

COUNCIL AGENDA: 06-03-08
ITEM: 3.5

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

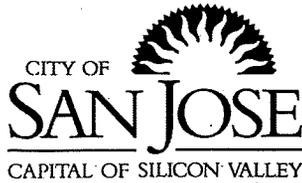
FROM: Lee Price, MMC
City Clerk

SUBJECT: AB 2058 (LEVINE) – RECYCLING: DATE: 05-22-08
PLASTIC CARRYOUT BAGS:
PAPER CARRYOUT BAGS

RECOMMENDATION

As referred by the Rules and Open Government Committee of May 21, 2008 and outlined in the attached memo previously submitted to the Rules and Open Government Committee, consider a position of support for AB 2058 (Levine) – Recycling: Plastic Carryout Bags: Paper Carryout Bags.





Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: John Stufflebean

SUBJECT: SEE BELOW

DATE: 05-14-08

Approved

Date

5/15/08

**SUBJECT: AB 2058 (LEVINE) – RECYCLING: PLASTIC CARRYOUT BAGS:
PAPER CARRYOUT BAGS**

RECOMMENDATION

It is recommended that City Council support California Assembly Bill 2058 (Levine).

OUTCOME

Providing the Rules and Open Government Committee and the Mayor and City Council accept staff's recommendation, the City lobbyist could begin seeking support for AB 2058 (Levine).

AB 2058 supports Council direction to implement San Jose's Green Vision, Urban Environmental Accords and Zero Waste goals.

Approving staff's participation in policy, program, and incentive development as part of AB 2058 implementation ensures that San Jose has the opportunity to provide leadership and address its interest related to single-use bag reduction and recycling.

BACKGROUND

Californians use an estimated 19 billion plastic bags annually and 490 million of those are estimated to be distributed in San Jose alone. Many plastic bags end up as litter in streets and streams. Plastic bags are responsible for significant negative environmental impacts and preferable alternatives are readily available and currently in use. Public education efforts by hundreds of cities, government agencies, and non-profit organizations have proven ineffective in reducing the use of single-use carryout bags or the frequency with which they are littered. Although San Jose has incorporated the recycling of plastic bags in its programs for over fifteen years, this strategy has proven to be ineffective with low recycling rate and high contamination levels. The most effective means to reduce the use of plastic bags is limiting their distribution at the point of sale. Various jurisdictions across the U.S. and the world are considering actions to reduce single-use bags, including bans, fees and recycling mandates.

Local governments are incurring significant costs attempting to deal with litter. The City, County, and State have not been able to reduce litter generation and accumulation in local creeks and streams to an acceptable level through their comprehensive litter management programs. As a result, the City may face millions of dollars in required physical improvements to the storm water system to reduce the accumulation of litter, such as plastic bags and foam food packaging. One study conducted by San Francisco concluded that every plastic bag costs the city over 20 cents in hidden cleanup expenses.

Only 1-4% of the 19 billion plastic grocery and merchandise bags used annually in the State of California are recycled. That means that nearly 600 bags per second are discarded in California--destined either for the landfill or our marine environment. AB 2058 would create a level playing field for all cities attempting to reduce wasteful bag distribution and litter and create a more uniform approach for industry to implement.

AB 2058 would require California retailers to demonstrate a 70% plastic bag recycling level by 2011 if they wish to continue freely distributing bags. If the 70% recycling level is not met, retailers would be required to charge a 25 cent per-bag fee. The law also grants local governments increased authority to charge additional fees. In order to ensure that AB 2058 will not substitute one type of disposable bag with another, AB 2058 would require retailers to charge an equal fee on paper bags by 2011. AB 2058 needs to move from the Assembly Appropriations before it can be voted on by the full Assembly.

ANALYSIS

A fact sheet and analysis of AB 2058 is attached.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This legislative item does not meet any of the above criteria.

COORDINATION

This memorandum was coordinated with the City Attorney's Office, the Office of Economic Development, the City's Office of Intergovernmental Relations, and the City's Legislative Representative in Sacramento.

POLICY ALIGNMENT

The attached fact sheets and analyses are consistent with the Council-adopted 2008 Legislative Guiding Principles, and the City's Green Vision, Urban Environmental Accords, and Zero Waste goals. If approved on May 20, this recommendation would also align with Council policy direction on plastic bag-related legislation by removing the state preemption on municipalities' ability to assess point of sale fees on single-use plastic carryout bags.



JOHN STUFFLEBEAN
Director, Environmental Services

For questions, please contact Jo Zientek, Deputy Director, Integrated Waste Management, 408-535-8557.

Attachment: Fact Sheet and Analysis of AB 2058

AB 2058 (Levine)

RECYCLING: PLASTIC CARRYOUT BAGS: PAPER CARRYOUT BAGS

What's the issue the bill is trying to resolve?

California Assembly Bill 2449, which went into effect on July 1, 2007, requires certain large supermarkets and pharmacies in California to provide at-store recycling of plastic carryout bags, but specifically prohibits local governments from imposing a fee on plastic carryout bags. This legislation significantly limits local government's option to effectively reduce plastic bag waste. The Staff memorandum to be heard by Council on May 20, 2008 regarding single-use bag reduction, recommends that the City support State legislation that would remove any restriction on the City's ability to establish fees on plastic carryout bags. AB 2449 has hampered municipalities from implementing programs and fees which have proven to be the most effective in significantly and quickly reducing the use of plastic carryout bags. AB 2058 would repeal this restriction and give local governments a powerful resource to reduce wasteful bag distribution and litter. It would also attempt to provide a minimum statewide standard to address both paper and plastic bag use reduction.

How would the passage of this bill affect San Jose?

The passage of this bill would create a new minimum standard at certain large supermarkets and pharmacies throughout California. AB 2058 would require large supermarkets and pharmacies that distribute free plastic bags to meet plastic bag recycling and reduction benchmarks. The bill would build upon the California's In-Store Plastic Bag Recycling Law (AB 2449 Levine 2006) by requiring stores to demonstrate 70% diversion of plastic bags by July 2011. If the goal is not met, retailers would be required to charge a 25 cent per bag fee, the proceeds of which would be used for local litter clean-up. The same fee would apply to paper bags. Although this bill would not address other retail stores or smaller markets and convenience stores that distribute carryout bags, Staff plans to address this issue.

AB 2058 is consistent with the Staff memorandum to be heard by Council on May 20, 2008 regarding single-use bag reduction. The recommendation includes working with stakeholders on a plan to significantly reduce both plastic and paper carryout bag use in the City, which could include a ban on single-use plastic bags, a fee on paper bags, and comprehensive efforts by industry and the City to increase the use of reusable bags with phased implementation beginning January 2009. Staff would like to continue to contribute to bill development including possible additional provisions that discourage both, single-use carryout paper and plastic bags, litter and waste; emphasize timely and effective goals; and provide a means to measure progress towards bag reduction. In addition San Jose could be the beneficiary of the programs funded by the bag fee which are to be used to mitigate public-financed initiatives for litter abatement and prevention.

What is staff's Proposed Position?

Staff recommends that the City support AB 2058.

Who are the bill's supporters and opponents?

Supporters.

Californians Against Waste (Sponsor)

County of Los Angeles (Sponsor)

City and County of San Francisco Department of the Environment

East Bay Municipal Utilities District

Heal the Bay

Marin County Board of Supervisors

Northern California Recycling Association

Sonoma County Waste Management Agency

Opposition.

American Chemistry Council

California Grocers Association

California Retailers Association

What is the current status of the measure?

AB 2058 is currently in the Appropriations Committee after being amended on May 5th.

Previously, the bill passed out of the Assembly Natural Resources Committee April 14 with a 5-3 vote.