



December 6, 2022

Ridgway business owner,

In 2021, the Colorado General Assembly passed House Bill 21-1162, the Colorado Plastic Pollution Reduction Act. The Act does the following:

- Prohibits stores and retail food establishments from providing single-use plastic carryout bags to customers on and after January 1, 2024. **Please note that since June 1, 2019, the Town of Ridgway has prohibited disposable plastic bags and non-permitted paper bags from being sold or distributed, retail or wholesale, within Town limits by any business.**
- Imposes a 10-cent fee on recycled paper carryout bags or single-use plastic carryout bags provided at the point of sale beginning on January 1, 2023 through January 1, 2024. On and after January 1, 2024, a store may provide a customer with one or more recycled paper carryout bags at the point of sale only if the customer pays a carryout bag fee of 10-cents per recycled paper carryout bag.
- Prohibits retail food establishments from distributing an expanded polystyrene product (i.e., Styrofoam) for use as a container for ready-to-eat food beginning on January 1, 2024.

Impacted stores and retail food establishments are those which have more than three locations and/or are part of a franchise, corporation, or partnership that has a physical location outside of Colorado. It is strongly recommended that you contact the corporate or state-wide offices for your store to confirm if any company-wide policies have been developed in response to this state-wide law.

For businesses impacted by the Colorado Plastic Pollution Reduction Act, the following rules and requirements apply:

- Impacted stores must provide on each customer's transaction receipt a record of the number of recycled paper bags provided as part of the transaction and the total amount of fees charged for the paper bags.
- Impacted stores must display signage in conspicuous locations notifying customers of this fee.
- Impacted stores may not engage in practices to subvert the law including, but not limited to, providing refunds to customers to offset the bag fee in any way or failing to charge customers for each bag they use.



- All paper carryout bags must be 100% recycled material or postconsumer content. A store may provide bags that do not meet this criterion if the bags are in the store's inventory prior to January 1, 2023.
- Impacted stores must keep an accurate record of the total amount of fees collected and remit 60% of the total amount to the Town of Ridgway. Ridgway is working to set up collections through the existing MUNIREvs system.
- Fees collected must be remitted to the Town of Ridgway on a quarterly basis, based on the total amount collected in the previous quarter. It is recommended that your store begin remittance as early as April 2023, but the first remittance must occur no later than April 2024. The first remittance payment must account for all fees collected starting January 1, 2023. After April 2024, remittance must occur regularly on a quarterly basis.
- Impacted stores may retain 40% of the total fees collected, and these funds do not count as revenue for the purpose of calculating sales tax.
- If a store does not collect at least \$20.00 in a quarter, the store shall retain those collected fees until the store has more than \$20.00 worth of collected fees to remit and shall remit those fees as part of the next quarter remittance.
- The carryout bag fee does not apply to a customer that provides evidence to the business that the customer is a participant in a federal or state food assistance program.
- The Act authorizes a local government to enforce against a violation and failure to implement the requirements of this new law could result in fines.

To access the full text of HB21-1162, please visit <https://leg.colorado.gov/bills/hb21-1162>. For questions about the rules and requirements or for assistance in determining if your store is impacted by the Colorado Plastic Reduction Act, please contact Deb Overton at doverton@town.ridgway.co.us or 970-626-5308, ext. 221.

Thank you,

Town of Ridgway