Testimony on Bag Tax and Voluntary Program Research

April 15, 2015

General Information:

- Vermont has had 8 legislative bills introduced relating to disposable, or single use bags since 2008
 - o H.262 in 2009 would enact \$0.17 fee per plastic bag
 - o S.33 in 2009 would enact \$0.03 fee per plastic bag
 - o H.19 in 2011 bag ban
 - o H.145 in 2011 -- \$0.05 per disposable bag
 - o H.491 in 2014 \$0.05 per disposable bag penny to retailer and remaining to General Fund
 - S.205 in 2014 -- \$0.10 per disposable bag penny to retailed and \$0.09 to Tax for WMAF
 - o H.247 in 2015 -- \$0.10 per bag
 - o H.295 in 2015 -- \$0.05 on paper and plastic bags

Data on Disposal, Recycling, and environmental impact

Vermont Data:

- 2013 Vermont Waste Composition Study
 - o Total tonnage of retail bags landfilled estimated to be 1,900 tons
 - Residential of the 11% (~27,000 tons) that are plastic, retails bags disposed is 6% (1,417 tons) retail bags
 - Industrial, Commercial, Institutional (ICI) of the 12% (~20,200 tons) plastic disposed, 2% (385 tons) are retail bags
- Landfills & Transfer Stations
 - Solid Waste Regulations require facilities to have adequate management of windblown litter
 - o ANR has written Notices of Alleged Violation (NOAVs) for moderate to severe mismanagement
- CSWD's Materials Recovery Facility (MRF)
 - For 260 operating days per year, we spend approximately 780 man-hours each year cleaning the film off of CSWD MRF machinery
- Lake Champlain Marine and Waterway Debris Study (2011-2012) by Rozalia Project
 - o Individually identified pieces of plastic bags 8,334 and paper bags 2,093.
- Green Up Day Litter Study (not statistically valid) indicated retail bags make up ~2% of litter stream collected on GUD in 2009

National Data:

- Recovery of plastic "bags, sacks, and wraps" in 2012 was 11.5 percent (440k tons of 3.8m tons).
 - HDPE bags were 7.5% recovery rate (50k tons of 700k tons). (USEPA 2012, MSW Report)
- Since San Jose's ban in all retail stores and \$0.10 on paper, took effect in 2012, plastic-bag litter in storm drains, which can contribute to flooding, has fallen by 89 percent.
- USEPA (2005) study indicated ~5% of plastic bags were recycled
- Washington DC data:
 - o \$0.05 fee on all carryout bags
 - City officials have said bag use decreased from about 270 million in 2009 to about 55 million last year a reduction of 80 percent
 - 80 percent of residents are now using fewer disposable bags and 79 percent of businesses are providing fewer bags
 - o 60 percent reduction in the amount of plastic bags they are finding in streams
- Montgomery, Maryland showed a 55% reduction in plastic bags amongst overall litter observed following ordinance that mirrors D.C.

International Data:

• IRELAND: a (\$0.15 cent in 2002 and raised to \$0.22 in 2007) per person bag use decreased from 328 bags/person before Ireland's bag program to 21 bags/ person after the first year and down to 14 bags/person ten years later

History of Voluntary Programs:

Vermont:

- **House & Senate joint resolution in 2008** for *Kids for a Cooler Planet* which encouraged customers and retailers to switch to reusable bags promoted by Hanover High School students
- Outdoor Gear Exchange donates \$0.05 per bag the customer does not use to a local non-profit
- Major Grocers many offer reusable/durable bags for sale near cash registers for low cost, several offer and take back bins, and some provide monetary savings per bag brought in by customer for use
 - o Shaws offer \$0.03 per personal bag used discount
 - o Hannafords
 - o Walmart

Walmart & Plastic Bags:

- Sept 2008 committed to reducing global shopping bag waste by 33% per store by 2013
- US goal is to meet 25% per store reduction by 2013
- Began selling bags for \$1 (made from RPET offered Oct. 2007) and \$0.50 (Nov. 2008) to increase use of reusable bags
- Walmart accepts worn out reusable bags for recycling at their stores
- Some stores in California were experimented with eliminating plastic bags as an option
- Currently report reducing baseline plastic bag use globally by 38% during its 6 year goal (2007 to 2013)
 - Equivalent to 10 billion bags annually (unclear how many of the individual US stores met the 25% reduction goal)

State or Municipally Involved Pilot Programs:

California

- Starting July 1, 2007, **AB 2449 (At-Store Recycling Program)** established a six year pilot program requiring most large grocery stores (\$2m+ in annual sales) and other retailers (>10,000 sq ft w/ licensed pharmacy) to create an in-store recycling program for the collection and recycling of plastic 'carry out' bags.
 - o Required take back bins to be placed and clearly marked in each store
 - Must print "Please return to a participating store for recycling" on single use bags
 - o Provide sale of reusable bags
 - Collect, transport, and recycle all plastic bags
 - o Submit data to CIWMB
- In 2009 the statewide recycling rate was estimated to be 3% (1,520 tons of 52,756 tons) as indicated by the CalRecycle Characterization Study
- Considered unsuccessful only 5% of bags were recycled statewide roughly 4 years into the program
 - Not all store operators submitted annual reports despite receiving multiple notices that reports were due
 - Some reports by designated reporting parties included several operators but did not specify which stores were included for which operator.
 - o A number of annual reports did not include complete information for all sections.
 - Many of the largest store chains declined to participate in the CSUS Characterization Study, which limits the representativeness of the data as well as the accuracy of the statewide recycling rate.

LA County

- "Brag About Your Bag" initiated in 2008 set 30% disposal reduction goal by July 2010,
 - o considered unsuccessful unable to verify if goals were met
 - o Participation rates were miniscule despite AB2449
 - Unable to connect outreach and education efforts to behavioral change in a measurable manner

San Francisco

- In November 2005, the City forged an agreement with grocers to reduce plastic bag usage by 10 million when estimates of current usage were between 50 and 150 million per year.
 - Bagger retraining
 - Sell reusable bags
- **Considered unsuccessful** after three extensions & only one grocer submitted data but was unable to be released due to confidentiality agreement

Bag Legislation/Ordinances

- California adopted a statewide bag ban Aug. 2014 to begin July 2015 w/ large retailers first— <u>but is delayed until</u>
 a Nov. 2016 referendum
- Hawaii is the first state to have a <u>de-facto ban</u> (4 of 5 counties adopted a ban) on disposable plastic bags beginning July 2015
 - o Had ordinances on four main islands banning plastic bags (Maui, Kauai, Big Island, and Oahu).
- Brownsville, TX was first city in Texas to assess a fee on plastic bags \$1 per transaction effective Jan. 2011
- Over 130 California cities have passed some bag ordinance significant interest due to marine debris
- Cities and counties in 12 or more states have adopted ordinances

Challenges with Voluntary Programs

- Studies show that the incentive to save a nickel or dime is not as effective as having to pay for an item
- Perceptions that reusable bags are not necessary when others are available for free
- Training on efficient bagging practices for employees rarely completed
- Although businesses placed a container in their store, customers few would return plastic bags (ex: Chicago)
- Difficult to gather reliable data when it is voluntary
- Retailer participation is often low, and reporting is inconsistent
- Education and outreach campaigns still cost money to encourage the customer's behavioral change
 - Challenge to correlate campaigns with behavior change in a manner significant enough to measure against LA County objectives

Common Themes to Ordinances

- Fee assessed is typically \$0.05 to \$0.10 per bag, sometimes as high at \$0.15 per bag.
- Many ordinances ban use of disposable bags altogether or set a limit on the thickness of the bag to enhance likelihood of reuse. (ex: 2.25mil in Port Townsend, WA and 2.5mil in CA under AB2449)
- Retail establishments may also provide reusable cloth or durable plastic fabric bags, recycled content paper bags, or renewable compostable bags. (Mukilteo, WA)
- Bags that are not banned (typically paper) are required to have a fee assessed to the customer on each bag
- Apply to all retail establishments in full at the same time
- Less common but also observed were, initiating ban in phases, applying to large retailers (5,000 sq ft to 10,000 sq ft in Chicago (effective Aug. 2015)) first and then to smaller retailers in subsequent years allowing non-franchise and independent retailers exemption

SUMMARY of FINDINGS

- Small but measureable part of Vermont's waste stream
- A documented portion of our litter and marine debris in Vermont, across the nation, and outside of the US
- Pilot programs yield little information from the retailers to allow state and municipal officials to determine if reduction goals were met
- Ordinances that apply a ban on plastic bags should also apply a fee per bag on alternatives

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