## **Commission on Local Government**

## **Estimate of Local Fiscal Impact**

2025 General Assembly Session | 11/22/25

In accordance with the provisions of 30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of legislation impacting local governments.

HB1764: Disposable plastic bag tax; distribution to towns. Provides that any town located within a county that has imposed a disposable plastic bag tax shall receive a distribution of revenues collected by the county based on the local sales tax distribution formula for appropriations to towns. The bill requires that towns use such revenues for the same purposes allowable for a county or city. (Marty Martinez)

Bill Summary: Disposable plastic bag tax; distribution to towns. Provides that any town located within a county that has imposed a disposable plastic bag tax shall receive a distribution of revenues collected by the county based on the local sales tax distribution formula for appropriations to towns. The bill requires that towns use such revenues for the same purposes allowable for a county or city.

<b>Local Fiscal Impact:</b>	Net Additional Expenditure:	Net Reduction of Revenues:
Summary Analysis:		
Number of Localities	Responding: 4 Cities, 12 Counties, 4 Tov	vns, 1 Other
Localities estimated no	fiscal impact over the biennium.	
Localities indicated that	at the bill has no fiscal impact.	

Net Increase in Expenditures: Itemized Estimates by Responding Localities									
Locality	Juris	Recurring Expense- Personnel		Recurring Expense - Operating		Recurring Expense - Capital		Recurring Expense - Other	
		FY26	FY27	FY26	FY27	FY26	FY27	FY26	FY27
Albemarle County	County								
Alleghany County	County								
Augusta County	County								
Bedford County	County								
Chesterfield County	County								
City of Alexandria	City								
City of Norfolk	City								
City of Richmond	City								
City of Winchester	City								
Fauquier County	County								
Mecklenburg County	County								
Montgomery County	County								
Northern Neck PDC	Other								
Prince George County	County								
Prince William County	County								
Pulaski County	County								
Rappahannock County	County								
Town of Chincoteague	Town								
Town of Christiansburg	Town								
Town of Rocky Mount	Town								
Town of Victoria	Town								

Net Increase in Expenditures: Itemized Estimates by Responding Localities									
Locality	Nonrecurring Expense - Operating		Nonrecurring Expense - Capital		Nonrecurring Expense - Other		Total Increase in Expenses	Response Totals	
	FY26	FY27	FY26	FY27	FY26	FY27	(Biennium Total)		
							0	Cities:	4
							0	Counties:	12
							0	Towns:	4
							0	Other:	1
							0	Total:	21
							0		
							0		
							0		
							0		
							0		
							0		
							0		
							0		
							0		
							0		
						0	0		
							0		
							0		
							0		
							0		
							0		

Locality	Expenditure Narrative by Responding Localities
Albemarle County	
Alleghany County	
Augusta County	Augusta County does not have a plastic bag tax.
Bedford County	County has not implemented a disposable plastic bag tax.
Chesterfield County	NA
City of Alexandria	
City of Norfolk	Does not apply to Norfolk as the bill is limited to towns.
City of Richmond	No anticipated fiscal impact.
City of Winchester	
Fauquier County	we do not have a plastic bag tax currently.
Mecklenburg County	
Montgomery County	Montgomery County does not impose any tax on disposable plastic bags.
Northern Neck PDC	The planning district is not impacted by this legislation.
Prince George County	This proposed legislation has no impact for Prince George County. There are no towns within the County.
Prince William County	
Pulaski County	Not sure what the cost is to this may be.
	Rappahannock County does not implement a plastic bag tax, but if it was to do so, because the population of the only
	incorporated town (town of Washington) is so small and the relative scarcity of stores, the percentage remitted from the tax
Rappahannock County	would be de minimis.
Town of Chincoteague	
Town of Christiansburg	I would not anticipate an increase in expenditures associated with is change.
Town of Rocky Mount	
Town of Victoria	Lunenburg County does not currently have a disposable plastic bag tax.