

1 **BY AUTHORITY**

2 ORDINANCE NO. \_\_\_\_\_  
3 SERIES OF 2013

COUNCIL BILL NO. CB13-0501  
COMMITTEE OF REFERENCE:  
4 Health, Safety, Education & Services

5 **A BILL**

6 **For an ordinance to amend Chapter 48 (Solid Waste) of the Revised Municipal**  
7 **Code to add an Article IX (Disposable Bag Fees) and to make a corresponding**  
8 **amendment to Chapter 24.**  
9

10 **WHEREAS**, It is the purpose of this article to protect the public health and safety and  
11 implement the city’s Department of Environmental Health Budget and Peak Performance Goals, its  
12 Solid Waste Master Plan, and its 2020 Sustainability Goals; and

13 **WHEREAS**, the Department of Environmental Health has determined that the city, through  
14 its policies, programs, and laws, supports efforts to reduce the amount of waste that must be land-  
15 filled by 32 percent; and

16 **WHEREAS**, the use of single-use disposable bags has an impact on the environment on a  
17 local and global scale, including litter, solid waste generation, water quality, air quality,  
18 greenhouse gases, and harm to wildlife; and

19 **WHEREAS**, in spite of recycling and voluntary solutions to control pollution from disposable  
20 carryout bags begun in 2007, many disposable single-use bags continue to be disposed of in  
21 landfills, to litter the environment, to block storm drains and to endanger wildlife; and

22 **WHEREAS**, Denver consumers use approximately 130 million disposable bags from food  
23 stores each year; and

24 **WHEREAS**, the city’s taxpayers bear the costs associated with the effects of disposable  
25 bags on the solid waste stream, drainage, litter, and wildlife; and

26 **WHEREAS**, a disposable bag fee is necessary to address the environmental problems  
27 associated with disposable bags and to relieve city taxpayers of the costs imposed upon the city  
28 associated with the use of disposable bags; and

29 **WHEREAS**, this ordinance is necessary to protect the public health, safety, and welfare of  
30 the residents of the city, and covers matter of local concern; and

31 **WHEREAS**, the City Council intends that the requirements of this article will assist in  
32 offsetting the costs associated with using disposable bags to pay for the replacement with reusable  
33 bags, mitigation, educational, and administrative efforts.

34 **NOW THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF**  
35 **DENVER**

1           **Section 1.** That Article IX, "Disposable Bag Fees" is hereby added to Chapter 48, "Solid  
2 Waste", of the Revised Municipal Code as follows:

3 **ARTICLE IX. DISPOSABLE BAG FEES**

4 **Section 48-120. Definitions.**

5           The following terms used in this article have the following meanings unless the context  
6 clearly indicates otherwise:

- 7           (a) "Disposable bag" means a bag that is not a reusable bag.
- 8           (b) "Disposable bag" does not include:
  - 9           (1) Bags used by consumers inside stores to:
    - 10           (i) Package bulk items, such as fruit, vegetables, nuts, grains, candy, or
    - 11           small hardware items;
    - 12           (ii) Contain or wrap frozen foods, meat, or fish;
    - 13           (iii) Contain or wrap flowers, potted plants, or other items to prevent
    - 14           leakage or dampness;
    - 15           (iv) Contain unwrapped prepared foods or bakery goods; or
    - 16           (v) A non-handled bag used to protect a purchased item from damaging or
    - 17           contaminating other purchased items when placed in a recyclable paper bag
    - 18           or reusable bag.
  - 19           (2) Bags provided by pharmacists to contain prescription drugs.
  - 20           (3) Newspaper bags, door-hanger bags, laundry-dry cleaning bags, or bags sold
  - 21           in packages containing multiple bags for uses such as food storage, garbage, pet
  - 22           waste, or yard waste bags.
- 23           (c) "Disposable bag fee" means a city fee imposed and required to be paid by each  
24 consumer making a purchase from a food store for each disposable bag used during the  
25 purchase assessed for the purpose of mitigating the impacts of disposable bags.
- 26           (d) "Food store" means a retail establishment or business with retail space greater than  
27 1500 square feet, located within Denver city limits in a permanent building, operating year  
28 round, that is a full-line, self-service market and which receives more than 2% of its revenue  
29 from sales of staple foodstuffs, meats, produce, dairy products, or other perishable items.
- 30           (e) "Food store" does not include:
  - 31           (1) Temporary vending establishment for fruits, vegetables, packaged meats, and
  - 32           dairy;
  - 33           (2) Vendors at farmer's markets or other temporary events; or

1 (3) Businesses at which foodstuffs are an incidental part of the business. Food  
2 sales will be considered to be “incidental” if such sales comprise no more than 2  
3 percent of the business’ annual gross sales in the city as measured by the dollar  
4 value of food sales as a percentage of the dollar value of total sales at any single  
5 location.

6 (f) "Manager" means manager of the department of environmental health.

7 (g) “Reusable bag” means a bag that is:

8 (1) Designed and manufactured to withstand repeated uses over a period of time;

9 (2) Is made from a material that can be cleaned and disinfected regularly;

10 (3) That is at least 2.25 mil thick if made from plastic;

11 (4) Has a minimum lifetime of 75 uses; and

12 (5) Has the capability of carrying a minimum of 18 pounds.

13 **Section 48-121. Disposable bag fee requirements.**

14 (a) For each disposable bag provided to a customer, food stores shall collect from  
15 customers, and customers shall pay, at the time of purchase, a disposable bag fee of five  
16 cents (\$0.05).

17 (b) Food stores shall record the number of disposable bags provided and the total  
18 amount of disposable bag fees charged on the customer transaction receipt.

19 (c) A food store shall not refund to the customer any part of the disposable bag fee, nor  
20 shall the food store advertise or state to customers that any part of the disposable bag fee  
21 will be refunded to the customer.

22 (d) A food store shall not exempt any customer from any part of the disposable bag fee  
23 for any reason.

24 **Section 48-122. Retention, remittance, and transfer of the disposable bag fee.**

25 (a) A food store may retain two cents (\$0.02) of each five cent (\$0.05) disposable bag  
26 fee collected, to be used by the food store to defray the costs of implementation of the disposable bag  
27 fee program and costs to provide or subsidize the use of donated reusable bags, as may be further  
28 specified in rules and regulations adopted by the board of environmental health.

29 (b) The disposable bag fee shall not be considered part of the sale for the purposes of  
30 calculating sales tax.

31 (c) A food store shall remit to the city three cents (\$0.03) of each five cent (\$0.05)  
32 disposable bag fee collected, to be used only as set forth in D.R.M.C. 48-122(g) to mitigate  
33 the effects of disposable bags in Denver.

1 (d) The city shall provide the necessary forms for food stores to file with the city, to  
2 demonstrate compliance with the provisions of this ordinance.

3 (e) If payment of any amount to the city is not received on or before the applicable due  
4 date, penalty and interest charges shall be added to the amount due as described in  
5 D.R.M.C. section 48-125, "Records and violations."

6 (f) The disposable bag fee shall be administered by the department of environmental  
7 health. The board of environmental health is authorized to adopt interpretive rules and  
8 regulations to implement this article, prescribe reports and other forms, and provide  
9 methods of payment and collection and otherwise implement requirements of this article.

10 (g) Funds from the disposable bag fee shall be used by the city only for expenditures  
11 that are intended to mitigate the effects of trash associated with disposable bags, including  
12 without limitation the following:

13 (1) Conduct studies of disposable bag usage and the impact of the disposable  
14 bag fee in Denver;

15 (2) Provide reusable carryout bags to food store customers;

16 (3) Educate residents and businesses about the impact of disposable bags on  
17 environmental health, the importance of reducing the number of single-use carryout bags  
18 entering the waste stream, and the expenses associated with mitigating the effects of trash  
19 associated with single-use bags on the city's drainage system, transportation system,  
20 wildlife, and environment;

21 (4) Provide reusable carryout bags, in the discretion of the manager, to other  
22 appropriate locations;

23 (5) Fund programs and infrastructure that allow the Denver community to reduce  
24 waste associated with disposable bags;

25 (6) Purchase and install equipment designed to minimize pollution from trash  
26 associated with disposable bags, including, recycling containers, and waste receptacles for  
27 disposable bags;

28 (7) Fund community cleanup events and other activities that reduce trash  
29 associated with disposable bags;

30 (8) Mitigate the effects of trash associated with disposable bags on the city's  
31 drainage system, transportation system, wildlife, and environment;

32 (9) Maintain a website that reports on the progress of waste reduction efforts for  
33 trash associated with disposable bags;

1 (10) Fund the city's costs of administration of the disposable bag fee program,  
2 including any audit costs;

3 (11) Communicate and educate food stores on compliance and remittance of the  
4 fees;

5 (12) Accept, store and distribute donated bags in accordance with rules and  
6 regulations; and

7 (13) Any other activities determined by the manager to mitigate the effects of trash  
8 associated with disposable bags.

9 (h) No disposable bag fees collected in accordance with this ordinance shall be used for  
10 general governmental purposes.

11 (i) Disposable bag fees collected in accordance with this article shall be deposited by  
12 the city to a special revenue fund and available for the uses and purposes set forth in  
13 subsection (g) of this section. No disposable bag fee funds shall be used for any purpose  
14 not authorized in this article.

15 **Section 48-123. Required signage for food stores.**

16 Every food store subject to the collection of the disposable bag fee shall display a sign in a  
17 location outside or inside of the business, viewable by customers, alerting customers to Denver's  
18 disposable bag fee.

19 **Section 48-124. Records and violations.**

20 (a) Each store subject to the provisions of this article shall maintain accurate and  
21 complete records of the disposable bag fees collected, the number of disposable bags  
22 provided to customers, the form and recipients of any notice required pursuant to this article;  
23 and any underlying records, including any books, accounts, invoices, or other records  
24 necessary to verify the accuracy and completeness of such records. It shall be the duty of  
25 each food store to keep and preserve, either locally or at its corporate headquarters, all  
26 such documents and records, including any electronic information, for a period of three  
27 years from the end of the calendar year of such records.

28 (b) If requested, each food store shall make its records available for compliance audit by  
29 the Denver environmental health manager or the manager's designee during regular  
30 business hours for the city to verify compliance with the provisions of this article. All such  
31 information shall be treated as confidential commercial documents. If any person fails,  
32 neglects, or refuses to collect the disposable bag fee, or underpays the disposable bag fee,  
33 the manager shall make an estimate of the fees due, based on available information, and

1 shall add thereto penalties, interest, and any additions to the fees. The manager shall serve  
2 upon the delinquent food store personally, by electronic mail or by first class mail directed to  
3 the last address of the food store on file with the city, written notice of such estimated fees,  
4 penalties, and interest, constituting a notice of final determination, assessment and demand  
5 for payment, (also referred to as "Notice of Final Determination") due and payable within  
6 twenty (20) calendar days after the date of the notice. The food store may request a hearing  
7 on the assessment as provided in D.R.M.C. chapter 24.

8 (c) If payment of any amount of the disposable bag fee to the city is not received on or  
9 before the applicable due date, penalty and interest charges shall be added to the amount  
10 due in the amount of:

11 (i) A penalty of ten percent of total due; and

12 (ii) Interest charge of one percent of total penalty per month.

13 **Section 48-125. Hearings.**

14 (a) A food store may request a hearing on any proposed fee imposed under this title  
15 after receiving a notice of final determination as provided in D.R.M.C. chapter 24.

16 **Section 48-126. Civil Penalties.**

17 (a) Any person who violates any provision of D.R.M.C. title 48, article IX for collection  
18 and remittance of the disposable bag fee or any order issued by the manager shall also be  
19 subject to civil penalties under D.R.M.C. chapter 24.

20 **Section 48-127. Severability.**

21 If any part, term, or provision of this article is held by a court of competent jurisdiction to be  
22 illegal or in conflict with any law of the State of Colorado, the validity of the remaining portions or  
23 provisions shall not be affected, and the rights, obligations and enforcement of this article shall be  
24 continued in full force and effect as if the article did not contain the particular part, term, or  
25 provision held to be invalid.

26 **Section 48-128. Effective dates.** The provisions of this ordinance shall be effective April 22,  
27 2014. The manager shall develop and implement the administrative and financial processes for  
28 collection of the fee between the effective date of this ordinance and April 22, 2014.

29 **Section 2.** That Section 24-5 "Administrative assessment of civil penalties", of the  
30 Revised Municipal Code is amended by adding the language underlined and deleting the language  
31 stricken as follows:

32 **Section 24-5. Administrative assessment of civil penalties.**

1 (a) Any person who violates any provision of chapter 8 (animals), excluding the  
2 provisions of sections 8-48 (damaging property), 8-51 (dog attack or bite), 8-52 (dangerous  
3 dogs), 8-55 (pit bulls prohibited), 8-131(a) (cruelty to animals prohibited), 8-134  
4 (abandonment), and 8-135 (keeping place for fighting animals), article II of chapter 27  
5 (housing code), ~~or~~ chapter 36 (noise control) or article IX of chapter 48 (solid waste), shall  
6 also be subject to a civil penalty of not more than nine hundred and ninety-nine dollars  
7 (\$999.00) per violation.

8 (b) Any person who violates any order issued by the manager of the department of  
9 environmental health shall also be subject to a civil penalty of not more than nine hundred  
10 and ninety-nine dollars (\$999.00) per violation.

11 (c) Each day a violation exists or continues shall constitute a separate and distinct  
12 violation.

13 (d) Enforcement actions are intended to be cumulative in nature. The city may pursue  
14 one (1) or more civil, criminal, and administrative actions, fees, fines, sentences, penalties,  
15 judgments, and remedies and may do so simultaneously or in succession.

16 (e) The board is hereby authorized to adopt regulations, in connection with a public  
17 rulemaking hearing, to establish or modify a schedule of the amounts, or to specify a range  
18 of amounts, of civil penalties to be assessed administratively.

19 (f) The manager of the department of environmental health may issue an administrative  
20 citation for the assessment of civil penalties in particular cases in accordance with the  
21 regulations adopted by the board.

22 (g) A civil penalty assessed by means of an administrative citation shall be payable  
23 directly to the manager of finance. If not timely paid, a late fee of up to twenty-five dollars  
24 (\$25.00) may be assessed and interest at the rate of ten (10) percent per annum. If the  
25 responsible party fails to pay all penalties and charges assessed within thirty (30) days of  
26 assessment, the manager may refer the matter for collection by any and all means available  
27 to the city.

28 (h) Any person who disputes a violation for which a civil penalty has been assessed by  
29 or on behalf of the city pursuant to the authority of the manager, may petition the board of  
30 environmental health for a hearing in accordance with article I of chapter 24, D.R.M.C. and  
31 rules and regulations adopted and promulgated thereunder except as provided in this  
32 section 24-5. If the hearing is conducted by a hearing officer, the hearing officer's  
33 recommended decision shall be deemed to be the decision of the board unless a petition to

1 review the hearing officer's recommended decision is filed with the board within ten (10)  
2 calendar days of service of the decision. If received five (5) working days before the next  
3 regularly scheduled meeting of the board, review of the hearing officer's recommended  
4 decision will be conducted at such meeting unless continued for good cause; otherwise, the  
5 review will be conducted at the next following regularly scheduled meeting of the board  
6 unless expedited or continued for good cause. The board's review will be on the  
7 administrative record established at the underlying hearing. Compliance with the provisions  
8 of this subsection shall be a jurisdictional prerequisite to any request for hearing or appeal  
9 brought under the provisions of this section, and failure to comply shall forever bar any such  
10 action.

11 (i) The decision of the board is the final decision which may be appealed to Denver  
12 district court under the provisions of Colorado Rule of Civil Procedure 106(a)(4) within thirty  
13 (30) days of the date the order becomes final.

14 (j) A stay of any order of the manager pending judicial review shall not relieve any  
15 person from any liability under subsection (a) or (b).

16 (k) The city may also petition the district court for the issuance of a preliminary or  
17 permanent injunction, or both, as may be appropriate, restraining any person from  
18 continued violation.

19 COMMITTEE APPROVAL DATE: August 20, 2013

20 MAYOR-COUNCIL DATE: September 10, 2013

21 PASSED BY THE COUNCIL: \_\_\_\_\_, 2013

22 \_\_\_\_\_ - PRESIDENT

23 APPROVED: \_\_\_\_\_ - MAYOR \_\_\_\_\_, 2013

24 ATTEST: \_\_\_\_\_ - CLERK AND RECORDER,  
25 EX-OFFICIO CLERK OF THE  
26 CITY AND COUNTY OF DENVER

27 NOTICE PUBLISHED IN THE DAILY JOURNAL: \_\_\_\_\_, 2013; \_\_\_\_\_, 2013

28 PREPARED BY: Laurie J. Heydman, Assistant City Attorney DATE: September 12, 2013

29 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of  
30 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed  
31 ordinance. The proposed ordinance IS NOT submitted to the City Council for approval pursuant to  
32 §3.2.6 of the Charter.

33  
34 Douglas J. Friednash, City Attorney,

35  
36 BY: \_\_\_\_\_, Assistant City Attorney DATE: \_\_\_\_\_, 2013