

Colorado State Bag Fee FAQs

General Questions

How much is the bag fee?

The bag fee is 10 cents (\$0.10) per plastic or paper bag.

What businesses must charge the \$0.10 single-use bag fee?

Major grocery stores, convenience stores, retailers, liquor stores, marijuana dispensaries, drug stores and pharmacies. In the City of Edgewater, this includes:

- King Soopers
- Target
- Ace Hardware
- Player's Café
- Green Solution at 20th & Harlan
- Native Roots at 20th & Depew
- LOVA Canna Co at 20th & Sheridan
- Green Dragon at 24th & Sheridan
- Pure Marijuana Dispensary at 25th and Sheridan

What businesses are exempt from the Colorado Bag Fees?

Restaurants and small stores are exempt from charging the bag fees. To be considered a small store, a store must meet **all three** of the following criteria:

- Operates solely in Colorado
- Has three or fewer locations in the state
- Is not part of a franchise, corporation, or partnership with physical locations outside of Colorado.

Are some types of bags exempt from the fee?

Bag fees are only charged for single-use bags distributed to customers at checkout or the point of sale. This does not include:

- Bags used inside the stores to:
 - Package bulk items such as fruit, vegetables, nuts, grains, candy, small hardware items
 - Contain or wrap frozen foods, meat, or fish
 - Contain or wrap flowers, plants, or other items where dampness may be a problem

- Contain unwrapped prepared foods or bakery items
- A non-handled bag used to protect a purchased item from damaging or contaminating other purchased items when placed in a recyclable paper or reusable bag
- Bags provided by pharmacists to contain prescription drugs
- Newspaper bags, door-hanger bags, laundry-dry cleaning bags, or bags sold in packages containing multiple bags for uses like food storage, garbage, pet waste, or yard waste

When does the single-use bag fee take effect?

The statewide single-use bag fee will take effect on January 1, 2023, for all single-use paper **and** plastic bags. Beginning on January 1, 2024, the bag fee will remain in place for single-use paper bags and single-use plastic bags will be banned, along with Styrofoam™ takeout containers.

What businesses will be required to follow the plastic bag ban and Styrofoam™ ban that starts on January 1, 2024?

- All businesses that must follow the single-use bag fee, including self-checkout and delivery services.
- Restaurants

For Residents & Shoppers

Do all customers have to pay the bag fee at impacted businesses?

Customers who can provide proof of participation in federal or state food assistance programs, such as SNAP or EBT, do not have to pay the single-use bag fee.

How can I avoid paying the Colorado bag fee?

Customers can avoid paying the 10-cent bag fee by bringing their own reusable bag(s) with them to the store. Some stores even offer bag discounts or credits when you bring your own bags so customers can save even more than 10 cents per bag!

Customers can also choose not to bag their purchases.

Stay Tuned in 2023! Edgewater Sustainability will be providing free reusable bags to Edgewater residents at select community events in 2023.

Does the bag fee apply to bags used for delivery orders or self-checkout?

Yes, the bag fee must be applied to each single-use bag provided at self-checkout stations or in delivery orders from stores that are otherwise required to charge a bag fee.

For Businesses

What resources are available in Edgewater to help businesses communicate with customers and comply with the Colorado bag fee?

The City of Edgewater is creating materials to help spread the word about the bag fee to residents and at local businesses starting in 2023. These materials will be made available at www.EdgewaterCO.com/BagFee in December 2022.

If you'd like to arrange a time to discuss your businesses needs or questions related to the state bag fee, please reach out to Paige Johnson, Edgewater Sustainability Coordinator, via email at pjohnson@edgewaterco.com.

Does my business need to charge the single-use bag fee starting in 2023?

Major grocery stores, convenience stores, retailers, liquor stores, and marijuana dispensaries must pass the single-use bag fee to their customers based on each paper and plastic bag used at checkout. In the City of Edgewater, this includes:

- King Soopers
- Target
- Ace Hardware
- Player's Café
- Green Solution at 20th & Harlan
- Native Roots at 20th & Depew
- LOVA Canna Co at 20th & Sheridan
- Green Dragon at 24th & Sheridan
- Pure Marijuana Dispensary at 25th & Sheridan

Restaurants and small stores are exempt from charging the Colorado bag fee. According to the Plastic Pollution Reduction Act, a "Small Store" is one that operates solely in Colorado, has three or fewer locations in the state, **and** is not part of a franchise, corporation, or partnership with physical locations outside of Colorado.

If your business is listed above and believes it should be exempted from the statewide single-use bag fee, please contact Paige Johnson, Sustainability Coordinator, via email at pjohnson@edgewaterco.com to discuss your situation further.

How does my business comply with the bag fee?

To comply with the Colorado Plastic Pollution Reduction Act, impacted businesses (listed above) must charge customers a \$0.10 fee for each single-use plastic and paper bag used at the point of sale beginning January 1, 2023.

- Businesses will retain \$0.04 per bag of the collected fee to cover costs associated with administration of and compliance with the state law.
- The other \$0.06 per bag of the collected fee is to be remitted to the City of Edgewater on a quarterly basis.

Fees will be remitted to the City of Edgewater on a quarterly basis through the same form that your business uses to file city sales tax returns. At the present time, bag fee remittance to the City of Edgewater will begin on April 1, 2024.

Note: Your business does not need to apply for a new account or license for the Bag Fee requirement.

How the Revenue Will be Used

What are the bag fee revenues used for?

Four cents of the fee are kept by the store to cover costs of complying with the ordinance. The remaining six cents will be used by the City of Edgewater for:

- Administration costs associated with implementing and enforcing the fee
- Providing reusable bags to the community
- Educating residents, businesses, and visitors about the impacts of disposable bags
- Other waste reduction, recycling, composting, or waste diversion programs

Note: The single-use bag fee is a fee, not a tax, and therefore all proceeds collected under the State law must be used for approved purposes listed above. These proceeds cannot be used for other general government expenses.

How is the fee monitored and recorded for the customer?

A store must record on a customer's receipt the number of single-use bags and the total amount of fees charged for each bag. The bag fee CANNOT be included as revenue for the purpose of calculating sales tax to the customer.