# **Bag it Duluth Responds to Questions**

#### **Enforcement**

With limited City resources, the question of how this ordinance would be enforced and by whom, is an important one. Enforcement is spelled out in the ordinance and consistent with the process used for other Duluth ordinances, such as the ban on mercury thermometer sales. The enforcement mechanism is a warning notice, followed by a series of increasing fines. (Interestingly, it is our understanding that when Duluth adopted the mercury thermometer sales ban no warning letters were ever necessary and no fines levied.) Enforcement is modeled after ordinances in hundreds of towns and cities across the country. Similar to other Duluth ordinances, the presumption is that the process would be driven by citizen reports of non-compliance by Duluth retailers. Compliance is easily verified by the requirement in the ordinance that bag cost must appear on the sales receipt. Importantly, what differentiates this ordinance from many other ordinances is that there is both an economic and environmental compliance incentive built in. Duluth businesses want to be good environmental stewards and have a desire to reduce the cost of their bag purchases. Together, these drivers incentivize compliance.

Many businesses have indicated their support for the ordinance because it will allow them to do the right thing. The ordinance creates a level playing field that helps businesses and consumers do the right thing by aligning economic and environmental interests.

## **Timeline**

The benefit of a bag fee is that retailers continue to use existing bag stocks. This is significant as the timeline for adoption will be much shorter than that of an outright bag ban, which would require significant time to deplete existing stock.

Bag fees are now widespread across many parts of the United States. Many multistate retailers such as Walgreens, CVS, Target, Barnes and Noble, and Home Depot already charge for single use bags in geographic locations outside of Duluth. In many cases, their cash registers and software systems are pre-programed, ready for when their city or state adopts a bag fee.

Kroger's, the largest grocery in the country has already committed to a single use bag phase-out and multiple grocers across New England, Colorado, California and elsewhere, charge a bag fee. Bag ordinances have been on the front page of trade magazines and are a part of annual trade conferences. Multi-state retailers are well aware of bag ordinances and are simply waiting for when or where they will happen next.

Locally, Bag it Duluth has met and/or communicated with many local grocers and other retailers sharing letters and other communications. Moreover, for the past two years there has been extensive media coverage. In the last year, Goodwill, Savers, the Great Lakes Aquarium and Yarn Harbor began charging for single use bags. They did this pretty much overnight. Local examples exist and the turnaround has been rather fast.

Upon adoption of the ordinance, education and information for consumers will help facilitate the transition. Bag it Duluth has templates for signage and consumer education available. Multiple state governments have used similar templates designed to educate consumers on the new law. It is a simple matter of copying and printing the information. Finally, in every community and state where bag legislation has come into play, local media has provided an incredible role in providing education. Our belief is that local media will play a similar role here in Duluth.

## **Equity**

A key desire shared by the citizens of Duluth is that the reusable bag ordinance minimize financial and environmental burdens on low income citizens. Therefore, the reusable bag ordinance includes the provision waiving the bag fee for SNAP and WIC beneficiaries.

Citizens of Duluth are already addressing equity concerns, and will continue to do so. For example, Bag it Duluth has helped foster a network of reusable bag collections and free reusable bag donations to local social service organizations and congregations. Moreover, Bag it Duluth helped promote a citywide sew-a-thon, in which citizens sewed hundreds of bags which were later distributed in western Duluth for free. Moreover, congregations such as St. Paul's Episcopal, Unitarian Church and others have sewn and donated reusable bags to social service organizations across the city.

In Colorado, where a 20 cent bag fee has been adopted, stores across the community including large retailers such as Walmart and Safeway, participate in a community wide bag share program. This "Leave a bag, take a Bag" program provides reusable bags for those that forget to bring their reusable bags. In other communities, retailers have donated some of their disposable bag savings to local service organizations. While we can't guarantee that this will occur in Duluth, the annual cost of single-use bags for an average Duluth grocery store is equivalent to the cost of purchasing one reusable bag for every citizen in Duluth. Duluth has already shown that it will rise to the occasion and we believe it will continue to do so.

Finally, it is well recognized that low income and people of color will be disproportionately impacted by the impacts of climate change. From the standpoint of plastics alone, research shows that unless we unless prioritize reduction and reuse we will not be able to meet global climate reduction targets without addressing plastics. We simply have to change behavior. Across the globe the bag fee model has been demonstrated to be the most effective means to shift behavior towards reuse, thereby helping mitigate climate impacts.

#### **Significance of Plastic Bag Ecological and Economic Impacts**

In the environment, plastic bags degrade into small particles contributing to aquatic and terrestrial microplastic pollution. The magnitude of their contribution is unclear but what is clear is that global plastic pollution is growing and that plastic bags are a contributor. What we do know is that plastic particles contaminate the globe and are found across marine environments and on the highest mountain tops. In fact, airborne deposition may be the largest source of microplastics to the great lakes.

Studies regularly identify plastic bags as among the top ten beach debris. In a recent communication to Duluth City Council in support of the ordinance, the Regional Stormwater Protection Team (RSPT) wrote:

"Stormwater professionals in the City of Duluth, Superior, Hermantown, surrounding townships and other groups that are part of the organization [RSPT] have first-hand experiences with the challenges of maintaining stormwater infrastructure. Plastic bags make up a considerable amount of the garbage that gets caught inside stormwater infrastructure. In the last 3 years of the annual Coastal Cleanup, an event occurring in September of each year, over 1000 single-use plastic bags and foam carry out containers were picked up by volunteers each year, accounting for ¼ - 1/3 of the items picked up. The bags can catch on storm drain grates on the road surface, cracks and tree roots within pipes, or at pipe terminus, outfalls, near local rivers and Lake Superior. The bags act as effective barriers to stormwater flow, and can cause flooding of upstream areas, even damaging roads and private property."

According to a recent report, "Plastic is among the most significant and rapidly growing sources of industrial greenhouse gas emissions," and without changes to our approach, plastic production is slated to increase by

40% by 2050. Research shows that unless we unless prioritize plastics reduction and reuse we will not be able to meet global climate reduction targets. Moreover, with decades of publically funded education focused on recycling the Minnesota Pollution Control Agency states that in Minnesota plastic bag recycling is less than 10%. In a climate emergency, the City of Duluth can begin by addressing single use bags. Across the globe studies demonstrate that a city-wide shift to reuse through bag fee ordinances reduces single use bag usage by up to 90%. The concern with single use plastic bags is **NOT ONLY** about plastics in the lake, **OR THE MAGNITUDE** of their contribution, there are multiple concerns. By addressing single use plastic bags Duluth will not alone solve a global problem but it will add an important step towards addressing multiple problems. It is something we believe our community can quickly and easily address.

## **Bag Fee Intent**

The purpose of the bag fee ordinance is to encourage bag reuse, not generate revenue for retailers. Where bag fees have been introduced across the globe, by up to 90%, citizens shift away from single use bags to avoid the fee. Retailers will see a limited economic benefit, but given the reduction in use, the expense of buying bags will decline for retailers.

Moreover, across the country where bag fees have been introduced, we have seen retailers step up to support their communities. In New Jersey, Santori's Produce & Deli is donating any bag revenue to the Marine Mammal Stranding Center in Brigantine. In Connecticut, Stop & Shop is donating all of the money it takes in from the bag fee to the Emerald Necklace Conservancy. We are confident that Duluth business will similarly rise to the occasion but ultimately, we should applaud efforts that help the bottom line for business and the environment.

### **Bag Fee Success**

Concern about single use bags is not new. For the last decade or so cities have applied different approaches to address the issue. Trial and error research have demonstrated that bags fees, aside from an outright prohibition of free distribution of paper and plastic bags, are the most effective means to incentivize reuse.

- In 2015, England introduced a nationwide 6 cents in fee on bags. Sales of said bags has gone down by a whopping 90 percent at the country's seven major supermarket chains. In fact, the average consumer at those chains is now only taking 10 plastic grocery bags per year.
- A survey of Suffolk grocery stores that are members of the Food Industry Alliance of New York State showed an <u>80 percent decline</u> in the distribution of single-use bags in the first and second quarters of 2018.
- Plastic bag charge in Scotland resulted in <u>usage cut by 80%</u>

#### **Taxes on Bag Fees**

A bag fee is essentially a required charge on a provided "good." Unless exempted by the state, taxes are paid by consumer on this good. Currently, several businesses in Duluth charge a nominal five cent fee on single use bags. All of these businesses apply a tax to this five cent charge. What is required by the retailer is a simple step of programming the plastic bag as a good/item into their cash register. Yet, as the bag fee is so small, unless several bags are purchased, the tax is rounded to zero. In total, unless exempted by the State of Minnesota, the consumer would pay approximately 5.1 cents in total per bag, including tax.