

LEGISLATIVE DIGEST

[Green Bag Charge.]

Ordinance amending the San Francisco Environment Code by: amending Section 1702, to clarify the definition of "checkout bag" and other terms; adding Section 1703.5, to require stores to add a Green Bag Charge of 5 cents if they provide a customer with a disposable, single-use checkout bag; and, making environmental findings.

Existing Law

Current City law does not require stores to collect any sort of charge for checkout bags that they provide to customers.

Amendments to Current Law

Green Bag Charge. The proposal would amend the Environment Code to require stores to add a Green Bag Charge of 5 cents if they provide a customer with a disposable, single-use checkout bag. The stores would keep the money that they collected.

Beginning March 1, 2011, the amendment would require stores already covered by the Plastic Bag Reduction Ordinance (supermarkets and chain pharmacies) to charge a customer a Green Bag Charge of five cents (\$0.05) for each recyclable paper checkout bag they provide to a customer. (These stores may only provide recyclable paper and compostable plastic checkout bags to customers. As noted below, the City may not impose a fee on the compostable plastic bags.)

Beginning January 1, 2012, the amendment would require all other retail establishments in the City to charge a customer a Green Bag Charge of five cents (\$0.05) for each paper checkout bag they provide to a customer. (These stores currently are not limited to recyclable paper bags.)

Beginning January 1, 2013, the amendment would require stores and other retail establishments to charge a customer a Green Bag Charge of five cents (\$0.05) for each paper or plastic checkout bag they provide to a customer.

The Green Bag Charge would have to be stated separately on the customer's receipt. The amendment would urge the stores and other retail establishments to use the proceeds of the Charge to promote the use of reusable checkout bags.

The Green Bag Charge would not be collected from a customer participating in the Special Supplemental Food Program for Women, Infants, and Children, or a customer participating in the State Department of Social Services Food Stamp Program.

The owner or operator of a store or other retail establishment could petition the Director of the Department of the Environment for a full or partial waiver of the requirements of this Section if the owner or operator could establish that the business as a whole could not generate a fair rate of return on investment under the terms of this Section.

Violations of the amendment could be punished with administrative fines.

Definition of "Checkout Bag." City law currently defines "checkout bag" as "a carryout bag that is provided by a store to a customer at the point of sale." The amendment would clarify that a "checkout bag" does not include:

- Bags used by consumers inside stores to: (A) package bulk items, such as fruit, vegetables, nuts, grains, candy, or small hardware items; (B) contain or wrap frozen foods, meat, or fish, whether prepackaged or not; (C) contain or wrap flowers, potted plants, or other items where dampness may be a problem; or (D) contain unwrapped prepared foods or bakery goods;
- Newspaper bags, door-hanger bags, laundry-dry cleaning bags, or bags sold in packages containing multiple bags intended for use as garbage, pet waste, or yard waste bags;
- Specialty retail merchandise bags; or
- Reusable carryout bags.

The amendment also clarifies the definitions of "reusable bag" and "recyclable paper bag."

Background Information

California Public Resources Code Section 42254(b)(2) generally prohibits a city or county from imposing a plastic carryout bag fee. Section 42254 will expire by operation of law on January 1, 2013, unless the Legislature acts to extend it.