

Plastic bag bans, taxes gain ground

By Mike Verespej

ARLINGTON, VA. (July 25, 3:45 p.m.) -- Plastic bag tax initiatives in Los Angeles, Seattle and in the California Legislature are threatening to trigger fees that effectively would ban plastic carryout bags at large retailers. Also at stake is an unraveling of the momentum the industry has built in the past year for mandated at-store recycling as an alternative to bans or fees.

But the measures don't just target plastic bags. Both Los Angeles and Seattle have included polystyrene takeout container bans in their initiatives.

Los Angeles voted July 22 to ban PS takeout containers at city events and in city facilities, starting July 1, 2009. The Seattle City Council is expected to approve a bill July 28 that would ban the use of PS for takeout containers and food packaging, beginning July 1, 2010, and impose a 20 cent tax on plastic bags as of Jan. 1, with stores keeping some or the entire fee, depending on their size.

The newly passed Los Angeles policy resolution also supports a plastic bag ban, effective July 1, 2010, unless the state's proposed 25 cent plastic bag tax, AB 2058, is approved. But Los Angeles, the nation's second-largest city with a population of 4 million, still would need to draft and enact a law to enforce its policy. City officials estimate its residents use 2.3 billion bags annually.

The potential shift in momentum back toward bans and fees is further complicated in California by an unexpected new ally for bag fees. The California Grocers Association — which worked with the Arlington, Va.-based American Chemistry Council to ward off a bag ban two years ago — now supports a bag tax.

"It is a bit of a change in position," said David Heylen, CGA vice president of communications. "But if it is the will of the Legislature to mandate a fee, we would support it."

The Seattle proposal has spurred the ACC to run a week-long radio ad campaign under the auspices of the Seattle Coalition for Responsible Recycling in an effort to stop the bag tax and PS ban. But Keith Christman, senior director of packaging for the ACC's plastics division, said the ACC feels that "perhaps Seattle will become an exception" to the trend of cities enacting recycling mandates instead of bans.

In the past two months, Malibu and Manhattan Beach joined San Francisco in enacting bag bans, after a 15-month period of no additional plastic bag bans except in Oakland, where a ban passed but was overturned in court.

At the same time, a different industry group, the Save the Plastic Bag Coalition, said it will sue to overturn a Manhattan Beach, Calif., bag ban approved earlier this month.

The coalition, which is not associated with Act's Progressive Bag Affiliates group, already has filed a lawsuit in Los Angeles County Superior Court against the county. The suit charges that Los Angeles County did not conduct an environmental impact review, as required under the California Environmental Quality Act, and asks the court to order the county to suspend its plans for a ban. The county, in February, set voluntary bag recycling targets that could trigger an eventual plastic bag ban. Under that initiative, if the industry wants to avoid a ban, it must meet recycling and diversion targets of 30 percent by 2010 and 65 percent by 2013.

"It is not voluntary and the county mis-sold it to get around the CEQA environmental laws," said the coalition attorney Stephen Joseph.

Can a city ban a product "just because it enters the litter stream?" Joseph asked. "This is a power that is very broad."

In addition to its effort in Seattle, Christman said, the ACC is "working very diligently to prevent [AB 2058] from passing." AB 2058 would amend the state recycling mandate and require retailers to charge at least 25 cents for each plastic bag, starting July 1, 2011, if stores don't achieve a 70 percent diversion rate — based on bag use reduction and recycling rates.

Los Angeles has urged the state to drop the diversion targets, immediately impose a fee and return 15 cents of the fee to cities for use in litter collection programs and recycling education. The bill has its next hearing Aug. 4 in the state Senate Appropriations Committee. Just three weeks ago, a provision that would have levied that same 25 cent tax on paper bags was axed from the bill.

Without the support of grocers, the challenge of defeating AB 2058 is "more complex," Christman said.

"I am somewhat surprised by the fact that [grocers] are willing to support [the fee]. This is a different approach for them. But they are banking on getting paper bags included."

Christman said he feels additional revenue is the motivation for the decisions by Los Angeles and CGA.

Los Angeles is supporting the state bill because "it would give tax revenue to the city," Christman said. Similarly, he said "it looks like [grocers] would be able to get a portion of the tax revenue and would be able to sell both the paper and the plastic bags, as well as the reusable bags."

However, Heylen said the grocery industry "was looking to change consumer behavior."

"If the eventual goal is to reduce the impact of shopping bags on the environment, our position is appropriate. But to be effective, we believe [a tax] would have to include both paper and plastic bags," he said.

The Seattle bill is a different challenge.

In an effort to defeat both the Seattle and California bills, the ACC is emphasizing that the new bag fees alone could cost the average family \$400 per year in California, and slightly less in Seattle, based on an estimated annual use of 1,600 bags.

"As if the cost of gas and food weren't high enough, the Seattle City Council is considering a 20 cent tax on every grocery bag and a costly ban on some takeout containers," stated the 30-second radio spot. "Enough is enough," said the ad, which urges people to phone or e-mail the council's president, Richard Conlin, to voice their opposition.

"Most communities around the country have looked at this, rejected bans and decided the best approach is recycling," Christman said.

Rhode Island, Chicago, New York City and the New York counties of Suffolk, Albany, Westchester and Nassau have adopted mandatory recycling. Also, New York has passed a statewide recycling mandate, but it has not yet been signed into law.

“Most communities don’t want to go the ban or the high-tax route,” Christman said. “This is a big tax when the economy is not doing well and food and gas prices are rising.”

One environmentalist questioned the ACC's argument, suggesting most families can buy a handful of reusable cloth bags instead, which typically sell for 99 cents.

Although the Seattle bill is expected to pass, it is far from a finished product.

Amendments adopted by the city’s Environment, Emergency Management and Utilities committee July 22 underscore that. Those amendments would push back the PS ban’s effective date by one year, order the Seattle Public Utilities to develop a plan by Nov. 25 to ease the bag fees impact on low-income families and assess the fees cost to businesses. Another amendment requires SPU to report by year-end on the availability of PS alternatives and find ways for businesses to buy them in bulk.

“They are counting on alternatives being developed,” Christman said. “Seattle is pushing forward [when] their own research shows it is bad for the environment.”

Research conducted for SPU found that a bag tax and a PS ban would have a negative environmental impact, and that 63 percent of citizens polled were opposed to a tax on plastic bags.