



# Santa Clara Valley Water District

---

**File No.:** 16-0724

**Agenda Date:** 9/27/2016

**Item No.:** 7.2.

---

## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Recommended Position on Proposition 67 - Plastic Bag Ban Veto Referendum.

### **RECOMMENDATION:**

Adopt a position of "Support" on Proposition 67 - Plastic Bag Ban Veto Referendum.

### **SUMMARY:**

#### **Proposition 67 - Plastic Bag Ban Veto Referendum**

#### **Recommended Position: Support**

In 2014 the Legislature passed and the Governor signed SB 270 (Padilla), which banned the use of single-use plastic carry out bags. However that existing law is currently inoperative, due to Proposition 67 which places the law up for a referendum vote. If Proposition 67 is approved by the voters, existing law would prohibit stores that have a specified amount of sales in dollars or at least 10,000 square feet of retail floor space from providing a single-use carryout bag to a customer. That law would also prohibit those stores from selling or distributing a recycled paper bag at the point of sale unless the store makes that bag available for purchase for not less than \$0.10 and would allow those stores to distribute compostable bags at the point of sale only in jurisdictions that meet specified requirements and at a cost of not less than \$0.10.

This same law would additionally impose these prohibitions and requirements on convenience food stores, foodmarts, and entities that are engaged in the sale of a limited line of goods, or goods intended to be consumed off premises, and that hold a specified license with regard to alcoholic beverages.

This inoperative law would require, on and after July 1, 2015, a reusable grocery bag sold by certain stores to a customer at the point of sale to be made by a certified reusable grocery bag producer and to meet specified requirements with regard to the bag's durability, material, labeling, heavy metal content, and, with regard to reusable grocery bags made from plastic film on and after January 1, 2016, recycled material content.

Under the State Constitution, a new state law can be placed before voters as a referendum to determine whether the law can go into effect. Proposition 67 is a referendum on SB 270.

---

A “Yes” Vote Upholds SB 270, which would prohibit certain stores from providing single-use plastic carryout bags and generally require those stores to charge at least 10 cents for reusable carryout bags. These requirements would apply only to cities and counties that did not already have their own single-use carryout bag laws as of the fall of 2014.

A “No” Vote Rejects SB 270. A store could continue to provide single-use plastic carryout bags and other bags free of charge unless it is covered by a local law that restricts the use of such bags.

The referendum excludes one section of SB 270 which would not be overturned by the referendum. The exception pertains to \$2,000,000 that would be appropriated from the Recycling Market Development Revolving Loan Subaccount in the Integrated Waste Management Account to the Department of Resources Recycling and Recovery for the purposes of providing loans for the creation and retention of jobs and economic activity in the state for the manufacture and recycling of plastic reusable grocery bags that use recycled content, including postconsumer recycled material.

### *Importance to the District*

The Board has approved Legislative Guiding Principles which provide that the District supports legislative efforts to eliminate or reduce the waste stream entering our waterways, including plastic bags and Styrofoam, etc. To that end, in 2014, the District supported the passage of SB 270 (Padilla) which created the plastic bag ban law which Proposition 67 is seeking a voter referendum on. The law is currently on hold until the Proposition 67 is voted on at the November 8<sup>th</sup> statewide election.

Single-use carryout bags include plastic and paper grocery bags that are intended to be used one time and discarded. These bags make their way into the environment in numerous ways including littering and by escaping from landfills. They create problems for animals and fish by polluting their habitat, and they cause problems with water quality when they fall into water bodies. Reversing the prohibition on the use of these bags would increase the amount of litter in the environment, which will contribute to the degradation of habitat and water quality.

The District operates 10 reservoirs and provides stewardship for hundreds of miles of streams, as well as groundwater resources. The elimination of litter from single-use carryout bags would lower the monetary and manpower costs of cleaning up the pollution created by the bags.

Staff recommends that the Board adopt a position of “Support” on Proposition 67.

### *Pros*

- Decreases the amount of litter that pollutes the landscape and the District’s waterways.
- Decreases the cost to the District for the management of pollution and litter.
- Creates incentive for the District residents to reduce the litter created by the bags.

### *Cons*

- The campaign attempting to overturn the measure claims that the plastic bag ban is a hidden \$300 million tax.
- The campaign attempting to overturn the measure claims that the funds raised do not improve the environment and only serve to further enrich retailers who can charge at least 10 cents per reusable bag.

**FINANCIAL IMPACT:**

There is no financial impact associated with this item.

**CEQA:**

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

**ATTACHMENTS:**

Attachment 1: Proposition 67 Summary

Attachment 2: Proposition 67 Text

Attachment 3: Proposition 67 Pros and Cons

**UNCLASSIFIED MANAGER:**

Rick Callender, 408-630-2017