

March 20, 2013

Dear Business Owner,

A new City of Santa Cruz ordinance restricting the distribution of carry-out retail bags takes effect on April 10, 2013. This ordinance bans the distribution of plastic carry-out bags and places a 10-cent per bag charge on paper carry-out bags.

Your business may be covered and required to comply with this new bag reduction ordinance.

This ordinance **does not apply to restaurants**, defined as a person or establishment whose principal business is the sale of prepared food for consumption either on or off the premises, which includes a restaurant, café, bakery, delicatessen or catering truck. Also exempt is the prepared food for grocery and convenience stores' food counters.

The Single-Use Bag Reduction Ordinance **applies to carry-out bags**, which means bags provided to customers at the point-of-sale to hold customer purchases.

Below are some highlights of the ordinance that may be of most concern to you.

Beginning April 10, 2013 in the City of Santa Cruz:

- **Plastic carry-out bags are prohibited:** Retail establishments may not provide plastic carry-out bags to customers at the point-of-sale.
- **You must charge 10 cents for paper carry-out bags:** Retail establishments shall charge a minimum 10-cent fee for each single-use paper carry-out bag provided to customers at the point of sale. **This applies to all sizes of paper bags given at the point-of-sale.** The business keeps this charge to offset the costs of the program. After one year (on April 10, 2014) the fee will increase to 25 cents per bag.
- Single-use paper carry-out bags must contain a minimum of 40 percent post-consumer recycled paper fiber, and must be recyclable in the City of Santa Cruz's curbside recycling program.
- **The number of paper carry-out bags provided and the total amount charged must be shown on the customer transaction receipt.**
- **The State Board of Equalization has determined that the charge for single-use paper carry-out bags is non-taxable.**
- Retail establishments **must keep annual records of paper bag distribution** to be made available to the Director of Public Works or designee upon request.
- Retail establishments are strongly encouraged to make reusable bags available for sale to customers at a reasonable price.

Exemptions:

- Customers participating in the California Special Supplemental Food Program, Food Stamp program, or other government-subsidized purchase programs for low-income residents are exempt from the per bag charge.
- The ban on single-use plastic bags and the charge on single-use paper bags do not apply to plastic or paper bags used to contain loose items prior to check-out or to protect produce, meat, or to protect items as they are put into a carry-out bag at checkout. Examples include: paper bags to

protect bottles, plastic bags around ice cream or other wet items, paper bags used to weigh candy, paper pharmacy bags to hold drugs or paper bags to protect greeting cards.

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To see a copy of the full ordinance visit the City's webpage at: <http://www.cityofsantacruz.com>

Included with this letter is a **placard to use at your checkout location**. It provides the customer with some basic information on the ordinance and where they can get more information from the City.

Eliminating single use bags makes good business sense! The City of Santa Cruz is a beach town and our business community relies on the health of our oceans to attract visitors. The consumption of single-use bags creates tons of unnecessary waste and contributes to litter along our coast, rivers and bay. Fortunately, these bags are easily reduced by exchanging "single-use" with reusable bags. Encouraging your customers to switch to reusable bags will protect the environment that makes people come back to Santa Cruz. Customers like businesses that keep the environment in mind.

Please feel free to contact me directly, at (831) 420-5548, if you have questions, need additional information or would like to request additional checkout placards.

Sincerely,

Bob Nelson
Superintendent of Resource Recovery

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