilmembers Riemer and Navarro is scheduled to be introduced on March 31. A public hearing is scheduled for April 14; Council action is tentatively scheduled for immediately following the public hearing.

On March 5, 2020, Lawrence Hogan, Jr., Governor of Maryland issued a proclamation declaring a state of emergency and existence of a catastrophic public health emergency due to the novel coronavirus which can cause the respiratory disease COVID-19.

Expedited Bill 17-20 would suspend the imposition of the carryout bag tax until 15 days after the conclusion of the Maryland state of emergency. Within 7 days after the state of emergency ceases, Bill 17-20 would require the County Executive to notify retail establishments and the public of the date on which the imposition of the carryout bag tax will resume.

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¹ #SuspendBagTax

Expedited Bill No. 17-20
Concerning: Carryout Bag Tax –
Suspension
Revised: 3/30/2020 Draft No. 1
Introduced: March 31, 2020
Expires: October 1, 2021
Enacted: [date]
Executive: [date signed]
Effective: [date takes effect]
Sunset Date: See Section 1
Ch. [#], Laws of Mont. Co. [year]

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Jawando
Co-Sponsors: Councilmembers Rice and Albornoz,
Council President Katz, and Councilmembers Riemer and Navarro

AN EXPEDITED ACT to:

- (1) suspend the imposition of the carryout bag tax until a certain date; and
- (2) generally amend County law concerning the carryout bag tax.

By adding to the 2020 Laws of Montgomery County

Boldface

Underlining

[Single boldface brackets]

Double underlining

[[Double boldface brackets]]

* * *

Heading or defined term.

Added to existing law by original bill.

Deleted from existing law by original bill.

Added by amendment.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1. The following is added to the 2020 Laws of Montgomery County:**

2 (a) *Background.*

3 (1) On March 5, 2020, Lawrence Hogan, Jr., Governor of Maryland
4 issued a proclamation declaring a state of emergency and existence
5 of a catastrophic public health emergency due to the novel
6 coronavirus which can cause the respiratory disease COVID-19.

7 (2) In 2011, the County imposed a carryout bag tax and requires retail
8 establishments to collect the tax and remit it to the County.

9 (3) Due to the health concerns associated with the novel coronavirus,
10 some retail establishments are prohibiting customers from using
11 disposable bags.

12 (b) *Suspension of carryout bag tax.*

13 (1) The carryout bag tax is suspended, and a retail establishment must
14 not collect the tax, until 15 days after the state of emergency
15 ceases.

16 (2) Within 7 days after the state of emergency ceases, the County
17 Executive must notify retail establishments and the public of the
18 date on which the imposition of the carryout bag tax will resume.

19 (3) During the suspension of the carryout bag tax, a retail
20 establishment must continue to remit and report on any tax
21 collected as required under Section 52-79.

22 (4) Nothing in this Act should be interpreted to require a retail service
23 establishment to allow a customer to use a reusable bag.

24 **Sec. 2. Expedited Effective Date.**

25 The Council declares that this legislation is necessary for the immediate
26 protection of the public interest. This Act takes effect on the date on which it becomes
27 law.

LEGISLATIVE REQUEST REPORT

Expedited Bill 17-20
Carryout Bag Tax – Suspension

DESCRIPTION:	Bill 17-20 would suspend the imposition of the carryout bag tax until a certain date and generally amend County law concerning the carryout bag tax.
PROBLEM:	Due to the health concerns associated with the novel coronavirus, some retail establishments are prohibiting customers from using disposable bags.
GOALS AND OBJECTIVES:	To temporarily suspend the imposition of the carryout bag tax.
COORDINATION:	Finance
FISCAL IMPACT:	Office of Management and Budget
ECONOMIC IMPACT:	Office of Legislative Oversight
EVALUATION:	To be researched.
EXPERIENCE ELSEWHERE:	To be researched.
SOURCE OF INFORMATION:	Amanda Mihill, Legislative Attorney (240) 777-7815
APPLICATION WITHIN MUNICIPALITIES:	To be researched.
PENALTIES:	N/A



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

WILL JAWANDO
COUNCILMEMBER
AT-LARGE

Memorandum

To: Councilmembers, Chiefs of Staff
From: Councilmember Will Jawando
Date: March 30, 2020
Re: Bill xx-20, Carry-out Bag Tax Suspension

Covid-19 has caused a myriad of issues in our community that affect residents from all walks of life. Social distancing and limiting contact in public places, person to person as well as the surfaces we touch, are key to reducing the spread of the virus.

I am introducing Bill xx-20, Carry-out Bag Tax Suspension as an Expedited Act during the Covid-19 pandemic. Some retail establishments, including some grocery stores, are currently prohibiting customers from using their personal reusable bags in stores. It is possible that more establishments will adopt the same policy soon. Handling reusable bags presents a potential public health risk to those employees who must bag items for customers, as well as to the customers themselves. Suspending the carry-out bag tax during the Covid-19 pandemic allows store bags to be used at no charge to customers which will hopefully minimize risk.

Bill xx-20 suspends the carryout bag tax and a retail establishment cannot collect the tax until 15 days after the state of emergency ceases. The County Executive must notify retail establishments and the public of the date that the carryout bag tax will resume within 7 days after the state of emergency for Covid-19 ceases.

While the carryout bag tax does generate some revenue for the County, the health and safety of all Montgomery County residents must come first. Covid-19 represents a threat that has never been seen before and we must act accordingly. I am asking each of my Council colleagues to join me in support of this bill. Thank you.