FILE NO. 190417

AMENDED IN COMMITTEE 7/8/2019 ORDINANCE NO. 172-19

[Environment Code - Checkout Bag Charge; Recyclable or Compostable Pre-Checkout Bags]

Ordinance amending the Environment Code to raise the amount stores must charge for checkout bags from 10 cents to 25 cents per bag; to require that pre-checkout bags provided to customers before they reach the point of sale be recyclable or compostable; and affirming the Planning Department's determination under the California Environmental Quality Act. NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables. 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 comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 190417 and is incorporated herein by reference. The Board affirms this determination. Section 2. Findings. Americans use 100 billion plastic bags a year, which require 12 million barrels of (a) oil to manufacture. The average American family takes home almost 1,500 plastic shopping bags each year. Each bag is used for an average of just 12 minutes. Only 1% of plastic bags

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are recycled, meaning that the average family recycles only about 15 bags per year, and the rest end up in landfills or littered.

(b) Stores often provide customers with plastic pre-checkout bags to package fruits, vegetables, and other loose or bulky items while shopping, before reaching the checkout area. These bags are typically clear in color, made from polyethylene or other plastic film, and are extremely thin. They share many of the same physical qualities as single-use plastic carryout bags no longer permitted in California, and are difficult to recycle or reuse.

(c) As recently as 2010, volunteers documented more than 65,000 plastic bags
littered along California beaches and rivers during annual coastal clean ups, accounting for
7.4% of all items littered, and ranking as the third most commonly collected item behind only
cigarette butts and fast food packaging.

(d) In 2007, San Francisco was among the first cities in the nation to prohibit stores
from providing single-use plastic checkout bags. In 2012, San Francisco added a mandatory
10-cent charge for other permitted checkout bag types, including recyclable paper,
compostable, and reusable bags.

(e) In August 2014, California became the first state in the nation to pass a bill, Senate Bill 270, prohibiting stores from providing single-use plastic carryout bags to customers at the point of sale. It also requires a 10-cent minimum charge for permitted types of carryout bags provided at the point of sale.

(f) While SB 270 expressly occupies the field of regulation of reusable grocery, single-use, and recycled paper carryout bags—and defines each type of bag as one provided to a customer at the point of sale—the bill permits a municipality with an ordinance relating to such bags to continue to enforce and implement that ordinance, if it was adopted before September 1, 2014. SB 270 forbids municipalities from adopting amendments to such ordinances that relate to these carryout bags, except to increase the amount a store shall

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charge to an amount no less than 10 cents per bag. The bill does not address bags provided to customers prior to the point of sale. After a referendum on the bill made it onto the 2016 statewide ballot. Californians voted in favor of its implementation by a 52 percent majority.

(g) SB 270 requires stores to use money collected from carryout bag charges only for compliance costs, actual costs of providing recycled paper or reusable grocery bags, or costs associated with a store's educational materials or educational campaign encouraging use of reusable grocery bags.

(h) In 2016, with 40% of the population of the state of California covered by local single-use plastic bag bans, coastal clean-up data for that year showed plastic grocery bag litter had dropped by 66% and accounted for less than 2% of items littered.

(i) Based on a survey conducted by the Department of Environment in 2018, 43% of surveyed retailers in San Francisco offer plastic reusable checkout bags, 51% offer recyclable paper bags, and 6% offer both types.

Numerous studies have demonstrated that charging for checkout bags results in (i) demonstrable behavior change, prompting more customers to use a reusable bag or bring their own bag.

(k) After the 10-cent checkout bag charge went into effect in San Francisco, stores surveyed by the Department of Environment noticed, on average, over 60% of customers bringing their own bags.

In 2002, Ireland increased its checkout bag fee from 15 to 22 cents per bag, (łk) leading to an annual bag use decline from almost 350 per person, to 14 per person, by 2012. Plastic bags now account for only 0.14% of litter in Ireland, as compared to 5% in 2002.

(mL) Santa Cruz reports that its 25-cent checkout bag charge has resulted in significant change among customers, with 90% of customers now bringing their own bags.

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Supervisors Brown: Peskin **BOARD OF SUPERVISORS** (<u>nm</u>) To date, 11 cities and counties in California have mandated a checkout bag charge higher than 10 cents per bag. San Francisco must join these municipalities to both reduce plastics pollution and make strides towards becoming a zero-waste City.

(on) At the Global Climate Action Summit in September 2018, Mayor Breed committed San Francisco to new waste reduction targets that will require the City to reduce total waste generation by 15%, and cut waste sent to landfill by 50%, by 2030. <u>At the Global</u> <u>Climate Action Summit in September 2018, Mayor Breed updated San Francisco's zero waste</u> goal by committing to reduce citywide waste generation by 15% and materials disposed 50% by 2030 based on 2015 levels.

Section 3. Chapter 17 of the Environment Code is hereby amended by revising Section 1702 to delete the subsection letter preceding each defined term, and also to add and place in correct alphabetical sequence among the existing defined terms three new defined terms, to read as follows:

SEC. 1702. DEFINITIONS.

<u>"Compostable Pre-Checkout Bag" means a Pre-Checkout Bag that (1)</u> is certified by and labeled with the logo of the Biodegradable Product Institute (BPI) or other third party recognized by the Department as meeting ASTM D6400 Standard Specifications for compostability; (2) has a minimum 15-inch mouth width to fit most kitchen compost pails; (3) conforms to at least the minimum State standards for manufacturers of compostable plastic bags (as set forth in Public Resources Code Section 42355 et seq., and as amended), including those in Section 42357.5 regarding bag coloring and labeling; and (4) meets all additional requirements the Department may set forth in a regulation adopted after a public hearing preceded by at least 60 days' notice, based upon environmental benefit, cost, and market availability. conforms to at least the minimum standards of California labeling law

1	(Public Resources Code Section 42355 et seq. and as may be amended); (2) meets current
2	ASTM D6400 Standard Specifications for compostability; (3) is labeled as meeting the ASTM
3	Standard by a recognized third-party independent verification entity such as the
4	Biodegradable Product Institute; (4) is green in color throughout; (5) has a minimum 15-inch
5	mouth width to fit most kitchen compost pails; (6) is clearly labeled "Compostable" in a highly
6	visible manner on the outside of the bag; and (7) meets all other requirements the
7	Department may set forth in a regulation adopted after a public hearing and at least 60 days'
8	notice, based upon environmental benefit, cost, and market availability.
9	* * * *
10	"Pre-Checkout Bag" means a bag provided to a customer before the customer reaches the
11	point of sale, that is designed to protect a purchased item from damaging or contaminating other
12	purchased items in a Checkout Bag, or to contain an unwrapped food item, such as but not limited to
13	loose produce, meat or fish, nuts, grains, candy, and bakery goods. Pre-Checkout Bag does not include
14	bags used to pre-package items outside of San Francisco.
15	* * * *
16	"Recyclable Paper Pre-Checkout Bag" means a paper Pre-Checkout Bag that (1) is 100%
17	recyclable, using the standards for San Francisco's available curbside recycling collection program;
18	(2) contains no old growth fiber; (3) contains a minimum of 40% post-consumer recycled content, but
19	the Department may modify this requirement for recycled content by regulation adopted after a public
20	hearing preceded by at least 60 days' notice, based upon environmental benefit, cost, and market
21	availability; (4) displays the word "Recyclable" in a highly visible manner on the outside of the bag,
22	and is labeled with the name of the manufacturer, the country where manufactured, and the percentage
23	of post-consumer recycled content, all in an easy-to-read size font; (5) is certified by and labeled with
24	the logo of the Biodegradable Product Institute (BPI) or other third party recognized by the
25	Department in meeting ASTM D6400 or ASTM D6868 Standard Specifications for compostability; and

Supervisors Brown; Peskin BOARD OF SUPERVISORS (6) meets all other requirements the Department may set forth in a regulation adopted after a public hearing preceded by at least 60 days' notice, based upon environmental benefit, cost, and market availability.

Section 4. Chapter 17 of the Environment Code is hereby amended further by adding Section 1703.1 and revising Section 1703.5, to read as follows:

SEC. 1703.1. MANDATORY USE OF RECYCLABLE AND COMPOSTABLE PRE-

CHECKOUT BAGS.

(a) Beginning July 1, 2020, all Stores shall provide only the following as Pre-Checkout Bags to customers:

(1) Compostable Pre-Checkout Bags; and/or

(2) Recyclable Paper Pre-Checkout Bags.

(b) Violation of the requirements set forth in subsection (a) shall subject a Store to penalties set forth in Section 1705.

SEC. 1703.5. CHECKOUT BAG CHARGE.

(a) Imposing a Checkout Bag Charge.

(1) Beginning *October 1, 2012July 1, 2020*, no Store shall provide a Recyclable
Paper Bag or Reusable Bag to a customer at the point of sale, unless the Store
charges the customer a Checkout Bag Charge of at least *ten cents (\$0.10)*<u>\$0.25</u> per bag.

(2) Beginning *October 1, 2013, July 1, 2020*, no Store, *including a Food Establishment,* shall provide a Compostable Plastic Bag to a customer at the point of sale, unless the Store charges the customer a Checkout Bag Charge of at least *ten cents (\$0.10, §0.25)* per bag.

* * *

Section 5. Effective and Operative Dates.

(a) This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

(b) Section 4 of the ordinance, consisting of the addition of Section 1703.1 of the Environment Code, and the revision of Section 1703.5 of the Environment Code, shall be operative on July 1, 2020. The remainder of the ordinance shall be operative on its effective date.

Section 6. Scope of Ordinance. Except as stated in the introductory language of Section 3 of this ordinance, in enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

Section 7. No Conflict with Federal or State Law. Nothing in this ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

Section 8. Severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid //

Supervisors Brown; Peskin BOARD OF SUPERVISORS or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

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

By: **GUPT**Á

Deputy City Attorney

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City and County of San Francisco Tails Ordinance

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 190417

Date Passed: July 23, 2019

Ordinance amending the Environment Code to raise the amount stores must charge for checkout bags from 10 cents to 25 cents per bag; to require that pre-checkout bags provided to customers before they reach the point of sale be recyclable or compostable; and affirming the Planning Department's determination under the California Environmental Quality Act.

July 08, 2019 Land Use and Transportation Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

July 08, 2019 Land Use and Transportation Committee - RECOMMENDED AS AMENDED

July 16, 2019 Board of Supervisors - PASSED ON FIRST READING

Ayes: 10 - Brown, Fewer, Haney, Mandelman, Peskin, Ronen, Safai, Stefani, Walton and Yee Excused: 1 - Mar

July 23, 2019 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190417

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 7/23/2019 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

London N. Breed Mayor

Date Approved