

Town of Frisco Plastic Bag Phase-Out and Disposable Bag Fee Program

Why was a plastic bag phase-out and disposable bag fee passed by the Frisco Town Council?

Frisco Town Council recognizes the importance of our natural environment and the value of being a leader on sustainability initiatives, and therefore, in Frisco's 2019-2020 Strategic Plan, they adopted a series of such initiatives to support the protection of our natural environment and quality of life.

The use of all disposable shopping bags, both plastic and paper, has significant environmental impacts on a local and global scale, including impacts on greenhouse gas emissions, litter, harm to wildlife, water consumption and solid waste generation. Despite recycling and voluntary efforts to control pollution from disposable bags, relatively few disposable bags are recycled. Plastic bags last for decades in the landfill, or end up as litter.

The manufacturing of paper bags requires the destruction of trees, which sequester carbon dioxide and produce oxygen, and this has an obvious and direct impact on our environment. Although progress has been made in the manufacturing of grocery bags from recycled paper and plastic, the use of disposable bags does not align with the community and Town Council's vision to prioritize the protection of our precious natural environment.

On January 1, 2020, the Town of Frisco began collecting a single-use bag fee in order to discourage the use of disposable bags and reduce waste, yet many disposable single-use bags are still being used. A ban on single-use plastic bags and paper bags with less than 40 percent post-consumer recycled material will address environmental concerns, while still allowing businesses to offer their customers single-use paper bags with over 40 percent recycled material that are recyclable and more biodegradable than plastic bags.

When does the new disposable bag program begin?

To stay consistent with the Towns of Breckenridge and Dillon and to allow businesses to plan for this change and to use current bag inventories, Ordinance 21-01 will go into effect September 1, 2021.

What exactly does the new bag program do?

The new disposable bag program (Ordinance 21-01) prohibits retail stores and restaurants from providing disposable plastic bags and paper bags with less than 40 percent post-consumer recycled material to customers, and continues the requirement of retail stores to collect and remit a single-use bag fee of \$.25 for paper bags only, which contain more than 40 percent recycled material.

Restaurants, which were excluded in the original bag fee program, are still not required to collect and remit the single-use bag fee for the bags they provide, however, they may only distribute paper bags that contain more than 40 percent recycled material.

The program also requires retail stores and restaurants to display a sign in a location outside or inside of the store, viewable by customers, alerting customers to the Town of Frisco's disposable bag ban and paper bag fee. The Town of Frisco will supply appropriate signage to retail stores.

What are the key differences between the current (19-14) and new (21-01) Single-Use Bag ordinances?

- The current ordinance, Ordinance 19-14 allows retailers and all other businesses to distribute plastic bags and paper bags made from virgin material for a fee of \$.25 per bag. The new ordinance, Ordinance 21-01, will only allow for distribution of paper bags made from at least 40% recycled materials.
- The current ordinance only applies to businesses whose primary focus is retail. The new ordinance now includes restaurants in restricting single-use bag distribution to paper bags made with 40% recycled materials.
- In the new ordinance, although a restaurant may only issue recycled paper bags for takeout, restaurants are not required to collect and remit the \$.25 fee.

What defines a disposable bag?

Any bag, other than a reusable bag, that is provided to a customer by a retailer at the point of sale for the purpose of transporting goods. This also includes plastic bags thicker than 2.25 millimeters.

What defines a reusable bag?

Any bag made of canvas, woven polypropylene or similar types of durable materials.

Which businesses does this apply to?

All commercial businesses selling personal consumer goods, household items, liquor or groceries. Restaurants, while exempt from collecting and remitting the \$.25 fee, may no longer provide disposable plastic bags and paper bags made with less than 40% post-consumer recycled materials.

Which businesses does this <u>not</u> apply to?

- > Businesses where retail is clearly secondary to the primary business activity, such as salons and spas
- > Temporary vendors, such as farmers' markets or other vendors at special events

Can retail stores refund or exempt customers from the disposable bag fee?

No, a retail store may not refund or exempt the customer from the disposable bag fee, either directly or indirectly, except for exemptions in the following section.

What are the exemptions to the disposable bag fee program?

- Customers who participate in federal and/or State food assistance programs are exempt from the disposable bag fee program. Retail stores can provide these customers with a paper bag free of charge. Federal and state food assistance include: Women, Infants and Children (WIC) or Temporary Assistance to Needy Families (TANF) support programs, or the federal Supplemental Nutrition Assistance Program (SNAP, formerly "Food Stamps," also known as Basic Food).
- > A bag brought into a retail store by a customer and used to transport goods from the retail store
- > A used bag or box that is made available to customers at a retail store
- Bags used to package bulk items, such as fruit, vegetables, nuts, grains, candy or small hardware items like nails, nuts, and screws

- > Bags used to contain or wrap frozen or fresh foods, meat or fish
- Bags used to contain or wrap flowers, potted plants or other items where dampness may be a problem
- Bags used to contain unwrapped prepared foods or bakery goods
- A non-handled bag used to protect purchased items from damaging or contaminating other purchased items when placed in a disposable bag or a reusable bag
- Bags used for loose small retail items, including, but not limited to jewelry, buttons, beads, ribbon, herbs and spices, medical marijuana or adult-use marijuana (sold by a licensed retailer) and similar items.
- > Bags provided by pharmacists to contain prescription drugs
- Newspaper bags, door-hanger bags, laundry-dry cleaning and garment bags, and bags sold in packages containing multiple bags for uses such as food storage, garbage, pet waste, or yard waste

Will retailers be able to keep a portion of the disposable bag fees they collect?

Yes. A retail store may retain 50% of the disposable bag fee they collect, up to a maximum amount of \$100 per month.

How may retailers use these retained fees?

The retained fees may only be used by the retail store to:

- Provide educational information about the disposable bag fee to customers
- > Provide the signage required in the ordinance
- > Train staff in the implementation and administration of the fee;
- Improve or alter infrastructure and/or computer systems to allow for the implementation, collection administration of the fee
- > Collect, account for, and remit the fee to the Town
- > Develop and display informational signage to inform consumers about the fee
- > Encourage the use of reusable bags and/or promote recycling of paper bags
- Improve infrastructure to increase disposable bag recycling

Is the bag fee exempt from Town of Frisco sales tax?

Yes. The Disposable Bag Fee is exempt from the Town of Frisco sales tax.

How will retail stores charge and remit the disposable bag fees?

- Retail stores will remit fees on a quarterly basis.
- > The bag fee remittance form is available at <u>SustainableFrisco.com</u>.
- Retail stores will be required to record the number of disposable bags provided and the total amount of disposable bag fees charged on the customer transaction receipt as a separate and distinct item.
- Each retail store shall maintain accurate and complete records of the disposable bag fees collected and the number of disposable bags provided to customers.

How will the plastic bag phase-out and bag fee requirement be enforced?

- If requested, each retail store shall make its records available for audit by the Town of Frisco Finance Director to verify compliance with the provisions of the bag fee ordinance.
- If any person fails, neglects or refuses to collect or pay the disposable bag fee, or underpays the disposable bag fee, the Finance Director shall make an estimate of the fees due, based on available information, and shall add thereto penalties, interest and any additions to the fees.

- If payment of any amount of the disposable bag fee due to the Town is not received on or before the applicable due date, penalty and interest charges shall be added to the amount due in the amount of a penalty of ten percent of total due and an interest charge of one percent of total penalty per month.
- Every person found liable of a violation shall be penalized as provided in section <u>1-14 of the general provisions of the Town Code</u>.

Questions?

Contact Hilary Sueoka, Environmental Programs Coordinator, at HilaryS@townoffrisco.com.