

# County of Fairfax, Virginia

### MEMORANDUM

**DATE**: January 23, 2023

**TO**: Board of Supervisors

**FROM**: Bryan J. Hill

Bryan J. Hill County Executive

**SUBJECT**: Plastic Bag Tax Revenue: Programs and Projects Supported by FY 2022

Carryover Package

Effective January 1, 2022, Fairfax County established a five-cent tax on disposable plastic bags provided at grocery, convenience, and drug stores. Revenue from the tax accrues monthly and, pursuant to the state enabling legislation and county ordinance, must be used only for certain designated purposes. Appropriation of the plastic bag tax revenues in the amount of \$668,460 was approved as part of the *FY 2022 Carryover Package*, adopted October 11, 2022.

### **Background**

On September 14, 2021, the Board of Supervisors (Board) adopted Article 30 under Chapter 4 of the Code of the County of Fairfax, relating to a disposable plastic bag tax, with the purpose of curbing the use of such bags and reducing pollution in the natural environment. The tax is being collected, administered, and enforced by the Virginia Department of Taxation, with revenue allocated to the county as soon as practicable at the end of each month for which the tax is remitted. Revenue is likely to fluctuate in the first few years of implementation but is expected to trend downward over the long-term as consumers begin reducing their use of disposable plastic bags.

As mandated in the enabling legislation passed in the 2020 Virginia General Assembly, and codified in Title 58.1, Taxation, Chapter 17, *Miscellaneous Taxes*, <u>Article 12, Disposable Plastic Bag Tax</u>, plastic bag tax revenue must be appropriated to certain purposes, specifically: (1) environmental cleanup programs; (2) pollution and litter mitigation programs; (3) educational programs designed to reduce environmental waste; and (4) the provision of reusable bags to recipients of Supplemental Nutrition Assistance Program (SNAP) or Women, Infants, and Children Program (WIC) benefits.

#### **Program and Project Funding**

To facilitate disbursement of the revenues that are being received monthly, the Office of Environmental and Energy Coordination (OEEC), in conjunction with the Department of Management and Budget (DMB), has established a process in which projects will be funded at both the Third Quarter and Carryover Review each year. Pursuant to this process, prior to the

Plastic Bag Tax Revenue: FY 2022 Carryover Programs and Projects Page 2

carryover dates, OEEC solicits proposals from county departments and agencies, particularly those with responsibilities or activities related to the four statutory purposes for which bag-tax revenues may be used. Following consultations with project applicants, OEEC evaluates and ranks the proposals and then shares its recommendations with DMB. This process is modeled on the project selection process developed for the Environmental Improvement Program (EIP) but may be adjusted in response to factors including the amount of bag tax revenues received and the input of participating departments and agencies. OEEC will provide periodic updates on selected projects and identify changes to the process, if needed. Attachment 1 describes proposed projects from FY 2022 carryover funds.

OEEC supports the use of plastic bag tax revenues to fund the removal of signs in the public right-of-way but is not proposing funding for such a program at this time because the county currently lacks the authority to hire contractors to perform this service. The Department of Code Compliance confirms that it could not use funding for sign-removal until authority to hire contractors is obtained and effective. Hopefully we will seek such authority during the 2023 General Assembly session.

Please contact Kambiz Agazi at 703-324-1788 or via email at <u>Kambiz.Agazi@fairfaxcounty.gov</u> should you have any questions or require additional information.

Attachment 1: Programs and Projects Supported by Plastic Bag Tax Revenues in FY 2022

Carryover Package

cc: Rachel Flynn, Deputy County Executive
Ellicia Seard-McCormick, Deputy County Executive
Christina Jackson, Chief Financial Officer
Kambiz Agazi, Director, Office of Environmental and Energy Coordination (OEEC)

## **Programs and Projects Supported by Plastic Bag Tax Revenues in FY 2022 Carryover Package**

Project Name	Project Summary	Lead Agencies	Statutory Objective(s)	Funding
Operation Stream Shield (OSS)	OSS provides temporary work experience to individuals experiencing homelessness. Funding will support the removal of debris from in and around waterways and VDOT right-of-ways.	Department of Public Works and Environmental Services (DPWES), Office to Prevent and End Homelessness (OPEH)	- Environmental cleanup - Pollution and litter mitigation	\$370,000
Waste Collection at Parking Lots and Bus Stops/Shelters	Funding will support waste collection from containers at commuter parking lots and bus shelters and bus stops.  (Service formerly provided by CLF.)	DPWES Stormwater Division, Transportation Branch	Pollution and litter mitigation	\$102,960
Storm Drain Education and Labelling Projects	Funding will support the provision of labels and other program costs.	DPWES Stormwater Division, Northern Virginia Soil and Water Conservation District (NVSWCD)	<ul><li>Education programs designed to reduce environmental waste</li><li>Pollution and litter mitigation</li></ul>	\$60,000
Waste Reduction and Recycling Campaigns at Fairfax Housing Authority Properties	In conjunction with the Department of Housing and Community Development (HCD), DPWES will revamp recycling systems at between 10-15 properties and energize tenants and property management to properly manage their waste.	DPWES, Housing and Community Development (HCD)	- Education programs designed to reduce environmental waste - Pollution and litter mitigation	\$50,000
Waste Reduction Posters at Bus Shelters	Funding will support the design and placement of multilingual posters in bus shelters, particularly in areas serving high vulnerability index (HVI) communities.	DPWES, Division of Solid Waste Engineering and Environmental Compliance	- Education programs designed to reduce environmental waste - Pollution and litter mitigation	\$30,000

Project Name	Project Summary	Lead Agencies	Statutory Objective(s)	Funding
Bandalong and StormX Maintenance	Bandalong and StormX are used to capture litter in county waterways. Funding will support maintenance of these technologies.	DPWES Stormwater Division	Pollution and litter mitigation	\$20,000
Bulk Purchases of Vehicle Fluids	Purchasing fluids in bulk and dispensing them via facility reels may avoid the disposal of over 4,000 onegallon antifreeze bottles and over 250 55-gallon transmission-fluid barrels.	Department of Vehicle Services	<ul><li>Education programs designed to reduce environmental waste</li><li>Pollution and litter mitigation</li></ul>	\$14,500
Reusable Bags – SNAP & WIC Recipients	Funding will be used to provide reusable shopping bags to the county's SNAP and WIC recipients.	Department of Family Services (DFS), Fairfax County Health Department	Provision of reusable bags to SNAP and WIC recipients	\$5,500
Reusable Bags – Food Pantries	Funding will be used to provide reusable shopping bags to food pantries.	Neighborhood and Community Services (NCS)	- Education programs designed to reduce environmental waste - Pollution and litter mitigation	\$5,500
Reusable Bags – Farmers Markets	Funding will be used to provide reusable shopping bags to shoppers at county farmers markets.	Fairfax County Park Authority (FCPA), Virginia Cooperative Extension	- Education programs designed to reduce environmental waste - Pollution and litter mitigation	\$5,000
Volunteer Stream Cleanups	Funding will provide gloves and trash bags for volunteer stream cleanups	NVSWCD, FCPA, Clean Fairfax Council	- Environmental cleanup - Pollution and litter mitigation	\$5,000
TOTAL				\$668,460