

SENATE THIRD READING
 SB 270 (Padilla, et al.)
 As Amended August 21, 2014
 Majority vote

SENATE VOTE: Vote not relevant

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| NATURAL RESOURCES | 5-3 | APPROPRIATIONS | 11-3 |
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| Ayes: Chesbro, Muratsuchi, Skinner, Stone, Williams | Ayes: Gatto, Bocanegra, Bradford, Ian Calderon, Campos, Gomez, Holden, Pan, Quirk, Ridley-Thomas, Weber |
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| Nays: Dahle, Bigelow, Patterson | Nays: Bigelow, Donnelly, Linder |
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SUMMARY: Prohibits stores, as defined, from distributing lightweight, single-use plastic bags after specified dates. Establishes requirements for reusable bags and prohibits stores from distributing reusable bags and recycled paper bags for less than \$0.10 per bag. Specifically, this bill:

1) Defines terms in the bill, including:

- a) "Recycled paper bag" as a paper carryout bag provided by a store to a customer at the point of sale and contains a minimum of 40% postconsumer recycled materials. For a bag with the capacity to hold eight pounds or less, the bag must contain at least 20% postconsumer recycled materials. A recycled paper bag must be accepted for recycling in a majority of households in curbside recycling programs in the state, as well as have specified information printed on the bag.
- b) "Reusable grocery bag" as, on and after July 1, 2016, a bag that meets requirements specified in 2) below.
- c) "Single-use carryout bag" as a bag made of plastic, paper, or other material that is provided by a store to a customer at the point of sale. Exempts from this definition specified bags, including a bag provided by a pharmacy for a prescription purchase, a nonhandled bag used to protect an item from damaging or contaminating other items when placed in a recycled paper bag or reusable grocery bag, and a dry-cleaning or garment bag.
- d) "Store" as a full-line self-service retail store with gross annual sales of at least \$2 million and sells a line of dry grocery, canned goods, or nonfood items and some perishables (a typical grocery store); has at least 10,000 square feet of retail space and a pharmacy; or, a convenience food store or foodmart. Includes in the definition of store any other retail establishment that voluntarily agrees to comply with the requirements of the bill.

2) Beginning July 1, 2015, requires that a reusable grocery bag be able to be used a minimum of 125 times, as specified; can be cleaned; have specified information visible on the bag; cannot contain lead, cadmium, or any other toxic material that may pose a threat to public health;

and, must be consistent with federal regulations related to recyclable claims if the bag producer claims the bag is recyclable.

- 3) Establishes certification requirements for producers of reusable bags and suppliers of postconsumer recycled content.
- 4) Prohibits stores from making single-use carryout bags available at the point of sale on the following timeline:
 - a) On and after January 1, 2015, at either a grocery store or retailer with at least 10,000 square feet of retail space and a pharmacy.
 - b) On and after July 1, 2016, at a convenience food store and foodmart.
- 5) Authorizes a store to make available a reusable grocery bag or recycled paper bag at the point of sale. Requires that these bags may not be sold to a consumer for less than \$0.10.
- 6) Requires that all moneys collected by stores pursuant to the bill be retained at the store and be used for costs associated with complying with the bill; actual costs of providing recycled paper bags and reusable grocery bags; and, costs associated with a store's educational materials or educational campaign encouraging the use of reusable bags.
- 7) Requires a store to provide a reusable bag or recycled paper bag at no charge to any customer using California Special Supplemental Food Program for Women, Infants and Children benefits, CalFresh benefits (federally known as Supplemental Nutrition Assistance Program [SNAP] benefits), California Food Assistance Program benefits, or cash aid benefits.
- 8) Authorizes stores that are not included in the bill to voluntarily participate in the bill's requirements by submitting an irrevocable written notice to the Department of Resources Recycling and Recovery (CalRecycle) containing specified information.
- 9) Authorizes a city, county, city and county, or the state to impose civil liability of \$1,000 for the first violation of the proposed law, \$2,000 for the second violation, and \$5,000 for each subsequent violation. Collected penalties must be paid to whichever agency brought the action.
- 10) Preempts local ordinances adopted on or after September 1, 2014, relating to reusable grocery bags, single-use carryout bags, or recycled paper bags.
- 11) Appropriates \$2 million from the Recycled Market Development Revolving Loan Subaccount for loans for the creation and retention of jobs and economic activity in the state for the manufacture and recycling of plastic reusable grocery bags that use recycled content. Requires recipients of a loan to retain and retrain existing employees for the manufacturing of reusable grocery bags that meet the requirements of the bill. Specifies that any funds not expended by the end of the 2015-16 fiscal year revert back to the Subaccount.

FISCAL EFFECT: According to the Assembly Appropriations Committee:

- 1) \$2 million special fund appropriation to CalRecycle to establish a loan program for reusable plastic bag manufacturing machinery and facilities conversion and worker training.
- 2) Significant one-time costs and ongoing costs to CalRecycle, potentially in the \$1 million to \$1.4 million range to oversee and implement the program. \$500,000 or more for evaluation, bag testing and data compiling requirements.

COMMENTS: The author states, “California uses an estimated 14 billion single-use plastic bags a year. According to CalRecycle, less than five percent of single-use plastic bags are recycled. Plastic bags cause litter, slow sorting and jam machinery at recycling centers costing California more than an estimated \$25 million each year to collect and bury the plastic bag waste. By banning plastic bags on a statewide level, the amount of litter and plastic marine debris caused by plastic bags can be significantly reduced.”

Plastic bags and plastic film together represent just over 2% of the waste stream, and every year California taxpayers spend \$25 million disposing of the 14 billion plastic bags used annually. Although plastic represents a relatively small fraction of the overall waste stream in California, plastic waste is the predominate form of marine debris. Plastics are estimated to comprise 60% to 80% of all marine debris and 90% of all floating debris. According to the California Coastal Commission, the primary source of marine debris is urban runoff, of which lightweight plastic bags and plastic film are particularly susceptible. Due to the interplay of ocean currents, marine debris preferentially accumulates in certain areas throughout the ocean. The North Pacific Central Gyre is the ultimate destination for much of the marine debris originating from the California coast. A study by the Algalita Marine Research Foundation found an average of more than 300,000 plastic pieces per square mile of the Gyre and that the mass of plastic was six times greater than zooplankton floating on the water’s surface.

Most plastic marine debris exists as small plastic particles due to excessive ultraviolet radiation exposure and subsequent photo-degradation. These plastic pieces are ingested by aquatic organisms and have already negatively affected over 250 animal species worldwide. In addition, hydrophobic chemicals present in the ocean in trace amounts (e.g., from contaminated runoff and oil and chemical spills) have an affinity for, and can bind to, plastic particles and may also enter and accumulate in the food chain through the same mechanism.

Eighty-seven cities and counties throughout California have adopted ordinances banning plastic bags, including San Francisco, San Jose, Long Beach, Los Angeles County, Santa Clara County, and Alameda County. Many of these local governments also require stores to charge a fee for a paper carryout bag, and a few have banned both single-use plastic and paper carryout bags. This bill does not pre-empt existing ordinances; however, it does provide uniformity moving forward by pre-empting any local ordinance adopted after September 1, 2014.

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. / (916) 319-2092