



CALIFORNIA 2016  
BALLOT BACKGROUNDER

Proposition **67**

Plastic Bag Ban

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**Purpose**

Proposition 67 is a referendum that allows voters to approve or reject recent legislation prohibiting stores from providing customers single-use plastic bags at the point of sale.<sup>1</sup>

**Background**

In 2014, the California State Legislature passed Senate Bill 270, a bill that would prohibit grocery stores and other food retailers from providing single-use carry out plastic bags to customers at the point of sale, and would require stores to charge for each reusable carryout bag they provide to customers. Governor Jerry Brown signed the bill into law in September 2014, making California the first state to enact a statewide ban on single-use plastic bags.

In California, costumers are provided with over 15 billion plastic bags annually.<sup>2</sup> While many people appreciate the convenience of plastic bags, concerns have grown about their effects on the environment. Plastic bags often end up as litter, take many years to biodegrade, and kill marine animals that ingest them.

After the SB 270 was enacted, opponents of the bill qualified this referendum to allow voters to decide whether or not the law should go into effect. SB 270 will not go into effect until California voters have a chance to either approve it or reject it.

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<sup>1</sup> California Secretary of State, "California General Election November 8, 2016, Official Voter Information Guide," accessed August 18, 2016, <http://vig.cdn.sos.ca.gov/2016/general/en/pdf/complete-vig.pdf>.

<sup>2</sup> Ibid.

### Existing Law

Approximately 150 cities and counties in California have local ordinances banning single-use plastic bags. San Francisco passed the first ban in 2007, and the city of Los Angeles passed its ordinance in 2014.<sup>3</sup> SB 270 would extend the ban statewide.

### Proposed Law (SB 270)

Under SB 270, large grocery stores and pharmacies would not be allowed to provide single-use plastic bags to customers at the point of sale. The ban does not apply to certain food items, including produce, meat, bulk foods, and other perishable items.

The law would eventually extend the ban to small grocery stores, convenience stores, and liquor stores.

Additionally, the law would require food retailers to charge a minimum of 10 cents for each paper or other reusable carryout bag provided at checkout. Stores would keep the added revenue resulting from the sale of bags. Customers who participate in the California Special Supplemental Food Program would not be charged for carryout bags given at purchase.

Under SB 270, the state would provide \$2 million in loans to state plastic bag manufacturers. The loans would aid manufacturers in the transition from producing single-use to reusable bags.

The law also sets out standards for manufacturers regarding the material content of reusable bags.

### Fiscal Impact

The Legislative Analyst estimates that state and local governments would experience increases in administrative costs of less than a million dollars annually due to the enforcement of new plastic bag requirements. Fees placed on bag manufacturers would offset the increased administrative costs.

Local governments might experience minor increases in savings due to reduced cost of cleaning up plastic bag litter and waste.

### Supporters

SB 270 (and Yes on 67) is supported by a coalition of environmental organizations and the grocery store industry. The effort is also backed by Gov. Jerry Brown, Secretary of State Alex Padilla, and the California Democratic Party.

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<sup>3</sup> Ibid.

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Seven counties and 14 cities, including both the cities and counties of Los Angeles and San Francisco, support the ban.

Of the \$1,847,605.46 raised in favor of Prop 67 by several PACs, top donors include Environment California, the California Grocers Association, Albertsons (\$150,000), Safeway (\$100,000), Ralphs/Food 4 Less (\$80,000), and Raley's (\$25,000).<sup>4</sup>

### Arguments of Supporters

Those in favor of Proposition 67 argue that a statewide plastic bag ban would help protect the environment and wildlife, reduce litter in parks and waterways, and lower clean-up costs.

Supporters also argue that the statewide ban would serve to continue the successful efforts of many local ordinances across California in phasing out the use of plastic bags.

### Opponents

The American Progressive Bag Alliance, a trade group representing the plastic bag industry, leads the effort to defeat the plastic bag ban by defeating Proposition 67.

Others in opposition include the Howard Jarvis Taxpayers Association and the American Forest & Paper Association.

Of the \$5,139,079 raised by the American Progressive Bag Alliance PAC, top donors include Hilex Poly Co. LLC (\$2,783,739)\*, Formosa Plastics Corporation USA (\$1,148,442)\*, Superbag Corp. (\$1,074,537)\*, and Advance Polybag Inc (\$939,333)\*.<sup>5</sup>

### Arguments of Opponents

Opponents argue that Prop. 67 serves as a hidden tax on consumers who will be forced to pay 10 cents or more for bags checkout.

They also note that all of the revenue from the added fees on bags, estimated to be around \$300 million per year, will go to grocery stores rather than to environmental programs.

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<sup>4</sup> "California Proposition 67, Plastic Bag Ban Veto Referendum (2016)," Ballotpedia, accessed August 27, 2016, [https://ballotpedia.org/California\\_Proposition\\_67,\\_Plastic\\_Bag\\_Ban\\_Veto\\_Referendum\\_\(2016\)](https://ballotpedia.org/California_Proposition_67,_Plastic_Bag_Ban_Veto_Referendum_(2016)).

<sup>5</sup> California Fair Political Practices Commission, "November 2016 General Election," accessed August 16, 2016, <http://www.fppc.ca.gov/transparency/top-contributors/nov-16-gen-v2.html>. \*Indicates money coming from outside of California.

### Conclusion

A Yes vote would affirm the plastic bag legislation passed by the California Legislature and signed by Governor Brown. SB 270 would go into effect, prohibiting grocery stores, convenience stores, pharmacies, and liquor stores from providing plastic bags at checkout. Stores would be required to charge a minimum of 10 cents for the sale of paper or other recyclable carryout bags and would receive the proceeds from the sale of reusable bags.

A No vote would reject the SB 270, meaning that the statewide plastic bag ban would not go into effect.

**For more information on Proposition 67, visit:**

[www.roseinstitute.org](http://www.roseinstitute.org)

[www.cayeson67.com](http://www.cayeson67.com)

[www.fighttheplasticbagban.com](http://www.fighttheplasticbagban.com)