

CITY OF CHARLOTTESVILLE, VIRGINIA  
CITY COUNCIL AGENDA



Agenda Date:	November 7, 2022
Action Required:	Resolution approval
Presenter:	Samuel Sanders, Jr., Deputy City Manager
Staff Contacts:	Samuel Sanders, Jr., Deputy City Manager Krisy Hammill, Director of Budget
Title:	<b>Appropriating Funds for Bag Distribution in Connection with Plastic Bag Tax - \$20,000 (2nd reading)</b>

### **Background**

On July 18, 2022, City Council adopted a plastic bag tax to begin January 1, 2023. This tax levy is the result of action passed during the 2020 General Assembly session where Virginia localities received enabling authority to impose a disposable plastic bag tax within their jurisdictional limits. The City of Charlottesville has expressed a concern about the equity impact of such a tax. The legislation allows localities to impose a five cent (\$.05) per bag tax on disposable plastic bags provided by certain retailers.

The enabling legislation includes stipulations on the use of the associated revenues. Revenues from this tax must be used for programs supporting the following:

1. environmental cleanup,
2. litter and pollution mitigation,
3. environmental education efforts, and/or
4. to provide reusable bags to SNAP or WIC benefit recipients.

In preparation for the tax levy to go into effect, it is necessary to procure a supply of bags for distribution to recipients of SNAP and WIC benefits as provided by the state legislation authorizing the tax.

### **Discussion**

Department of Social Services staff will manage the distribution of bags to eligible households ahead of the start of the tax collection beginning January 1, 2023. Staff will develop a distribution plan to reach the 3600 households that makeup the 5000 individuals currently eligible to receive SNAP benefits through the Department of Social Services. DSS Leadership will also coordinate with the health department to provide bags for distribution to the 1570 clients who make up its current caseload.

The bags will be of high recycled content, if not 100% recycled, to ensure this project meets the

expectations of a climate impact program in association with the recently presented Climate Action Plan. Bags will be purchased to provide at least two bags to each interested household while supplies last.

Staff will monitor the actual revenues generated from the tax and the initial receipts will be used to replace the initial investment from the Council Strategic Initiatives Fund. Any funds in excess of this initial investment will be retained for additional bag purchases before being utilized to support pollution mitigation or education efforts as permitted by the enabling legislation.

**Alignment with City Council's Vision and Strategic Plan**

This item aligns with Strategic PPlan Goal: 1.5 Intentionally address issues of race and equity.

**Community Engagement**

Department of Social Services staff will distribute bags to SNAP and WIC eligible households per the enabling legislation for the plastic bag tax.

**Budgetary Impact**

The revenue collected from the imposed bag tax will be used to off-set the cost of the recycled content bags.

**Recommendation**

With City Council's approval, staff will utilize the funds to acquire as many recycled content bags to ensure a minimum of two bags per SNAP and WID eligible households in the City of Charlottesville.

**Alternatives**

City Council could choose to direct additional funds to expand the distribution of bags to other potentially impacted households of the new tax levy.

**Attachments**

1. PBT Resolution - \$20,000