

News Release

IN FACE OF OPPOSITION, SANTA CLARA COUNTY POSTPONES TAX VOTE

Labor, Employers Request Real Public Input

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San Jose, CA (December 11, 2008) – A broad group of labor, consumer and business organizations in Santa Clara County on Tuesday strenuously objected to a proposed new retail tax on consumers, leading the Santa Clara County Recycling and Waste Reduction Commission to postpone its vote on the controversial proposal.

The county advisory Commission was set to vote yesterday at its hearing on a model ordinance that would impose a new tax on consumers of 25 cents for every bag currently received free at retail store checkouts. The Commission had planned to approve and submit the new tax proposal to cities throughout the county for their consideration. However, commissioners yesterday said they want cities and the county to comment on the draft proposal before a follow up hearing and vote on February 25.

“The Commission was set to deliver a present to more than a million California shoppers this holiday season: a new tax,” said Tim Shestek of The American Chemistry Council, one of more than a dozen groups opposing the new tax. “Fortunately, the Commissioners agreed that significant public review is in order, particularly in light of wide-ranging objections and limited community involvement.”

The groups expressing concern over the new retail tax include:

- United Food and Commercial Workers Union (Local 5)
- Hispanic Chamber of Commerce of Silicon Valley
- Vietnamese-American Chamber of Commerce of Silicon Valley
- San Jose Silicon Valley Chamber of Commerce
- Milpitas Chamber of Commerce
- Santa Clara Chamber of Commerce
- Gilroy Chamber of Commerce
- Morgan Hill Chamber of Commerce
- People’s Advocate, Inc.
- California Independent Grocers Association
- Neighborhood Market Association
- California Restaurant Association

- California Retailers Association
- 7-11 Convenience Stores
- American Chemistry Council

“Raising taxes in the midst of the most serious economic downturn in decades, which would hurt local employers and our most vulnerable people, makes public officials appear unsympathetic to current hardships facing county residents,” Shestek continued. “At a time when thousands of workers are being laid off and mayors are asking for federal bailout money, surely the Commissioners can come up with something more creative than a new tax on consumers.”

To date, the Commission has turned away offers from recyclers and local companies to establish and expand upon bag recycling programs throughout Santa Clara County and instead decided to pursue a tax on consumers. “The new tax proposal is especially troubling in light of offers by many stakeholders to work with the Commission to advance recycling and anti-litter programs that don’t punish hard working families,” Shestek concluded.

The California state legislature last session rejected a tax on plastic retail bags. A new state law requires retailers to establish in-store recycling programs for plastic bags and product wraps, thereby diverting these materials from landfills and creating new consumer products, such as durable decking, fencing, railings, shopping carts and new bags.

California state law also prohibits communities from imposing a tax on plastic bags.

Plastic retail bags make up less than one half of one percent of garbage, according to the U.S. EPA. Communities that have taxed or banned the use of retail bags have found no reduction in the overall use of bags or litter.

A new website has been established (<http://www.stopthesantaclaracobagtax.com/>) that allows consumers to voice their opposition to the tax to their city council members.

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