

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your **ENERGY AND ENVIRONMENT COMMITTEE**

reports as follows:

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the adoption of a policy to ban single-use bags in the City.

Recommendations for Council action:

1. APPROVE a Citywide policy to examine a project that would ban plastic single-use carryout bags in retailers as included in the Board of Public Works (Board) report dated September 16, 2011, subject to the following implementation schedule, and would require retailers to provide reusable bags to customers for sale or at no charge:
 - a. Upon adoption of the project's related ordinance, the ban takes effect for large retailers (as specified in the Board's report) which shall include a public education component.
 - b. Upon adoption of the project's related ordinance, provide for a six months grace period for small retailers (as specified in the Board's report) which shall include a public education component and allow retailers to phase-out product stock. The ban takes effect for small retailers upon completion of the grace period.
2. APPROVE a Citywide policy to examine a project that would ban paper single-use carryout bags in specified retailers, subject to the following implementation schedule:
 - a. Upon the adoption of the ordinance, provide for a six months grace period for retailers during which paper bags that are 100 percent recyclable and have at least 40 percent post-consumer content shall be provided at no cost to consumers for the purposes of carrying out their purchases, this period shall include a public education component.
 - b. Upon the completion of the six months grace period, retailers shall charge ten cents per paper bag for six months. Retailers may use this period to phase-out product stock.
 - c. Upon the completion of the ten cents per paper bag period, the ban takes effect on retailers.
3. DIRECT the Bureau of Sanitation (BOS), with the assistance of the City Attorney, to conduct the appropriate environmental analysis of the proposed projects, and upon completion of the environmental analysis, to report to the City Council for review and consideration of the projects implementation.
4. REQUEST the City Attorney to prepare draft ordinances consistent with the ban on single-use plastic and paper bags, and include language that enables the City to seek remedies for outstanding fines and non-compliance with the bans including, but not limited to, civil action and/or leverage through the City's business tax structure.

5. INSTRUCT the BOS to report back to the City Council as to the implementation status of the proposed policies with an evaluation of both projects and make recommendations for improvement, if necessary, two years from the adoption of related ordinances.

Fiscal Impact Statement: The CAO reports that the Program staffing and implementation for a ban on single-use carryout bags, currently estimated at a cost of \$418,075, could be funded from special fund sources, including the Citywide Recycling Trust Fund and Solid Waste Resources Revenue Fund. In recognition of City Financial Policies, ongoing funding is contingent on the funding capacity of special funds as evaluated during the budget process. There is no impact to the General Fund.

Community Impact Statement: Yes.

For Proposal: East Hollywood Neighborhood Council
Mar Vista Neighborhood Council
Palms Neighborhood Council
Reseda Neighborhood Council
Silver Lake Neighborhood Council
South Robertson Neighborhood Council
West Hills Neighborhood Council
Westside Neighborhood Council

Against Proposal: Encino Neighborhood Council
Sherman Oaks Neighborhood Council

Summary:

On April 4, 2012, the Energy and Environment Committee considered a March 23, 2012 CAO report and a March 28, 2012 BOS report relative to the adoption of a policy to ban single-use bags in the City. Representatives from the Board, BOS, CAO, CLA, and City Attorney offices gave the Committee background information on the matter. The CAO states that at the meeting Council held on December 16, 2011, it was requested that the following information be provided:

1. Fiscal impacts of the proposed bag ban on manufacturers, businesses, consumers, City residents and the environment.
2. The feasibility of different proposal options (i.e. ban plastic and paper bags, ban plastic and charge on paper, ban plastic and place limitations on free paper bags).

The CAO concurred with the March 28, 2012 BOS report relative to the policy for banning single-use carryout bags. However, they do not support a ban on paper bags at the present time for reasons of consumer choice and necessity. The CAO further states that very few communities have enacted a single-use ban that includes plastic and paper. They do recommend, however, that paper bags be offered for a fee of ten cents, consistent with the Los Angeles County (County), Long Beach and other jurisdictions, to minimize a potential impact on store prices and encourage the use of reusable bags. Under this scenario, it was suggested that paper bag usage be revisited in two years to determine whether a higher fee would be warranted to discourage further use and decrease the environmental risk of increased paper bag consumption, or that paper bags be banned altogether as currently proposed by the BOS.

It was noted in the CAO report that the recommendations only request City Council approval of a policy statement for further study. Approval of a program and ordinance is subject to environmental analysis through the California Environmental Quality Act which requires disclosure on a project's potentially significant impacts on the environment and any necessary mitigation measures.

The Committee amended the recommendations from the CAO report to include the approval of a City wide policy to examine a project that would ban paper single-use carryout bags in retailers. The implementation schedule for the policy to ban paper single-use carryout bags was laid out in such a way wherein upon the adoption of the ordinance, provide for a six months grace period for retailers during which paper bags that are 100 percent recyclable and have at least 40 percent post-consumer content shall be provided at no cost to consumers for the purposes of carrying out their purchases, this period shall include a public education component. After the completion of the six months grace period, retailers shall charge ten cents per paper bag for six months. Retailers may use this period to phase-out remaining stock. Once the six months of charging ten cents per paper bag period is over, full implementation on the ban for paper single-use carryout bags takes effect. The Committee also added the recommendation for the BOS to report back to the City Council as to the implementation status of the proposed policies with an evaluation of both projects, and make recommendations for improvement, if necessary, two years from the adoption of related ordinances.

The representative from the City Attorney's office clarified that the public will have an opportunity to voice their opinion during the Environmental Impact Report (EIR) process and that since the County has completed its own EIR, that a truncated process may be employed wherein City staff can piggyback on the County's EIR and augment it to the extent necessary to cover what was discussed.

The BOS states that adopting the parameters of the program as discussed will allow them to start the EIR process, and with the truncated process, it will cut back the usual six to nine months EIR process to about four to six months. After providing an opportunity for public comment, the Committee recommended that Council approve the CAO report with the amendments as reflected above. This matter is now submitted to Council for its consideration.

Respectfully submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
HUIZAR:	YES
ZINE:	YES
CÁRDENAS:	ABSENT
ALARCÓN:	YES
KORETZ:	YES

EV
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- Not Official Until Council Acts -