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**December 1, 2004**

### **SAN FRANCISCO WILL CONSIDER BAG TAX**

The San Francisco Commission on the Environment on November 24 heard testimony on their resolution calling for the Board of Supervisors to pass a city ordinance levying a \$.17 tax on all grocery bags, including both paper and plastic. The proceeds from the tax, one half of which will be kept by grocers and the other half paid to the city, is intended to be used for increasing recycling programs and litter clean up.

The commission put over a vote on the ordinance and instead directed staff to include language reflecting the costs of the health effects of plastics and dioxin in paper, explore an exemption for biodegradable plastic bags, and to **consider increasing the fee from \$.17 to a higher level.**

The resolution will now be considered for a vote at the Commission's January meeting.

In determining a fee level, the city staff developed a formula which they say substantiates the \$.17 per bag based on their estimates of bag litter clean up, recycling costs to the city, contamination of plastic bags in the composting system and the city's future landfill liability costs. Under California law, cities and counties may levy fees if there is a nexus between the fee charge and the intended use of the fee revenue. Therefore, this local ordinance may be considered a fee and not a tax because the revenue generated will be used to increase recycling and clean up litter.

Under the ordinance, the grocers would be required to report to the city on an annual basis the revenues collected and a detailed report on the recycling programs the retailer initiated to increase grocery bag recycling.

The ordinance will also allow the San Francisco Environment Department to adjust the amount of the fee and apply the fee beyond grocery bags to smaller markets, drug stores, department stores, hardware stores, dry cleaners, newspapers and other bag distributors.

### **Upper House Gets A Face-Lift**

Incoming State Senate leader Don Perata (D – Oakland) is stirring things up in the upper house. Senator Perata hopes that paring down the number of Senate committees will force inexperienced lawmakers to focus on fewer subject areas; gaining more expertise and creating more meaningful deliberations within committees. Perata also hopes having fewer committees will resolve many scheduling conflicts that cause committee members' absence from hearings. Senator Perata replaces Senator John Burton as president pro tem, the leader of the upper house, after Burton leaves office on November 30 due to term limits.

Perata's committee proposals include moving water from the agriculture committee to the natural resources committee, consolidating transportation and housing committees, dissolving the business and professions committee (moving duties to other panels), combining banking and insurance committees, eliminating the committee on constitutional amendments (rolling duties into the elections committee), and splitting the Health and Human services committee into two separate bodies.

The Senator expects opposition to his reform from members who are not appointed chair of a committee, and interest groups like agriculture who are skeptical about the movement of water from the agriculture committee to the natural resources committee. Burton says he supports the changes being made by Perata, but also believes there will be friction between the new pro tem and members who don't get appointed to their desired committees. "But that's what leadership is about, doing what's right for the house and not the individual members" says Senator Burton.

Perata has appointed Senator Alan Lowenthal (D-Long Beach) as the Chair of the Senate Environmental Quality Committee where most of the bills affecting the plastics industry are heard.