

Amend CSSB 635 (house committee printing) by adding the following appropriately numbered sections to the bill and renumbering subsequent sections of the bill appropriately:

SECTION \_\_\_\_\_. Subtitle B, Title 5, Health and Safety Code, is amended by adding Chapter 376 to read as follows:

CHAPTER 376. DISPOSABLE PLASTIC BAG FEE; LOCAL RECYCLING

ASSISTANCE GRANT PROGRAM

Sec. 376.001. DEFINITIONS. In this chapter:

(1) "Compostable plastic bag" means a plastic bag that meets or exceeds the standard for compostable plastics developed by the American Society for Testing and Materials International as specified in ASTM D6400-04 as that standard existed on January 1, 2011.

(2) "Disposable plastic bag" means a plastic carryout bag that is provided by a retailer to a customer at the point of sale. The term does not include a reusable plastic bag.

(3) "Retailer" means a person engaged in the business of selling goods directly to a customer.

(4) "Reusable plastic bag" means a bag with handles that is specifically designed and manufactured for multiple reuses and is made of plastic that is at least 2.25 millimeters thick.

(5) "Commission" means the Texas Commission on Environmental Quality

Sec. 376.002. GRANT PROGRAM. (a) The commission or executive director shall establish and administer a local recycling assistance grant program for the public purpose of supporting municipal and county recycling efforts in this state.

(b) Only a municipality or county may apply for and receive a grant under the program.

(c) The commission or executive director by rule shall establish criteria for the awarding of grants under this section. In adopting the rules, the commission or executive director must give preference to applicants that:

(1) do not have a recycling program on the date of the application; or

(2) will use the grant money to expand the recycling capacity of an existing recycling program.

(d) The commission or executive director shall adopt any other rules and forms necessary for the implementation and administration of the program.

Sec. 376.003. DISPOSABLE PLASTIC BAG FEE. Except as provided by Section 376.004, a fee of five cents is imposed on a customer for each disposable plastic bag provided to the customer to carry out or protect goods purchased from a retailer.

Sec. 376.004. EXEMPTIONS. A fee may not be imposed under Section 376.003 for:

(1) a disposable plastic bag that is used solely to carry bulk food, produce, or meat from a department within a store to the point of sale; or

(2) a compostable plastic bag.

Sec. 376.005. COLLECTION BY RETAILER. (a) A retailer who provides a disposable plastic bag to a customer shall collect the fee imposed by Section 376.003. Except as provided by Subsection (d), the retailer shall remit the fee to the commission or executive director.

(b) The retailer shall add the fee imposed by Section 376.003 to the total price of the goods sold to the customer, and the fee is a part of the sales price, is a debt owed to the retailer by the customer, and is recoverable at law in the same manner as the original sales price.

(c) The amount of the fee shall be stated separately on a sales receipt, invoice, or other record of sale.

(d) A retailer may retain three percent of the total amount of the fees collected under Subsection (a) as reimbursement for any costs associated with the collection of the fees.

Sec. 376.006. ADMINISTRATION, COLLECTION, AND ENFORCEMENT BY COMMISSION OR EXECUTIVE DIRECTOR. The commission or executive director shall adopt any rules for the administration, payment, collection, and enforcement of the fee imposed by this chapter.

Sec. 376.007. LOCAL RECYCLING PROGRAM ASSISTANCE ACCOUNT. (a) The local recycling program assistance account is established as an account in the general revenue fund.

(b) The commission or executive director shall deposit the revenue received from the fee imposed by Section 376.003 to the

credit of the account.

(c) Money in the account may be appropriated only for the implementation and administration of the grant program established under Section 376.002.