



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5112

Introduced 2/10/2026, by Rep. Laura Faver Dias

SYNOPSIS AS INTRODUCED:

See Index

Creates the Carryout Bag Reduction Act. Imposes, beginning January 1, 2027, a carryout bag fee of \$0.10 on each carryout bag used by a consumer at a retail mercantile establishment. Increases the amount of the fee by \$0.05 every year until the fee is \$0.25 per carryout bag. Provides that the fee shall be further increased by \$0.05 per year if certain goals are not met. Requires retail mercantile establishments to retain a specific amount of the fee and remit the remainder to the Department of Revenue for deposit into the Carryout Bag Fee Fund. Requires a specific amount of the fee to be deposited into the General Revenue Fund through 2030 and requires the remainder of the fee to be remitted either (i) to the county where the retail mercantile establishment is located or (ii) if a municipal joint action agency or a municipality with a population greater than 1,000,000 is located in the county, then to either the municipal joint action agency if the fee was collected from a retail mercantile establishment located within the municipal joint action agency service area or to the municipality with a population greater than 1,000,000 if the fee was collected from a retail mercantile establishment located within the municipality with a population greater than 1,000,000. Prohibits, beginning January 1, 2027, plastic bags from being used to transport goods from a retail mercantile establishment for delivery to the location of a consumer. Requires the Department to annually report certain information to the General Assembly and post that information on the Department's website. Establishes requirements for use of the revenue received from the carryout bag fee for units of local government. Exempts from the requirements of the Act bags for items purchased pursuant to the Supplemental Nutrition Assistance Program or any similar governmental food assistance program. Requires the Environmental Protection Agency to develop certain materials. Establishes civil penalties for violations of the Act. Provides for enforcement by the Attorney General or a State's Attorney, with penalties collected by the Attorney General to be deposited into the Solid Waste Management Fund. Limits home rule powers and functions. Defines terms. Amends the State Finance Act to create the Carryout Bag Fee Fund as a special fund in the State treasury. Effective immediately.

LRB104 16994 BDA 30408 b

A BILL FOR

1 AN ACT concerning safety.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Carryout Bag Reduction Act.

6 Section 5. Definition. As used in this Act:

7 "Agency" means the Illinois Environmental Protection
8 Agency.

9 "Carryout bag" means a plastic bag, recycled paper bag, or
10 reusable bag that is provided by a retail mercantile
11 establishment either (i) at the checkout, cash register, or
12 point of sale to a consumer for the purpose of transporting
13 goods out of the retail mercantile establishment or (ii) to a
14 consumer for the purpose of delivering goods from the location
15 of a retail mercantile establishment to the location of the
16 consumer.

17 "Consumer" means any person who makes a purchase at
18 retail.

19 "Department" means the Department of Revenue.

20 "Person" means an individual, natural person, public or
21 private corporation, government, partnership, unincorporated
22 association, or other entity.

23 "Plastic" means an organic or petroleum-derived synthetic

1 or semisynthetic solid material that is synthesized by the
2 polymerization of organic substances, that is moldable into
3 various rigid and flexible forms, and that may have had other
4 substances added to it.

5 "Plastic bag" means a single-use plastic bag that is
6 provided by a retail mercantile establishment at the checkout,
7 cash register, or point of sale to a consumer for the purposes
8 of transporting goods out of the retail mercantile
9 establishment and that is not a recycled paper bag or reusable
10 bag. "Plastic bag" does not include:

11 (1) a bag that is used to package bulk items, such as
12 fruit, vegetables, nuts, and grains;

13 (2) a bag that is used for greeting cards, balloons,
14 or small hardware items, such as nails and bolts;

15 (3) a bag that is used to contain or wrap frozen foods,
16 meat, or fish, whether prepackaged or not;

17 (4) a bag that is used to contain or wrap flowers or
18 potted plants or other items where dampness may be a
19 problem;

20 (5) a bag that is used to contain unwrapped prepared
21 foods or bakery goods;

22 (6) a bag that is used to contain prescription drugs;

23 (7) a bag that is sold in packages containing multiple
24 bags intended for use as garbage bags, pet waste bags, or
25 landscape waste bags;

26 (8) a bag that is brought to a store by the consumer

1 for the consumer's own use or to carry away from the store
2 goods that are not placed in a bag provided by the store;

3 (9) a bag that is provided by a dine-in or take-out
4 restaurant to contain food or drink purchased by the
5 restaurant's consumer;

6 (10) a bag containing a plastic liner that is
7 permanently affixed, or designed and intended to be
8 permanently affixed, to the inside of the particular bag;

9 (11) a newspaper bag, door-hanger bag, laundry
10 cleaning bag, garment bag; or

11 (12) a bag that is used for online or digital orders
12 where an employee of the retail mercantile establishment
13 packages the goods for curbside pick-up or delivery.

14 "Primarily engaged in the sale of ready-to-eat food for
15 immediate consumption" means having sales of ready-to-eat food
16 for immediate consumption comprising at least 51% of the total
17 sales, excluding the sale of liquor.

18 "Recycled paper bag" means a paper bag that is 100%
19 recyclable and contains at least 40% post-consumer recycled
20 material.

21 "Restaurant" means any business that is primarily engaged
22 in the sale of ready-to-eat food for immediate consumption.

23 "Retail mercantile establishment" means a business that
24 makes sales at retail and generates occupation or use tax
25 revenue. "Retail mercantile establishment" does not include a
26 restaurant.

1 "Reusable bag" means a bag with threaded stitched handles
2 that is designed and manufactured for multiple uses; that can
3 carry 22 pounds for a distance of 175 feet; and that is made of
4 cloth, fiber, or other fabric or recycled material that is
5 machine washable and can be cleaned and disinfected regularly.

6 Section 10. Carryout Bag Fee Fund.

7 (a) The Carryout Bag Fee Fund is created as a special fund
8 in the State treasury. Moneys in the Fund shall be used as
9 provided in this Act.

10 (b) Notwithstanding any other provision of law, the
11 Carryout Bag Fee Fund is not subject to sweeps, administrative
12 charges or chargebacks, or any other fiscal or budgetary
13 maneuver that would in any way transfer any funds from the
14 Carryout Bag Fee Fund into any other fund of the State.

15 Section 15. Payment of carryout bag fee required.

16 (a) Beginning January 1, 2027, a carryout bag fee of \$0.10
17 is imposed on each carryout bag used by a consumer at a retail
18 mercantile establishment located in Illinois, which shall be
19 paid by the consumer. Beginning January 1, 2028, the carryout
20 bag fee shall be increased to \$0.15 per carryout bag;
21 beginning January 1, 2029, the carryout bag fee shall be
22 increased to \$0.20 per carryout bag; and beginning January 1,
23 2030, the carryout bag fee shall be increased to \$0.25 per
24 carryout bag. The ultimate incidence and liability for payment

1 of the carryout bag fee is to be borne by the consumer. The fee
2 shall be separately stated on the receipt provided to the
3 consumer and shall be identified as the carryout bag fee. It is
4 a violation of this Section for the retail mercantile
5 establishment to fail to separately itemize the fee on a
6 consumer's purchase of such a carryout bag or to otherwise
7 absorb the fee on such sale.

8 Beginning January 1, 2027, the retail mercantile
9 establishment shall retain \$0.02 of each carryout bag fee that
10 it collects; beginning January 1, 2028, it shall retain \$0.03
11 of each carryout bag fee that it collects; beginning January
12 1, 2029, it shall retain \$0.04 of each carryout bag fee that it
13 collects; and beginning January 1, 2030, it shall retain \$0.05
14 of each carryout bag fee that it collects. The retail
15 mercantile establishment shall remit the remainder of the
16 carryout bag fees that it collects each month to the
17 Department on form ST-1.

18 The Department shall deposit into the Carryout Bag Fee
19 Fund the portion of the carryout bag fees that are remitted to
20 it. The Department shall monthly transfer into the General
21 Revenue Fund \$0.06 of the portion of each carryout bag fee that
22 is remitted to it for 2027, \$0.09 of the portion of each
23 carryout bag fee that is remitted to it for 2028, \$0.012 of the
24 portion of each carryout bag fee that is remitted to it for
25 2029, and \$0.15 of the portion of each carryout bag fee that is
26 remitted to it for 2030. The Department shall monthly remit

1 the remainder of the fee for each year to the county where the
2 retail mercantile establishment that collected the fee is
3 located, except that, if a municipal joint action agency or a
4 municipality with a population greater than 1,000,000 is
5 located in the county, then the Department shall remit the fee
6 directly to either the municipal joint action agency if the
7 fee was collected from a retail mercantile establishment
8 located within the municipal joint action agency service area
9 or to the municipality with a population greater than
10 1,000,000 if the fee was collected from a retail mercantile
11 establishment located within the municipality with a
12 population greater than 1,000,000.

13 (b) Beginning January 1, 2027, plastic bags shall not be
14 used to transport goods from a retail mercantile establishment
15 for delivery to the location of the consumer. Only recyclable
16 paper bags or reusable bags shall be used for deliveries to
17 consumer locations. Retail mercantile establishments are
18 encouraged to implement a system that reuses containers or
19 reusable bags to deliver goods to consumers. The reuse system
20 must be able to demonstrate to the Agency that the containers
21 or reusable bags used to deliver goods to consumers can be used
22 at least 75 times before disposal. If such a demonstration is
23 made and if the Agency approves the demonstration, the
24 containers or reusable bags used shall be exempt from the
25 requirements of this Section.

1 Section 20. Data requirements, program evaluation and
2 program goals.

3 (a) By March 1, 2028, and March 1 of each year thereafter,
4 the Department shall report to the General Assembly and shall
5 post on the Department's website the total revenue generated
6 from the carryout bag fee and the total number of carryout bags
7 purchased by consumers in the previous calendar year in each
8 county, municipal joint action agency service area, and
9 municipality with a population greater than 1,000,000.

10 (b) After the report required by subsection (a) has been
11 filed with the General Assembly and posted on the Department's
12 website for calendar year 2030, the Department shall calculate
13 the percentage decrease, if any, in the number of carryout
14 bags purchased by consumers from calendar year 2027 through
15 calendar year 2030. If the number of carryout bags purchased
16 by consumers in 2030 decreased by at least 90% compared to
17 2027, the carryout bag fee shall remain at \$0.25 per carryout
18 bag. If the percentage decrease in carryout bags purchased by
19 consumers has decreased by less than 90%, the carryout bag fee
20 shall be increased by another \$0.05. The carryout bag fee
21 shall increase by \$0.05 annually each calendar year until a
22 90% or greater reduction, compared to 2027, has been achieved.
23 If the carryout bag use at any time in future annual reports
24 show that sales of carryout bags to consumers are no longer
25 less than at least 90% compared to 2027, the carryout bag fee
26 shall be increased by \$0.05 annually until carryout bag use

1 again is at least 90% less than 2027.

2 Section 25. Use of the carryout bag fee by counties,
3 municipal joint action agencies, or municipalities with a
4 population greater than 1,000,000. The county, municipal joint
5 action agency, or municipality with a population greater than
6 1,000,000 shall use the revenue received from the carryout bag
7 fee for the following purposes:

8 (1) preparing and implementing waste management plans
9 pursuant to the Solid Waste Planning and Recycling Act;

10 (2) inspecting and monitoring facilities used to
11 manage municipal waste;

12 (3) paying for salaries and benefits of public sector
13 employees, and costs associated with consultants and legal
14 counsel hired to assist with developing and implementing
15 programs consistent with this Section;

16 (4) implementing litter clean-up programs and events;

17 (5) increasing access to recycling and composting in
18 areas deemed to be in environmental justice areas;

19 (6) developing and implementing education programs to
20 increase participation in recycling programs, composting
21 programs, household hazardous waste programs, and special
22 collection events;

23 (7) conducting household hazardous waste collection
24 programs; or

25 (8) conducting special collection events.

1 Section 30. Exemption. The carryout bag fee does not apply
2 to the retail sale or use of carryout bags that are used to
3 carry items purchased pursuant to the Supplemental Nutrition
4 Assistance Program or a similar governmental food assistance
5 program.

6 Section 35. Education material and signage.

7 (a) Every retail mercantile establishment subject to the
8 carryout bag fee shall conspicuously display a sign in a
9 location outside or inside the establishment, viewable by
10 consumers, alerting consumers to the carryout bag fee.

11 (b) The Agency shall develop educational and promotional
12 material, including a sign that complies with subsection (a)
13 of this Section. The Agency shall make the materials available
14 on the Agency's website for use by retail mercantile
15 establishments that are subject to the requirements of this
16 Act.

17 Section 40. Enforcement.

18 (a) A person who violates any provision of this Act shall
19 be liable for a civil penalty of up to \$250 for the first
20 offense within a 12-month period; a civil penalty of up to \$500
21 for a second offense within a 12-month period; and a penalty of
22 up to \$1,000 for a third or subsequent offense within a
23 12-month period.

1 (b) Any violation of this Act may be enforced by the
2 Attorney General or the State's Attorney of the county in
3 which the violation occurs. The penalties provided for in
4 subsection (a) may be recovered in a civil action brought in
5 the name of the people of the State of Illinois by the State's
6 Attorney of the county in which the violation occurred or by
7 the Attorney General. Any penalties collected under this
8 Section in an action in which the Attorney General has
9 prevailed shall be deposited into the Solid Waste Management
10 Fund. The Attorney General or the State's Attorney of a county
11 in which a violation occurs may institute a civil action for an
12 injunction, prohibitory or mandatory, to restrain violations
13 of this Act or to require such actions as may be necessary to
14 address violations of this Act.

15 (c) The penalties and injunctions provided in this Act are
16 in addition to penalties, injunctions, or other relief
17 provided under any other law. Nothing in this Act bars a cause
18 of action by the State for any other penalty, injunction, or
19 other relief provided by any other law.

20 Section 45. Carryout bag audits; home rule. The power to
21 audit taxes or fees on the collection, remittance, and payment
22 of any fees on carryout bags, however defined, is an exclusive
23 power and function of the State. A municipality or county,
24 including a home rule municipality or county, may not conduct
25 a financial audit, with respect to the provision of carryout

1 bags, of any person that provides a carryout bag to a consumer,
2 except that any municipality or county with an ordinance
3 related to carryout bags in effect as of January 1, 2026 may
4 continue to audit carryout bags until January 1, 2030. This
5 Section is a denial and limitation of home rule powers and
6 functions under subsection (h) of Section 6 of Article VII of
7 the Illinois Constitution.

8 Section 50. Regulation of carryout bags; home rule. A
9 municipality or county, including a home rule unit, may not
10 regulate in any manner the use, disposition, content,
11 taxation, or sale of any carryout bag, however defined, that
12 is provided by a retail mercantile establishment at the
13 checkout, cash register, point of sale, or other point of
14 departure to a consumer for the purpose of transporting goods
15 out of the retail mercantile establishment, except that any
16 municipality or county with an ordinance related to carryout
17 bags in effect on the effective date of this Act may continue
18 to regulate carryout bags until January 1, 2030, and except
19 that any home rule municipality or county may prohibit a
20 retail mercantile establishment from providing plastic bags to
21 consumers. This Section is a denial and limitation of home
22 rule powers and functions under subsection (g) of Section 6 of
23 Article VII of the Illinois Constitution.

24 Section 80. The State Finance Act is amended by adding

1 Section 5.1038 as follows:

2 (30 ILCS 105/5.1038 new)

3 Sec. 5.1038. The Carryout Bag Fee Fund.

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.

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Statutes amended in order of appearance

3

New Act

4

30 ILCS 105/5.1038 new