BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

FOR YOUR INFORMATION SEE THE ATTACHED LEGISLATION

DATE SENT: August 12, 2010
FILE #: 101054
DESCRIPTION: Green Bag Charge
FROM: Budget & Finance City Operations & Neighborhood Services City & School District Select Government Audit & Oversight Land Use & Economic Development Rules Public Safety
☐ The meeting to hear this file will be held on: ☐ URGENT
(response needed within one week) OR: No date set yet
☐ Hearing or ☐ Legislation referred to:
Building Inspection Commission Charter Section D3.750-5
Ethics Commission Campaign & Governmental Conduct Code Section 1.103
Historic Preservation Commission Charter Section 4.135
Planning - Code Amendment Planning Code Section 302(b) and 306(a) (90 days to respond)
Planning - Environmental review - 30 days to respond
Planning - Environmental review (fees) CEQA CA Public Resources Code § 21000 et seg - 10 days to respond
Planning - Interim Controls Planning Code Section 306.7(c)
Retirement Board Campaign & Governmental Code or Elections Code
☐ Small Business Commission M01-33
Youth Commission Charter Section 3.720-2; Charter Section 4.124 (12 day to respond)
FYI - Department of the Environment

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August 12, 2010

File No. 101054

Bill Wycko Environmental Review Officer Planning Department 1650 Mission Street, 4th Floor San Francisco, CA 94103

Dear Mr. Wycko:

On August 3, 2010, Supervisor Mirkarimi introduced the following proposed legislation:

File No. 101054 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.

The legislation is being transmitted to you for environmental review, pursuant to Planning Code Section 306.7(c).

Angela Calvillo, Clerk of the Board

By: Victor Young, Committee Clerk

City Operations and Neighborhood Services

Attachment

cc: Nannie Turrell, Major Environmental Analysis Brett Bollinger, Major Environmental Analysis Med a project per COOP Guidelines See vien 15060(2)(2). Plannie X. Furrelf August 20, 2010 2010:0743E

Environmental Review Referral

[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.

NOTE:

Additions are single-underline italics Times New Roman; deletions are strike-through italies Times New-Roman. Board amendment additions are double-underlined; Board amendment deletions are strikethrough normal.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Environmental Findings. The Planning Department has determined that the actions contemplated in this ordinance are in compliance with the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. _____ and is incorporated herein by reference.

Section 2. Findings.

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1. The City and County of San Francisco has adopted citywide goals of 75 percent landfill diversion by 2010 and zero waste by 2020.

2. The broad use of disposable, single-use checkout bags and their typical disposal creates an impediment to achievement of San Francisco's landfill diversion goals.

Plastic checkout bags are difficult to recycle and contaminate material that is processed through San Francisco's recycling and composting programs.

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Supervisor Mirkarimi **BOARD OF SUPERVISORS**

- 4. Disposable, single-use checkout bags create significant litter problems in San Francisco's neighborhoods, and also litter parks, community beaches, sewer systems, and the San Francisco Bay.
- 5. On a global level, the production of disposable, single-use checkout bags has significant environmental impacts each year, including the felling of over 10 million trees, use of over 12 million barrels of oil, and the deaths of over 100,000 marine animals from plastic entanglement.
- 6. Governments in several countries have placed fees on bags, including the Republic of Ireland, which achieved a 90 percent decrease in the use of disposable, single-use checkout bags due to the fee.
- Section 3. The San Francisco Environment Code is hereby amended by amending Section 1702 and adding Section 1703.5, to read as follows:

SEC. 1702. DEFINITIONS.

For the purposes of this Ordinance, the following words shall have the following meanings:

- (a) "ASTM Standard" means the American Society for Testing and Materials (ASTM)'s International <u>Standard Specification for Compostable Plastics D6400</u> standard <u>D6400 for compostable plastie</u>, as that standard may be amended from time to time.
- (b) "Compostable Plastic Bag" means a plastic bag that (1) conforms to California labeling law (Public Resources Code Section 42355 et seq.), which requires meeting the current ASTM-Standard Specifications for compostability; (2) is certified and labeled as meeting the ASTM-Standard by a recognized verification entity such as the Biodegradable Product Institute; (3) conforms to requirements to ensure that the renewable based product content is maximized over time as set forth in Department of the Environment regulations; (4)

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conforms to requirements to ensure that products derived from genetically modified feedstocks are phased out over time as set forth in Department of the Environment regulations; and (5) displays the phrase "Green Cart Compostable" and the word "Reusable" in a highly visible manner on the outside of the bag.

- (c) "Checkout bag" means a carryout bag that is provided by a store to a customer at the point of sale. "Checkout bag" does not include:
- (1) 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;
- (2) 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;
 - (3) Specialty retail merchandise bags; or
 - (4) Reusable carryout bags.
 - (d) "Department" means the Department of the Environment.
 - (e) "Director" means the Director of the Department of the Environment.
- (f) "Highly visible manner" means (1) for compostable plastic bags, displaying both of the following in green lettering contrasting with the bag's background color that is at least two inches high: (i) the phrase "Green Cart Compostable" "either on the front and back of the bag together with a solid green band at least one-half inch thick circling the circumference of the bag, or repeatedly, as a band of text or text alternating with solid stripe, circling the circumference of the bag, and (ii) the word "Reusable" displayed on the front and/or back of the bag; and (2) for recyclable paper bags, displaying the words "Reusable" and "Recyclable" on the front and/or back of the bag in blue lettering contrasting with the bag's background

- (g) "Person" means an individual, trust, firm, joint stock company, corporation, cooperative, partnership, or association.
- (h) "Pharmacy" means a retail use where the profession of pharmacy by a pharmacist licensed by the State of California in accordance with the Business and Professions Code is practiced and where prescriptions (and possibly other merchandise) are offered for sale, excluding such retail uses located inside a hospital.
- (i) "Recyclable" means material that can be sorted, cleansed, and reconstituted using San Francisco's available recycling collection programs for the purpose of using the altered form in the manufacture of a new product. Recycling does not include burning, incinerating, converting, or otherwise thermally destroying solid waste.
- (j) "Recyclable Paper Bag" means a paper bag that meets all of the following requirements: (1) contains no old growth fiber, (2) is 100% <u>recycled content</u>, <u>including recyclable</u> overall and contains a minimum of 40% post-consumer recycled content, and (3) displays the words "Reusable" and "Recyclable" in a highly visible manner on the outside of the bag.
- (k) "Reusable Bag" means a bag with handles that is specifically designed and manufactured for multiple reuse, meaning 100 or more uses carrying 20 or more pounds, is machine hot water washable, and is either (1) made of cloth or other machine washable fabric, and/or (2) made of durable plastic that is at least 2.25 mils thick.
- (i) "Store" means a retail establishment located within the geographical limits of the City and County of San Francisco that meets either of the following requirements:
- (1) Is a full-line, self-service supermarket with gross annual sales of two million dollars (\$2,000,000), or more, and which sells a line of dry grocery, canned goods, or nonfood items and some perishable items. For purposes of determining which retail establishments are

supermarkets, the City shall use the annual updates of the Progressive Grocer Marketing Guidebook and any computer printouts developed in conjunction with the guidebook; or

(2) Is a retail pharmacy with at least five locations under the same ownership within the geographical limits of San Francisco.

SEC. 1703.5. GREEN BAG CHARGE.

(a) Imposing a Green Bag Charge.

- (1) Beginning March 1, 2011, no Store, as defined in Section 1702(1), shall provide a recyclable paper checkout bag to a customer at the point of sale, unless the Store charges the customer a Green Bag Charge of five cents (\$0.05) per bag.
- (2) Beginning January 1, 2012, no other retail establishment located within the geographical limits of the City and County of San Francisco shall provide a paper checkout bag to a customer at the point of sale, unless the retail establishment charges the customer a Green Bag Charge of five cents (\$0.05) per bag.
- (3) Beginning January 1, 2013, no Store, as defined in Section 1702(1), or any other retail establishment located within the geographical limits of the City and County of San Francisco shall provide a paper or plastic checkout bag to a customer at the point of sale, unless the Store or other retail establishment charges the customer a Green Bag Charge of five cents (\$0.05) per bag.
- (b) Green Bag Charge to be Separately Stated on Receipt. The amount charged pursuant to subsection (a) shall be separately stated on the receipt provided to the customer at the time of sale and shall be identified as the Green Bag Charge. Any other transaction fee charged by the Store or other retail establishment in relation to providing a checkout bag shall be identified separately from the Green Bag Charge. The Board of Supervisors urges the Stores and other retail establishments to use the proceeds of the Charge to promote the use of reusable checkout bags.

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- (c) Exemptions. The Green Bag Charge required under subsection (a) shall not be charged to a customer participating in the Special Supplemental Food Program for Women, Infants, and Children (Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division 106 of the Health and Safety Code), or a customer participating in the State Department of Social Services Food Stamp Program
- (d) Waivers. Any owner or operator of a Store or other retail establishment may 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 can establish that the business as a whole cannot generate a fair rate of return on investment under the terms of this Section.
- (e) Violations. Violations of this Section may be punished under the provisions of Section 1705. Collection or deposit of the Green Bag Charge shall not excuse any violation of any other provisions of this Chapter 17.

Section 4. Additional Provisions.

- (a) General Welfare. In adopting and implementing this ordinance, the City and County of San Francisco is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.
- (b) Conflict with State or Federal Law. This ordinance shall be construed so as not to conflict with applicable federal or State laws, rules or regulations. Nothing in this ordinance shall authorize any City agency or department to impose any duties or obligations in conflict with limitations on municipal authority established by State or federal law at the time such agency or department action is taken.

(c) Severability. If any of the provisions of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of those provisions, including the application of such part or provisions to persons or circumstances other than those to which it is held invalid, shall not be affected thereby and shall continue in full force and effect. To this end, the provisions of this ordinance are severable.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By: THOMAS J. OWEN
Deputy City Attorney

Supervisor Mirkarimi
BOARD OF SUPERVISORS

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