



# RETAILER FACT SHEET

## City of Boulder Disposable Bag Fee

### The ordinance:

- **Bag fee goes into effect July 1st, 2013**
- **Applies to all grocery stores in the City of Boulder (see ordinance for exemptions)**
- **Places a 10 cent fee on all plastic and paper checkout bags**
- **Fee does not apply to produce bags or other bags used for bulk items, baked goods, meats, flowers, prescriptions, etc.**
- **4 cents is kept by retailers and 6 cents is remitted to the City of Boulder**
- **Customers who participate in a federal or state food assistance program are exempt from paying the fee**
- **All paper checkout bags distributed at affected stores must be 100% recyclable and contain at least 40% post-consumer recycled content.**

City of Boulder Ordinance No. 7870 was adopted in November 2012 and places a 10 cent fee on all disposable plastic and paper checkout bags at grocery stores in the city. This fee is intended to address the impact of disposable bags in the community and encourage the use of reusable bags.

The fee does not apply to prescription bags or bags used in a grocery store for produce, bulk foods, meat, flowers, or baked goods, or any other bag used to protect a purchased item from damaging or contaminating other items.

Stores must record the number of bags provided and the total amount of disposable bag fees charged on the customer transaction receipt.

A record of the number of disposable bags provided to customers and the total amount of fees charged on transaction receipts must be maintained. Six cents of each fee must be remitted to the City of Boulder quarterly using a return form that will be mailed to each business. Fee proceeds

will be used to address the impact of disposable bags in the community, such as contamination of the recycling facility, as well as to provide free reusable bags to the community.



The four cents kept by stores must be used for purposes outlined in the ordinance, such as compliance costs and customer education.

## Signage Requirements & Training

The ordinance requires that affected stores display a sign viewable by all customers alerting them to the City of Boulder's Disposable Bag Fee.

Printed optional permanent checkout area signage will be provided by the City of Boulder, with art files available for download on the retailer page of BroughtItBoulder.com.

The website will also provide suggested language for stores that would like to create their own permanent signage.

Parking lot signs reminding customers to bring their reusable bags are strongly encouraged.

Training materials for cashiers, including recommended talking points, are also available on the website.



## City of Boulder Disposable Bag Fee Frequently Asked Questions

### **Q: Why is disposable bag use a concern in Boulder?**

A: Boulder currently uses approximately 33 million checkout bags a year, or about 342 bags/person/year. Plastic bags are produced from non-renewable resources, are very difficult to recycle (they cannot go in Boulder's curbside bins), and contaminate our recycling facility equipment. Plastic bags do not biodegrade, so they remain as litter in the environment. Paper bags are recyclable, but take a very large amount of water and energy to produce. The Disposable Bag Fee will help mitigate these problems by charging a fee to consumers that choose to use disposable bags.

### **Q: When does the ordinance take effect?**

A: The ordinance will take effect on July 1, 2013.

### **Q: How much is the fee?**

A: The fee is 10 cents per plastic or paper bag used at the checkout.

### **Q: How does the bag fee work?**

A: As of July 1, 2013 all grocery stores in Boulder are required to charge 10 cents for every plastic or paper bag used at the checkout. The stores retain 4 cents of the fee and the remaining 6 cents is sent to the City of Boulder to address the impacts of disposable bags in our community. The fee will not be charged on bags used inside stores such as produce bags, bulk food bags, or bags used to wrap meat or fish. It also does not apply to newspaper bags or bags provided by pharmacists.

### **Q: What will the fee proceeds be used for?**

A: Stores will keep four cents of the fee to order to cover their costs complying with the ordinance, training employees, etc. The remaining six cents will be remitted to the City of Boulder for uses stated in the ordinance, including:

- Administrative costs associated with developing and implementing the fee;
- Providing reusable bags to the community;
- Educating residents, businesses and visitors about the impacts of disposable bags;
- Funding programs and infrastructure that allow the community to reduce waste associated with disposable bags;
- Purchase and install equipment to minimize bag pollution, such as recycling containers;
- Fund community cleanup events; and
- Mitigate the effects of disposable bags on the city's drainage system and environment.

**\*The Disposable Bag Fee is a fee, not a tax, and therefore proceeds collected in accordance with this ordinance can only be used for the purposes listed above, and cannot be used for general government expenses.**

**Q: What stores have to collect the bag fee?**

A: The fee will only be charged at “food stores,” defined in the ordinance as those who are within the city limits, operate year-round, and sell a line of staple foodstuffs, meats, produce, dairy products or other perishable items. This does not include temporary vendors, vendors at farmers markets, or businesses at which food is not a significant source of revenue.

**Q: How can I avoid paying 10 cents for a bag?**

A: You can avoid paying the 10 cent bag fee by using your own bag that you bring with you to the store. Some stores also offer reusable bag credits, so you could save even more than 10 cents per bag. You can also choose not to bag your purchase.

**Q: Has this type of ordinance been implemented elsewhere?**

A: Yes! Regulation most similar to ours (a fee on both paper and plastic bags) was implemented in Washington D.C. in 2009 and has been very successful. Ireland also has a fee on all types of bags. Aspen, Telluride, and Basalt are examples of cities here in Colorado that also have ordinances in place to reduce the use of disposable bags. A listing of other communities with similar ordinances is available at this [website](#).

**Q: Why not switch to biodegradable bags?**

The goal of this ordinance is to reduce the use of disposable bags in general, not to shift from one type of single-use item to another. Instead of providing an alternative disposable option, we want to encourage using reusable bags, therefore biodegradable bags are *not* exempt from the bag fee. In addition, many “biodegradable” bags do not properly break down in the local composting facilities, and do not break down at all in the landfill. Biodegradable shopping bags are currently very cost-prohibitive for stores to use and do not have the durability that traditional plastic bags do.

**Q: Why not charge the fee at all stores?**

A: Approximately 60-70% of the bags used in Boulder come from grocery stores. Applying the bag fee to all retail stores in Boulder was an option considered by City Council, however doing so would have greatly increased the costs to administer and collect the fee. By applying the fee to the main source of disposable bag use, the ordinance will cost-effectively target a majority of the bags. The fee will be monitored and can be applied to more stores in the future.

**Q: Why don't we just promote recycling plastic bags?**

A: Plastic bags are very difficult to recycle due to the limited aftermarkets for the material. They must be clean, dry, and placed in a collection container specifically for bags. These containers are available at most grocery stores and at the Center for Hard-to-Recycle Materials (CHaRM). They cannot be recycled in Boulder's single stream curbside program, and cause a lot of problems when residents put their recyclables in them. They clog the machinery that sort our recyclables, resulting in equipment shut-downs so that they can be cut out by hand.

**Q: How will the fee impact the low-income population of Boulder?**

A: The fee will not apply to anyone who participates in a federal or state food assistance program. In addition, a portion of the revenue collected from the fee will be used to purchase reusable bags that will be distributed in advance of July 1<sup>st</sup> to the community, including low-income populations. City of Boulder staff is working with non-profits and government agencies such as EFFA, Boulder Housing Partners, Boulder County agencies, Workforce Boulder County and more to distribute bags.

**Q: Can I reuse disposable plastic and paper bags I already have?**

A: Yes, the Disposable Bag Fee is only charged when a store provides a new plastic or paper bag to a customer at checkout. Customers are welcome to reuse bags they already have.

**Q: Is the fee charged on smaller paper bags offered by grocery stores at the check-out?**

A: Yes, the fee applies to all disposable plastic and paper bags used at the checkout, including paper bags that are smaller than the standard size. The only exemption is for bags used to protect a purchased item from damaging or contaminating other purchased items when placed in a disposable checkout bag or reusable bag.

**Q: Is banning bags a possibility?**

A: A ban on just plastic bags or all disposable bags were options considered by City Council. The Disposable Bag Fee is a first step towards the goal of eventually moving away from disposable bag use in Boulder. The effectiveness of the fee will be monitored and other options may be evaluated in the future. Current state law appears to preclude the adoption of bans on plastic materials by municipalities. The applicable law reads:

**C.R.S. § 25-17-104 Local Government Preemption**

No unit of local government shall require or prohibit the use or sale of specific types of plastic materials or products or restrict or mandate containers, packaging, or labeling for any consumer products.