



# bag free in the Boat

## CARRYOUT BAG FEE FREQUENTLY ASKED QUESTIONS (FAQ)

### Why do we have this fee?

In 2021, the Colorado General Assembly enacted House Bill 21-1162, the "Plastic Pollution Reduction Act" to mitigate the harmful effects of single-use plastic carryout bags and expanded polystyrene products on our state's natural resources and our environment. The city had an existing bag fee and passed an ordinance that reconciled both the City and State laws.

### What is a Carryout Bag?

A carryout bag is a bag that is furnished to a customer at a store or retail food establishment at the point of sale for use by the customer to transport or carry purchased items. A carryout bag does not include a bag made of paper when the paper has a basis weight of thirty pounds or less, or a bag that a pharmacy provides to a customer purchasing prescription medication. Stores must charge a 20-cent fee on each carryout bag, unless those bags are reusable carryout bags.

### What is a Reusable Carryout Bag?

A reusable carryout bag means a carryout bag that is designed and manufactured for at least 125 uses, can carry at least 22 pounds over a distance of 175 feet, has stitched handles, and is made of cloth, fiber, or other fabric, or a recycled material such as Polyethylene Terephthalate (PET). A reusable carryout bag does not include bags made of biologically based polymers such as corn or other plant sources, except that a carryout bag made of hemp is a reusable carryout bag if it designed to meet the above requirements.

### How much is the fee?

The fee is 20 cents for each carryout bag that does not meet the definition of a reusable carryout bag as defined above.

### Which establishments are included in the bag fee?

The bag fee applies to all stores in Steamboat Springs, including stores, small stores, Farmers Markets, Roadside Market or Stand, Festival, or other temporary vendor or event that includes temporary vendors.

### How does a customer avoid the fee?

Shoppers can avoid the bag fee by bringing their own reusable bags.

### Does this fee apply to paper and plastic carryout bags?

Yes, this fee applies to both paper and plastic carryout bags. On January 1, 2024, stores and retail food establishments will be prohibited from providing plastic carryout bags to customers and will be required to provide only recycled paper carryout bags.

### Does this fee apply to bags used for produce?

The bag fee does not apply to some bags such as those used to package loose or bulk items such as small hardware items, greeting cards, small living species like insects or fish, bulk pet food, produce, meat, or fish.

### Can a store pay the fee for the customer?

The store may not pay the fee or refund to the customer any portion of the carryout bag fee, either directly or indirectly, or advertise or otherwise convey to customers that any portion of the carryout bag fee will be refunded.

### Is this fee voluntary?

This fee is required by law. It applies to all customers who take a carryout bag, with the exception of customers that provide evidence to the store that the customer is a participant in a federal or state food assistance program.

### What information needs to be on the store receipt?

A record of the number of carryout bags provided as part of the transaction and the total amount of fees charged for the carryout bags provided, itemized by type of carryout bag (either recycled paper or plastic single-use)

### When do stores have to begin remitting fees to the city?

Stores must begin charging the fee on January 1, 2023. On a quarterly basis, starting April 20, 2023, stores must remit the total amount of carryout bag fees collected in the previous quarter to the City of Steamboat Springs.



# bag free in the Boat

## CARRYOUT BAG FEE FREQUENTLY ASKED QUESTIONS (FAQ)

### Can a store still provide plastic bags?

Stores, with the exception of large markets that fall into the City's current plastic bag ban, may provide plastic carryout bags for the 20-cent fee through December 30, 2023. Starting January 1, 2024, plastic carryout bags will be phased out except for certain retail food establishments that prepare or serve food in individual portions for immediate on- or off-premises consumption (restaurants). Between January 1, 2024, and June 1, 2024, a store may provide a plastic carryout bag for the 20-cent fee only from its remaining inventory. After that date, stores will be prohibited from providing single-use plastic carryout bags to customers – however recycled paper bags will be permitted for the 20-cent fee.

### Is sales tax charged on the fee?

No, sales tax is not charged on the fee.

### What information needs to be on display?

Conspicuously displayed sign(s) must be displayed in a location inside or outside the store, which alerts customers about the carryout bag fee. The City of Steamboat Springs has developed signage that will meet this requirement that stores may use. Stores may get the free signage from the front desk of city hall on 10th street. It is also online at [www.steamboatsprings.net/BYOB](http://www.steamboatsprings.net/BYOB)

### How much money does the store keep?

The store keeps 4 cents of the 20-cent fee to cover the cost of implementing the program.

### How much money goes to the City of Steamboat Springs?

16-cents will go to the City of Steamboat Springs for recycling, composting and other waste diversion programs, including outreach and education activities.

### What does the fee support?

The fee supports recycling, composting and other waste diversion programs, including outreach and education activities.

### How do I remit my business's bag fees to the city?

Bag fees are to be paid online with a quarterly return form, using a credit card, debit card or ACH here: <https://www.steamboatsprings.net/273/Pay-for>

### Will using recycled paper bags cost a retailer more money than the bags they use today?

We expect overall bag costs to go down for retailers. In Steamboat, our large markets have had a bag fee of \$0.20 for over 3 years. Overall, we have seen an 85% in bag usage, leading to significant cost savings.

Here's an example of the expected costs to retailers of a craft paper bag (\$0.27) vs a recycled paper bag (\$0.57).

**Current:** 100 bags/day: 27 cents x 100 = \$27.00

#### Future:

50% drop – 50 bags a day: 57 cents x 50 = \$28.50, retain 4 cents/bag (\$2.00) = \$26.50

70% drop – 30 bags a day: 57 cents x 30 = \$17.10, retain 4 cents/bag (\$1.20) = \$15.90

85% drop – 15 bags a day: 57 cents x 15 = \$8.55, retain 4 cents/bag (60 cents) = \$7.95

If our community sees a 50% drop in bag usage, then stores will basically break even. If bag usage declines by more than 50%, stores will save money on bags.

### What is different in Steamboat Springs vs. the State law?

The city fee is 20 cents vs. the State fee of 10 cents. This was enacted to be consistent with the existing regulations in Steamboat prohibiting carry out plastics bags in large retail stores and requiring a 20 cents fee on paper bags. In addition, the city fee includes all stores, including small stores.

### What if a store doesn't collect or remit the carryout bag fees?

The City of Steamboat Springs shall issue a warning notice to the market, store, or small store for the initial violation.

Additional violations within 12 months will incur a penalty against the market, store, or small store. The penalty for each violation that occurs after the issuance of the warning notice shall be no more than:

- (A) Fifty dollars (\$50.00) for the first offense;
- (B) One hundred dollars (\$100.00) for the second offense;
- (C) For the third and all subsequent offenses there shall be a mandatory court appearance and such penalty as may be determined by the court.