June 3, 2013



CF#11-1531

Honorable Jose Huizar Chair, Energy & Environment Committee Los Angeles City Council c/o City Clerk, Room 395 City Hall, 200 North Spring Street Los Angeles, CA 90012-4801

RE: June 5 Committee Hearing Agenda Item 1 – Consideration of Single-Use Carryout Bags

Dear Chairman Huizar:

On behalf of the California Grocers Association (CGA), I urge you to move forward as quickly as possible with the EIR recommended policy of banning plastic bags, while placing a ten cent charge on paper bags. As you are aware, CGA supports this compromise solution that has been implemented in dozens of jurisdictions throughout California because it protects the environment and protects retailers. This model has been successfully implemented in LA County and other local jurisdictions and we'd like this identical model implemented very quickly in the City of Los Angeles.

The California Grocers Association is a non-profit, statewide trade association representing the retail food industry since 1898. CGA represents approximately 500 retail member companies, many of which do business in Los Angeles. Collectively our members operate more than 6,000 retail food stores in California. Those outlets represent the breadth of diversity of California's retail food industry and include traditional supermarkets, convenience stores, wholesale merchandisers, and independent supermarkets. CGA represents many of the grocery companies operating in the City of Los Angeles.

CGA is very comfortable with the draft ordinance that bans plastic bags and places a mandated ten cent charge on paper bags. We also appreciate the 6 month grace period where large stores can delete their plastic bag supply and are comfortable with a 12 month grace period for smaller stores, prior to the plastic ban becoming effective. However, following that education period, we appreciate this Committee agreeing to move directly to a ban on plastic bags coupled with a ten cent charge for paper bags. We feel that delaying implementation of this Los Angeles County model is detrimental to our business model, will confuse customers, and be very harmful to the environment. We appreciate your consideration of our concerns in moving directly to the ban/charge model once the education period has concluded.

We now have a great deal of experience in carryout bag policies and find that the most successful efforts generally involve a ban on single-use plastic bags and a charge on specified single-use paper bags. This approach taken in other jurisdictions is one that has included robust stakeholder participation and in the end embodies broad consensus on the issue. It is important

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to note that such a model has become the standard in California, including Los Angeles County. Following what has proven to be an effective and workable approach elsewhere helps increase consistency for businesses with store locations in multiple jurisdictions and for the Los Angeles region's very mobile consumers.

Experience with the Los Angeles County carryout bag ordinance, which bans single-use plastic bags and allows recyclable paper bags for a charge, has shown a dramatic shift in consumer behavior away from single-use carryout bags toward reusable bag use. Industry information is showing an almost immediate flip in consumer behavior with over 70% of consumers either bringing their own bag or choosing no bag at all in the first few weeks of implementation. Over a period of a few months the amount of consumers choosing not to use a single-use bag has climbed to over 80%. Stores that have seen this policy enacted for even longer periods of time have seen close to 98% of customers bring in reusable bags. This type of regulation is environmentally effective and protects retailers, by allowing them to recoup the costs of providing a much more expensive bag to the customer.

Allowing a small charge for paper bags also protects consumers by providing a low-cost option for unplanned purchases. If a customer comes to a store bringing three reusable bags, but buys four bags of groceries, they have an option of purchasing a paper bag for a ten cent charge, as opposed to spending a \$1.00 on another reusable bag. If that were the only alternative, customers may not purchase the extra goods – costing our stores significant revenue. Grocery stores operate on less than 1% profit margins so every penny counts.

Finally, our membership has agreed to work with the City educating our customers, your residents, about the impending carryout bag policy. This education component will include information about the policy, bag giveaways, and information on how to maintain clean and sanitary reusable bags. We look forward to working with the City throughout this process.

Thank You,

Sarah P. Sheeling

Sarah Paulson Sheehy Director, Local Government Relations

 Members, Energy and Environment Committee, Los Angeles City Council Ms. June Lagmay, City Clerk, City of Los Angeles
Mr. Gerry Miller, Chief Legislative Analyst, City of Los Angeles
Mr. Eric Villanueva, Legislative Assistant, City of Los Angeles