

**CB13-0501**  
**Plastic & Paper Bag Fee**  
**Councilwoman Debbie Ortega**



**CITY COUNCIL**  
**SEPTEMBER 30, 2013**

# Denver Policy Commitments



- ❖ Chapter 48 (Solid Waste) of the Denver Revised Municipal Code Article IX purpose:
  - ❖ Protect public health and safety, implement the city's Department of Environmental Health Budget and Peak Performance Goals, its Solid Waste Master Plan, and its 2020 Sustainability Goals
- ❖ The Department of Environmental Health:
  - ❖ Determined that the city, through its policies, programs, and laws, support efforts to reduce by 20% the amount of waste sent to landfills by 2020\*

\*<http://www.greenprintdenver.org/wp-content/uploads/2013/03/2020-Sustainability-Goals.pdf>

## PAST DENVER EFFORTS

### RE: Grocery Bags 2005 - 2010



- Front Range Earth Force & others – 25,000 cloth bags
- DPL replaced plastic bags with cloth bags now no bags
- Grocery stores sold cloth bags, credits for bags, recycling bins - retailers using more than 1 million bags per year
- Admin. \$210,000, Ed. & OR \$271,000, Clean Ups \$146,000, Free Bags \$400,000, Waste Reduction \$85,000, TOTAL **\$1,112,000**

Annually, **130,000,000** disposable single-use **bags** are consumed from **convenience and food stores** in **Denver** (Office of Environmental Health)



## ELEMENTS OF SOLID WASTE MANAGEMENT INCLUDE DISPOSABLE BAGS



- Dumpsters and receptacles
- Recycling Bins
- Recycling sorting center
- Composting
- Waste transport
- Litter
- Landfill
- River, creeks and tributaries – drains/culverts
- Reduce – Reuse - Recycle

# PROBLEMS WITH DISPOSABLE BAGS IN SOLID WASTE STREAMS



- Disposable bags impact all the elements of managing solid waste.
- Significant costs to City and taxpayers

# Clean Up Costs



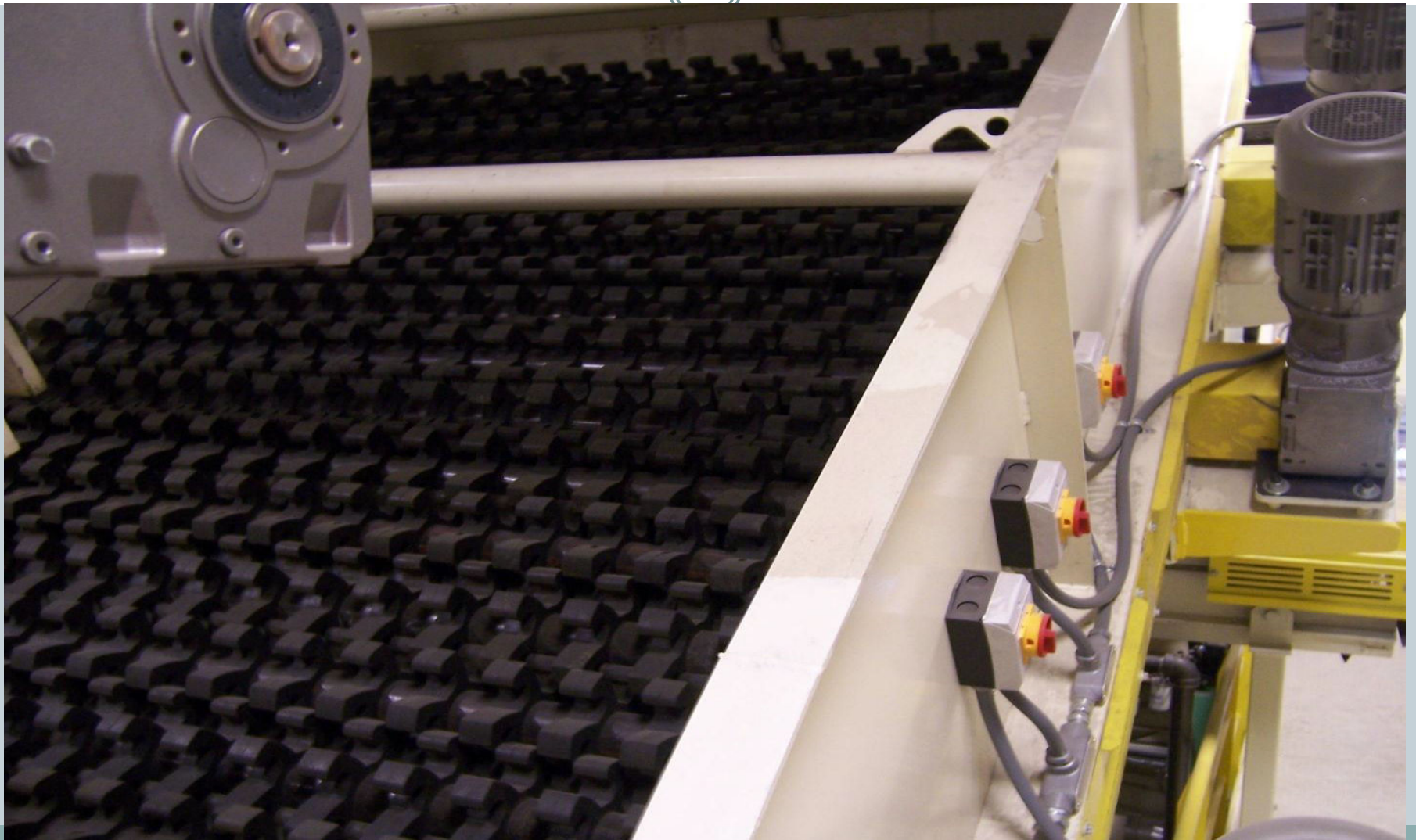
- ❖ Trash clean ups along South Platte River in 2012
  - ❖ Overall 8-11% of all pieces of trash collected were plastic bags, putting it into the top four categories of trash collected\*
- ❖ Denver's composting program
  - ❖ Contamination from plastics results in an estimated 20% increase in operating costs for A-1 Organics\*\*
  - ❖ Waste Management – pays to have bags manually picked up at City landfill and bags jam machinery and hold up processing at recycling facility
- ❖ Urban Drainage & Flood Control District & Wastewater Management
  - ❖ Routine maintenance & debris removal

\*Platte River Greenway Foundation & Environmental Health

\*\*Environmental Health

# A RECYCLING CENTER – BEGINNING OF SHIFT

SP Recycling Corp./Waste Connections Inc.



# A RECYCLING CENTER HALF WAY THROUGH SHIFT

SP Recycling Corp./Waste Connections Inc.



# RECYCLING CENTER COSTS TO HANDLE PLASTIC BAGS, BOULDER COUNTY EXPERIENCE



- **Boulder County Recycling Center:** Cleaning plastic bag waste from screens day shift & night shift; labor sorting; labor handling; machine processing; disposal costs and transportation costs, 120,153,846 plastic bags per year:
  - \$761 per day \$182,640 per yr
  -
- **Boulder County Center for Hard to Recycle Materials:** Processes 70,606 pounds of 5.4 million plastic bags per year:
  - Annual operating costs for plastic bags: \$29,061
  - Capital equipment plastic bag baler (10 yr annualized): \$4,000
  - \$33,061 per yr
- **Total costs:** **\$215,701 per yr**

# Ordinance Details

## Fee Structure



**FIVE CENTS (\$0.05) FEE FOR EACH DISPOSABLE POINT OF SALE PAPER OR PLASTIC BAG PROVIDED TO A CUSTOMER**



Retained by retailer to offset administrative, labor and other related costs



Returned to the city to mitigate the effects of *disposable* bags, distribute reusable bags, public education

# Ordinance Details

## Grocery & Convenience Stores



- ❖ Food store retail establishment or business must meet two thresholds:
  - ❖ Retail space greater than 1500 square feet, in a permanent building, operating year round, that is full-line, self-service
  - ❖ Receives more than 2% of its revenue from sales of staple foodstuffs or other perishable items
- ❖ Six month delay between adoption and effective date Earth Day 2014 (April 22, 2014)

# Additional Details



- ❖ Ordinance provision that supports the donation of reusable bags from retailers
- ❖ Required signage referencing city ordinance to inform customers about Bag Fee program
  - ❖ Stores allowed to place their logo on sign
  - ❖ Cost covered by \$0.02 fee collected
- ❖ Quarterly Remittance to Environmental Health
- ❖ Consumer cost
  - ❖ At 8 bags per household per week, financial impact estimated to be 40 cents per week or \$20.80 per year

## FEES DON'T GO TO CITY'S GENERAL FUND



- From CB13-0501:
- “Funds from the disposable bag fee shall be used by the city only for expenditures that are intended to mitigate the effects of trash associated with disposable bags”
- “No disposable bag fees collected in accordance with this ordinance shall be used for general governmental purposes”
- “No disposable bag fee funds shall be used for any purpose not authorized in this article”

# Reducing Disposable Bags aligns with DEH Environmental Goals

From BR13-0488 Composting \$2million expansion, July 31, 2013



## DEH Goals

- Aligns with DEH Environmental Goals
  - Sustainable neighborhoods
  - Waste reduction
  - Reduce GHG emissions

## DISPOSABLE BAG ORDINANCES, LOCAL



- **Aspen** – Bans plastic bags, \$0.20 fee on paper bags.
- **Basalt** – \$0.20 fee on plastic and paper bags.
- **Boulder** – \$0.10 fee on plastic and paper bags.
- **Breckenridge** – \$0.10 fee on plastic and paper bags.
- **Carbondale** – Bans plastic bags.
- **Durango** – \$0.10 fee plastic and paper bags.
- **Telluride** – Bans plastic bags, \$0.10 fee on “permitted paper bags”; applies to ALL businesses.
- **Englewood** – Proposed bag reduction programs under consideration by Keep Englewood Beautiful Commission.

## DISPOSABLE BAGS, MAJOR CITIES/COUNTIES



- **Washington DC** - \$.05 fee, plastic or paper bag, fees to water quality protection fund.
- **Montgomery County MD** - \$.05 fee, plastic or paper bag, fees to water quality protection fund.
- **Seattle WA** - Ban plastic bags, at least \$.05 paper bag, 40% or more recycled content required.
- **City of Los Angeles** - Bans plastic bags, \$.10 paper bags.
- **Los Angeles County** - Bans plastic bags, \$.10 paper bag (both).
- **San Francisco CA** - Bans plastic bags.
- **New York City** - Proposed, minimum \$.10 plastic or paper bags, referred to Committee on Sanitation & Solid Waste.
- **Chicago** – Proposed, bans plastic bags, referred to Committee on Health & Environmental Protection
- **Santa Fe, NM** – Bans plastic bags, \$0.10 on paper bags - 8/2013

# DISPOSABLE BAGS, STATES



- **NCSL** - reports 7 states have statutes regulating disposable bags
- **NCSL** - reports 11 states took up disposable bags legislation in 2013
- **California** - Approximately 120 cities and counties have adopted or are considering plastic ban restrictions – California Grocers Association.
- **New York State** - 11 cities or counties regulate disposable bags
- **North Carolina** - Bans plastic bags on Outer Banks (below minimum thickness)
- **Hawaii** - All counties ban plastic bags under minimum thickness, two have interim periods of plastic bag fees
- **Washington** - Seattle & at least 6 other municipalities ban plastic bags
- **Alaska** - 30 Coastal communities ban plastic bags
- And there are many more in other states

# PLASTIC BAGS REGULATION INTERNATIONALLY



- Plastic bag bans, charges, taxes, minimum thickness and biodegradation/composting requirements. Purposes include waste reduction, litter, marine protection, petroleum use, greenhouse gases, and mosquito control:
- **Europe** - Belgium; Denmark; England; France; Germany; Ireland; Italy; Macedonia; Scotland; Spain, European Commission consultation for EU-wide regulation.
- **Asia** - Bangladesh; Bhutan; China; Hong Kong; India; Maldives.
- **Africa** - Eritrea; Ethiopia; Kenya; Rwanda; Somaliland; South Africa; Tanzania, Uganda.
- **Americas, South** - Argentina, Brazil, Chile, Mexico City, Uruguay
- **Australia** - Reduction and phase out plan for whole country, plastic bag bans are in several towns and regions.
- (Source: Retail Bags Report, Florida Department of Environmental Protection, 2010)

**BUSINESS FINDINGS ON WASHINGTON DC**  
**\$.05 DISPOSABLE BAG FEE**



- Since January 2010:
- Businesses report a 50% reduction in bag use on average
- 40% increase in the number of customers bringing their own bags when they shop.
- Compared to “three or four years ago,” 68% of businesses report fewer plastic bags found as litter around their businesses, only 4% report more.
- (Source: D.C. Department of Environment)

## RESIDENTIAL FINDINGS ON WASHINGTON DC \$.05 DISPOSABLE BAG FEE



- OpinionWorks (a surveyor for Baltimore Sun) conducted a representative telephone survey of 600 residents citywide in 2013:
- Two-thirds of residents are seeing fewer plastic bags as litter compared to three or four years ago.
- 80% of D.C. residents said they have reduced their usage of disposable bags since the law went into effect.
- Residents estimate they cut down their bags used from 10 to 4 per week.
- Four out of five D.C. residents are carrying reusable bags with them most times when they shop.
- 53% of DC residents support the disposable bag fee law, only 16% said they are “bothered” by it, almost one-third have no feelings about the law either way.

# EFFECTIVENESS OF DISPOSABLE BAG FEES, OTHER US AND INTERNATIONAL



- 50% to over 90% reduction in disposable bag use is reported from retail stores in United Kingdom and California and nationally in Ireland and Denmark from bag bans and fees.

(Source: TischlerBise, Fiscal, Economic & Planning Consultants, Bethesda, MD)

## FOOD SHOPPERS HAVE CHOICES



- Reuse disposable food shopping bags or disposable bags from other stores, like hardware, clothing or liquor stores.
- Bring reusable/durable shopping bags.
- Pay 5 to 25 cents (for 1 to 5 shopping bags).
- For trash bags, pet waste, lunch bags, etc., reuse plastic bread bags, newspaper bags, non-food plastic and paper bags.

# Stakeholder List



- ❖ Denver Department of Public Works
- ❖ City of Boulder
- ❖ Denver Department of Environmental Health
- ❖ Constituent Survey – November 2012
- ❖ Denver Mayor Michael B. Hancock
- ❖ First Plymouth Congregational Church
- ❖ Waste Management
- ❖ Denver Post Editorial Board
- ❖ The Town of Breckenridge
- ❖ The City of Durango
- ❖ Colorado Restaurant Association
- ❖ Larry Ambrose, INC
- ❖ Downtown Denver Partnership Retail Committee
- ❖ Renewable Bag Council
- ❖ Helix-Poly
- ❖ Mile High Business Alliance
- ❖ Whole Foods
- ❖ Wal-Mart
- ❖ 7 –Eleven
- ❖ Speer Wealth Management Group
- ❖ Cherry Creek North BID
- ❖ Cherry Creek Shopping Center
- ❖ Downtown Denver Partnership Economic Development Council
- ❖ UFCW, Local 7, Executive Board
- ❖ Alliance for Climate Education
- ❖ Alliance for Sustainable Colorado
- ❖ Safeway
- ❖ King Soopers
- ❖ Colorado Retail Council
- ❖ FRESC
- ❖ The GrowHaus
- ❖ Target
- ❖ Groundwork Denver
- ❖ A-1 Organics
- ❖ Colorado Licensed Beverage Association
- ❖ The Greenway Foundation
- ❖ Rocky Mountain Food Industry Association
- ❖ Hispanic Chamber of Commerce
- ❖ Mayor Hancock's Sustainability Advisory Council
- ❖ Sprouts
- ❖ Petroleum Marketers and Convenience Store Association
- ❖ Walgreens
- ❖ Denver Human Services
- ❖ Denver Metro Chamber of Commerce
- ❖ American Progressive Bag Alliance

# Ordinance Goal



To reduce the consumption of single-use bags in Denver and their presence in our waste streams – their time has come and gone!

This is not a ban on plastic bags and the fees are less than other cities.

It is a reasonable approach at addressing where the largest consumption of bags occur

Environmental Health will conduct a litter study

