

Retailer Frequently Asked Questions (FAQs)

Who is Affected?

Which stores are affected?

All retail establishments including, but not limited to, grocery, clothing, gift, eyewear, convenience, pharmacies, consignment stores and special event festival booths in Los Altos are affected.

What businesses are exempt?

- Restaurants
- Any store providing a service (e.g., dry cleaners or shoe repairs), but not if a good is sold (e.g., beauty products at a hair salon)
- Non-profit charitable resellers (non-profit thrift stores)

For-profit stores that sell used goods, such as consignment shops, are not exempt from the Ordinance.

I am a retailer who uses plastic bags, but not for customer purchases. Am I exempt?

If your store only provides a service and does not sell any products, you are exempt from the Ordinance. A hair salon that sells products would not fall under this category, but a shoe repair shop that sells no materials would be exempt.

Allowable Bags

What types of bags am I allowed to use if I can no longer use single-use carryout bags?

Compliant bags include the following:

- Recycled paper bags made of no old growth fiber and a minimum of 40% post-consumer recycled content that are 100% recyclable with words “reusable” or “recyclable” printed on the outside of the bag
- Durable plastic bags with handles that are at least 2.25 mil thick and are designed to be used multiple times
- Reusable bags made of cloth or machine washable fabric

Are biodegradable/compostable bags allowed?

No. Biodegradable and/or compostable are not permitted in this Ordinance.

Where can I purchase compliant bags for my store?

Talk to your bag manufacturer about sourcing bags that meet the specifications as indicated in the Ordinance. You may also refer to the list of bag suppliers included in this packet.

What about small bags I use for cards, jewelry, small baked goods, etc.?

These are considered “protective bags” and are excluded under the Ordinance. The Ordinance specifies that the definition of single-use carryout bags does not include bags without handles that are used to “segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a reusable bag or recycled paper bag at the point of sale.”

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I am a retailer who has a large supply of plastic single-use bags and I do not turn them over quickly enough. What can I do about these bags?

One option is to donate the bags to a non-profit charitable resale shop that can reuse them. Another option is to donate them to a local food bank.

Bag Charge Fee

Are retailers required to charge?

Yes. Businesses are required to charge a minimum of \$0.10 per checkout bag. The \$0.10 charge must be listed as a separate itemized transaction on the customer's receipt with records kept for at least 3 years. This charge is scheduled to increase to a minimum of \$0.25 on January 1, 2015.

Is the bag charge fee taxable?

No. The \$0.10 charge is not taxable to the consumer according to the State Board of Equalization [Special Notice: Sales Tax Does Not Apply to City and County Bag Surcharges](#). If you charge more than \$0.10 per bag, then the remainder of the price is taxable.

Are all bags provided by stores subject to a charge?

No. Protective bags without handles for items such as produce, bulk items, meats, baked goods, jewelry, prescription medications, and greeting cards are exempt from the Ordinance and therefore can be provided to the customer without charge.

Do we have to charge for all bags, not just paper bags, as long as they are allowable bags under the Ordinance?

Yes. A retailer must charge customers a minimum of \$0.10 for all compliant bags, including paper, 2.25 mil thick plastic bags or cloth reusable bags.

Does everyone have to pay the bag charge?

No. Customers purchasing food with Women, Infant, Children (WIC) or CalFresh/Supplemental Nutrition Assistance Program (SNAP) Programs are exempt from the bag charge.

Who gets the bag charge fee?

Stores keep the entire checkout bag charge in order to offset the cost of purchasing compliant bags.

Can a retailer discount the cost of the \$0.10 bag fee?

No. A retailer must charge a minimum of \$0.10 for an allowable bag as directed in the Ordinance as a line item on the receipt. Stores are allowed to apply discounts to the merchandise purchased, if desired.

Does the sale of a paper or reusable bag need to be on a customer receipt?

Yes. All sales of compliant bags must be itemized separately on the customer receipt.

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Recordkeeping

What records are retailers required to maintain?

Stores must keep a record for up to 3 years of the following:

- The number of compliant bags purchased by the retailer
- The number of compliant bags sold to the customer

What format do the records need to be in and do stores need to submit records to the City?

The City of Los Altos is not requiring that the records kept by the stores follow any specific format. The records must be available to the City upon request within a reasonable time frame, but retailers will not be required to make periodic submittals.

Enforcement

How will the Reusable Bag Ordinance be enforced?

The City of Los Altos expects to conduct occasional random spot-checks and will also enforce the Ordinance on a complaint basis.

What are the consequences if a store does not comply with the Ordinance?

The City anticipates voluntary compliance by stores. If enforcement is required, it will begin with a written warning notice. If a store operator continues to violate any section of the Ordinance, the operator will be guilty of an infraction and subject to a fine of \$100. A second violation (on a separate calendar day) will result in a fine of \$200. Subsequent violations will result in fines of \$500.

Contact for Additional Assistance

Thank you for your support of the City of Los Altos Reusable Bag Ordinance.

If you have additional questions or need clarification on the information provided please contact Kathy Kleinbaum, Economic Development Manager at kkleinbaum@losaltosca.gov or (650) 947-2620.