

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 812**

STATE OF NEW JERSEY

DATED: DECEMBER 17, 2012

The Senate Environment and Energy Committee favorably reports a Senate Committee Substitute for Senate Bill No. 812.

This committee substitute would be known as the "Carryout Bag Reduction and Recycling Act" and would (1) require stores to impose a \$.05 fee per bag for the use of disposable carryout bags, (2) allow stores to provide a \$.05 credit for each bag provided by a customer, and (3) require disposable carryout bags provided by stores to be recyclable by January 1, 2015.

The bill would require the operator of any store to impose a \$.05 fee on every disposable carryout bag provided to a customer. The operator would retain \$.01 and remit the remaining \$.04 to the Department of Environmental Protection. The operator of a store may also establish a voluntary carryout bag credit program, where a customer would be provided a credit of \$.05 for each carryout bag the customer provides. Should an operator establish a voluntary carryout bag credit program, the operator would be authorized to retain \$.02 of every \$.05 imposed for providing a disposable carryout bag to a customer.

Under the committee substitute, the provisions would apply to the operator of a convenience store, bakery, drugstore, supermarket, liquor store, restaurant, delicatessen or retail establishment that provides carryout bags to its customers but would not apply to a farm market as defined pursuant to section 3 of P.L.1981, c.31 (C.4:1C-3). The committee substitute would not apply to (1) bags used inside of a store to package bulk items, unwrapped prepared food or bakery items, prescription drugs, frozen food, meat or fish, or flowers, (2) paper carryout bags provided to a customer to carry out food from a restaurant with seating, or (3) plastic bags used to package newspapers or dry-cleaning.

Beginning in 2015, the operator of any store would be prohibited from providing a disposable carryout bag unless the carryout bag is recyclable.

The revenue from the fees remitted to the department would be deposited in the Barnegat Bay Restoration Fund established in the

committee substitute, and would be used for programs to improve the water quality of the Barnegat Bay.

The committee substitute would require a store operator to submit a quarterly report to the Department of Environmental Protection together with the remittance of the dollar equivalent of the amount collected from customers as disposable carryout bag fees, less the amount authorized to be retained by the operator. The report would also be required to document the total fees collected from the distribution of disposable carryout bags, the total amount retained by the operator, and the total amount credited to customers who provide carryout bags under a voluntary carryout bag credit program as described in the committee substitute.

Finally, the bill would authorize the imposition of civil administrative penalties for violations of \$100 for the first violation, \$200 for the second violation, and \$500 for the third and subsequent violations. The committee substitute would also authorize the Commissioner of Environmental Protection to issue an order to require compliance with the act, to bring a civil action, and to bring an action for a civil penalty, for a violation of the act.