

File No. 101055

Committee Item No. 5

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee CITY OPERATIONS AND  
NEIGHBORHOOD SERVICES

Date 11/14/11

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
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Completed by: Gail Johnson

Date 11/10/11

Completed by: \_\_\_\_\_

Date \_\_\_\_\_

An asterisked item represents the cover sheet to a document that exceeds 25 pages.  
The complete document is in the file.

1 [Environment Code - Checkout Bags; Checkout Bag Charge]

2  
3 **Ordinance amending the San Francisco Environment Code by: 1) amending**  
4 **Section 1702, to extend the restrictions on checkout bags from supermarkets and**  
5 **chain pharmacies to all retail establishments and food establishments in the City, and**  
6 **clarify terms; 2) adding Section 1703.5, to require stores to add a checkout bag charge**  
7 **of 10 cents, rising to 25 cents, if they provide a customer with a checkout bag;**  
8 **3) setting an operative date of July 1, 2012; and, 4) making environmental findings.**

9  
10 NOTE: Additions are single-underline italics Times New Roman;  
11 deletions are ~~strike-through italics Times New Roman~~.  
12 Board amendment additions are double-underlined;  
13 Board amendment deletions are ~~strikethrough normal~~.

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

15 Section 1. Environmental Findings. The Planning Department has determined that the  
16 actions contemplated in this ordinance comply with the California Environmental Quality Act  
17 (Cal. Pub. Res. Code §§ 21000 et seq.). Said determination is on file with the Clerk of the  
18 Board of Supervisors in File No. 101055 and is incorporated herein by reference.

19 Section 2. Findings.

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

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

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

1           4. Single-use checkout bags create significant litter problems in San Francisco's  
2 neighborhoods, and also litter parks, community beaches, sewer systems, and the San  
3 Francisco Bay.

4           5. The production and disposal of single-use checkout bags has significant  
5 environmental impacts, including the contamination of the environment, the depletion of  
6 natural resources, use of non-renewable polluting fossil fuels, and the increased clean-up and  
7 disposal costs.

8           6. Of all single-use checkout bags, plastic checkout bags have the greatest impacts on  
9 litter and marine life.

10          7. Governments in several countries have placed fees on bags, including the Republic  
11 of Ireland, which achieved a 90 percent decrease in the use of single-use plastic checkout  
12 bags due to the fee.

13          8. Studies document that banning plastic checkout bags and placing a mandatory  
14 charge on paper checkout bags will dramatically reduce the use of both types of bags and  
15 increase customers' use of reusable bags.

16          9. Reusable bags are readily available with numerous sources and vendors for these  
17 bags. Many stores in San Francisco and throughout the Bay Area already offer reusable bags  
18 for sale at a price as low as 25 cents.

19  
20          Section 3. The San Francisco Environment Code is hereby amended by amending  
21 Section 1702 and adding Section 1703.5, to read as follows:

22       **SEC. 1702. DEFINITIONS.**

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

1 (a) "ASTM Standard" means the American Society for Testing and Materials (ASTM)'s  
2 International Standard Specification for Compostable Plastics D6400 ~~standard D6400 for~~  
3 ~~compostable plastic~~, as that standard may be amended from time to time.

4 (b) "Compostable Plastic Bag" means a plastic Checkout Bag bag that ~~(1)~~ conforms to at  
5 least the minimum standards of California labeling law (Public Resources Code Section 42355 et  
6 seq.), and meets ~~which requires meeting the~~ current ASTM D6400 Standard Specifications for  
7 compostability; ~~(2) is certified and is~~ labeled as meeting the ASTM Standard by a recognized  
8 third-party independent verification entity, such as the Biodegradable Product Institute, and is  
9 labeled "Compostable" on both sides of the bag either in green color lettering that is at least one inch  
10 in height, or as otherwise specified, or within a green color band that is at least one inch in height in  
11 order to be readily and easily identifiable. ~~;(3) conforms to requirements to ensure that the renewable~~  
12 ~~based product content is maximized over time as set forth in Department of the Environment~~  
13 ~~regulations; (4) conforms to requirements to ensure that products derived from genetically modified~~  
14 ~~feedstocks are phased out over time as set forth in Department of the Environment regulations; and (5)~~  
15 ~~displays the phrase "Green Cart Compostable" and the word "Reusable" in a highly visible manner on~~  
16 ~~the outside of the bag.~~

17 (c) "Checkout Bag bag" means a carryout bag that is provided by a store to a customer  
18 at the point of sale. "Checkout Bag" does not include:

19 (1) Bags used by consumers inside stores to: (A) package bulk items, such as fruit,  
20 vegetables, nuts, grains, candy, or small hardware items; (B) contain or wrap frozen foods, meat, or  
21 fish, whether prepackaged or not; (C) contain or wrap flowers, potted plants, or other items where  
22 dampness may be a problem; or (D) contain unwrapped prepared foods or bakery goods; or,

23 (2) Newspaper bags, door-hanger bags, laundry-dry cleaning bags, or bags sold in  
24 packages containing multiple bags intended for use as garbage, pet waste, or yard waste bags.

25 (d) "Department" means the Department of the Environment.

1 (e) "Director" means the Director of the Department of the Environment.

2 (f) "Food Establishment" means a "food preparation and service establishment" as defined in  
3 Health Code Section 451 and permitted under Health Code Section 452.

4 ~~"Highly visible manner" means (1) for compostable plastic bags, displaying both of the following in~~  
5 ~~green lettering contrasting with the bag's background color that is at least two inches high: (i) the~~  
6 ~~phrase "Green Cart Compostable" either on the front and back of the bag together with a solid green~~  
7 ~~band at least one half inch thick circling the circumference of the bag, or repeatedly, as a band of text~~  
8 ~~or text alternating with solid stripe, circling the circumference of the bag, and (ii) the word "Reusable"~~  
9 ~~displayed on the front and/or back of the bag; and (2) for recyclable paper bags, displaying the words~~  
10 ~~"Reusable" and "Recyclable" on the front and/or back of the bag in blue lettering contrasting with the~~  
11 ~~bag's background color that is at least two inches high, and (3) for both compostable plastic bags and~~  
12 ~~recyclable paper bags, as otherwise required by Department of the Environment regulations.~~

13 (g) "Person" means an individual, trust, firm, joint stock company, corporation,  
14 cooperative, partnership, or association.

15 ~~(h) "Pharmacy" means a retail use where the profession of pharmacy by a pharmacist licensed~~  
16 ~~by the State of California in accordance with the Business and Professions Code is practiced and~~  
17 ~~where prescriptions (and possibly other merchandise) are offered for sale, excluding such retail uses~~  
18 ~~located inside a hospital.~~

19 ~~(h) (i)~~ "Recyclable" means material that can be sorted, cleansed, and reconstituted  
20 using San Francisco's available recycling collection programs for the purpose of using the  
21 altered form in the manufacture of a new product. Recycling does not include burning,  
22 incinerating, converting, or otherwise thermally destroying solid waste.

23 ~~(i) (i)~~ "Recyclable Paper Bag" means a paper Checkout Bag bag that meets all of the  
24 following requirements: (1) contains no old growth fiber; (2) is made of 100% recycled content,  
25 including recyclable overall and contains a minimum of 40% post-consumer recycled content;

1 and (3) is labeled displays the words "Reusable" and "Recyclable" on the front and/or back of the bag  
2 in blue lettering contrasting with the bag's background color, in lettering that is at least one inch in  
3 height in a highly visible manner on the outside of the bag; and, (4) is labeled with the percentage of  
4 post-consumer recycled content in an easy-to-read size font.

5 (j) ~~(h)~~ "Reusable Bag" means a Checkout Bag bag with handles that is specifically  
6 designed and manufactured for multiple reuse and meets all of the following requirements:

7 (1) Has a minimum lifetime capability of 125 or more uses carrying 22 or more pounds  
8 over a distance of at least 175 feet;

9 (2) Is hot water machine-washable;

10 (3) If made of plastic, is at least 2.25 mils thick and contains at least 60 percent  
11 recycled content, including a minimum of 30 percent post-consumer recycled content;

12 (4) Meets the standards of the California Toxics in Packaging Prevention Act (Cal.  
13 Health & Safety Code §§ 25214.11-25214.26), as amended, or any successor legislation;

14 (5) Is labeled "Reusable" on the front and/or back of the bag in lettering at least one  
15 inch in height; and,

16 (6) Has printed on the bag, or on a tag that is permanently affixed to the bag, the name  
17 of the manufacturer, the country where the bag was made, and the percentage of post-consumer  
18 recycled material used, if any, in the manufacture of the bag.

19 (k) ~~(i)~~ "Store" means the following:

20 (1) Until July 1, 2013, "Store" shall mean a retail establishment located within the  
21 geographical limits of the City and County of San Francisco. A "retail establishment" includes  
22 any public commercial establishment engaged in the sale of personal consumer or household items to  
23 the customers who will use or consume such items. that meets either of the following requirements:

24 (2) Beginning July 1, 2013, "Store" shall also include any Food Establishment located  
25 within the geographical limits of the City and County of San Francisco.

1           ~~(1) Is a full line, self-service supermarket with gross annual sales of two million dollars~~  
2 ~~(\$2,000,000), or more, and which sells a line of dry grocery, canned goods, or nonfood items and some~~  
3 ~~perishable items. For purposes of determining which retail establishments are supermarkets, the City~~  
4 ~~shall use the annual updates of the Progressive Grocer Marketing Guidebook and any computer~~  
5 ~~printouts developed in conjunction with the guidebook; or~~

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

8  
9 **SEC. 1703.5. CHECKOUT BAG CHARGE.**

10 **(a) Imposing a Checkout Bag Charge.**

11           (1) Beginning July 1, 2012, no Store shall provide a Recyclable Paper Bag or Reusable  
12 Bag to a customer at the point of sale, unless the Store charges the customer a Checkout Bag Charge of  
13 at least ten cents (\$0.10) per bag.

14           (2) Beginning July 1, 2013, no Store, including a Food Establishment, shall provide a  
15 Compostable Plastic Bag to a customer at the point of sale, unless the Store charges the customer a  
16 Checkout Bag Charge of at least ten cents (\$0.10) per bag.

17           (3) Beginning July 1, 2014, no Store, including a Food Establishment, shall provide a  
18 Recyclable Paper Bag, Reusable Bag, or Compostable Plastic Bag to a customer at the point of sale,  
19 unless the Store charges the customer a Checkout Bag Charge of at least twenty-five cents (\$0.25) per  
20 bag.

21           (b) Checkout Bag Charge to be Separately Stated on Receipt. The amount charged pursuant  
22 to subsection (a) shall be separately stated on the receipt provided to the customer at the time of sale  
23 and shall be identified as the Checkout Bag Charge. Any other transaction fee charged by the Store in  
24 relation to providing a Checkout Bag shall be identified separately from the Checkout Bag Charge.  
25

1           (c) Exemptions. A Store shall not charge the Checkout Bag Charge required under  
2 subsection (a) to a customer participating in the Special Supplemental Food Program for Women,  
3 Infants, and Children (Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division  
4 106 of the Health and Safety Code), or a customer participating in the State Department of Social  
5 Services Food Stamp Program.

6           (d) Waivers. Any owner or operator of a Store may petition the Director of the Department of  
7 the Environment for a full or partial waiver of the requirements of this Section if the owner or operator  
8 can establish that the business as a whole cannot generate a fair rate of return on investment under the  
9 terms of this Section.

10           (e) Violations. Violations of this Section may be punished under the provisions of  
11 Section 1705. Collection of the Checkout Bag Charge shall not excuse any violation of any other  
12 provisions of this Chapter 17.

13  
14           Section 4. Additional Uncodified Provisions.

15           (a) Operative Date. The provisions of this ordinance shall be operative on July 1,  
16 2012, except as specifically provided otherwise in Section 1703.5(a)(2) and (3).

17           (b) General Welfare. In adopting and implementing this ordinance, the City and  
18 County of San Francisco is assuming an undertaking only to promote the general welfare. It is  
19 not assuming, nor is it imposing on its officers and employees, an obligation for breach of  
20 which it is liable in money damages to any person who claims that such breach proximately  
21 caused injury.

22           (c) Conflict with State or Federal Law. This ordinance shall be construed so as not to  
23 conflict with applicable federal or State laws, rules or regulations. Nothing in this ordinance  
24 shall authorize any City agency or department to impose any duties or obligations in conflict  
25



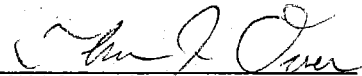
1 with limitations on municipal authority established by State or federal law at the time such  
2 agency or department action is taken.

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

8 (e) Amendments. In enacting this Ordinance, the Board intends to amend only those  
9 words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation, charts,  
10 diagrams, or any other constituent part of the Environment Code that are explicitly shown in  
11 this legislation as additions, deletions, Board amendment additions, and Board amendment  
12 deletions in accordance with the "Note" that appears under the official title of the legislation.

13  
14 APPROVED AS TO FORM:  
15 DENNIS J. HERRERA, City Attorney

16  
17 By:

  
18 THOMAS J. OWEN  
19 Deputy City Attorney  
20  
21  
22  
23  
24  
25

**LEGISLATIVE DIGEST**  
(Substitute Legislation, dated 11/1/2011)

[Environment Code – Checkout Bags; Checkout Bag Charge]

**Ordinance amending the San Francisco Environment Code by: 1) amending Section 1702, to extend the restrictions on checkout bags from supermarkets and chain pharmacies to all retail establishments and food establishments in the City, and clarify terms; 2) adding Section 1703.5, to require stores to add a checkout bag charge of 10 cents, rising to 25 cents, if they provide a customer with a checkout bag; 3) setting an operative date of July 1, 2012; and, 4) making environmental findings.**

Restrictions on Checkout Bags

City law currently states that supermarkets and chain pharmacies may only provide three kinds of checkout bags to customers: recyclable paper bags, compostable plastic bags, and reusable bags. Supermarkets and chain pharmacies may not provide customers with any other kinds of single-use disposable checkout bags, whether the bags are made of paper or plastic.

The proposal would amend the Environment Code to extend these requirements to all retail establishments (in July 2012) and all food establishments (in July 2013) in the City. It would also modify various definitions used in the Chapter.

Checkout Bag Charge

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

Beginning July 1, 2012, the amendment would require all stores to add a Checkout Bag Charge of ten cents for each recyclable paper or reusable checkout bag they provide to a customer. (These stores may only provide recyclable paper, compostable plastic, or reusable checkout bags to customers. As noted above, the City may not impose a fee on the compostable plastic bags prior to 2013.) The stores would keep the money that they collected.

Beginning July 1, 2013, the amendment would require all stores, now including food establishments, to add a Checkout Bag Charge of ten cents (\$0.10) for compostable plastic checkout bags as well as for recyclable paper or reusable checkout bags.

Beginning July 1, 2014, the Checkout Bag Charge for all stores, including food establishments, would increase to twenty-five cents (\$0.25) for each recyclable paper, compostable plastic, or reusable checkout bag they provide to a customer.

Stores would have to show the Checkout Bag Charge as a separate charge on the customer's receipt.

Stores would not collect a Checkout Bag Charge 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 could petition the Director of the Department of the Environment for a full or partial waiver of these requirements 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 the Section.

The City could punish violations of these requirements with administrative fines.

BOARD of SUPERVISORS



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Fax No. 554-5163  
TDD/TTY No. 554-5227

August 12, 2010

File No. 101055

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

Dear Mr. Wycko:

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

**File No. 101055 Ordinance amending the San Francisco Environment Code by amending Section 1702, to extend the mandatory use of recyclable and compostable checkout bags from supermarkets and chain pharmacies, currently covered by Chapter 17, to all retail establishments in the City, and clarify the definitions of "checkout bag," "recyclable paper bag," and "reusable bag," setting an operative date of March 1, 2011, 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

A handwritten signature in black ink, appearing to read "Victor Young".

By: Victor Young, Committee Clerk  
City Operations and Neighborhood Services

Attachment

cc: Nannie Turrell, Major Environmental Analysis  
Brett Bollinger, Major Environmental Analysis

Environmental Review Referral

*Not a project per  
CEQA guidelines  
Section 15060(b)(2).  
Nannie T. Turrell  
August 20, 2010  
7/23/09  
2010.0744E*