

March 11, 2021

House Committee on Environment and Natural Resources Rhode Island General Assembly

Position: Neither

RE: AF&PA Comments on House Bill 5358- Plastic Waste Reduction Act

The American Forest & Paper Association¹ (AF&PA) appreciates the opportunity to share information on House Bill 5358 on behalf of our members and their employees who are essential and, critical infrastructure workers under state and federal guidance. AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy.

House Bill 5358 seeks to ban plastic bags and set a 40 percent post-consumer content minimum on recyclable paper bags. AF&PA is active on legislation related to regulating paper and paper-based packaging in states and localities across the country. The forest products industry in Rhode Island employs almost 2,000 individuals with an annual payroll of over \$115 million and produced almost \$390 billion in products.

We support the recognition of paper-based packaging as an option for consumer purchases. Paper bags are reusable, sustainable and the only grocery bag that consumers can recycle at home in their curbside bin. Every year since 2009, the U.S. paper recovery for recycling rate has met or exceeded 63 percent. And in 2019, 66.2 percent of all paper consumed in the U.S. was recovered for recycling. Paper is a renewable, recyclable and biodegradable resource, with attributes that are hard to find in synthetic, fossil-fuel based materials.

Setting a minimum post-consumer fiber content for recyclable paper bags may not achieve the goals of the legislation. Paper recovery for recycling has fostered a dynamic marketplace that allows recovered fiber to find its highest value end-use in manufacturing new products. That, in turn, helps to encourage more recycling.

Recovered fiber collection systems are well developed and widely accessible. The markets for recovered fiber are complex, efficient, and dynamic and are not served by regulations or

¹ AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative — <u>Better Practices, Better Planet 2020.</u> The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 men and women. The industry meets a payroll of approximately \$55 billion annually and is among the top 10 manufacturing sector employers in 45 states.

House Committee on Environment and Natural Resources March 11, 2021 Page 2

prescriptive approaches to specify the use of recycled fibers or dictate what type of recovered fiber is used in products.

Over 49.2 mil tons of paper was recovered for recycling in the US. Of that, 64.2% (~31.6 mil tons) was consumed in US paper & paperboard mills and 35.7% (~17.6 mil tons) was exported for use in mills around the world. Because of the amount of recovered fiber exported, there is not a direct equivalency between US recycling rate and US recycled content rate.

It is possible that recycled content mandates may encourage an increase in recovery for materials that have a low recovery rates, but paper is already a highly recycled material. Rather than drive increased recovery of paper, increasing recycled content minimums could: make markets for recovered fiber less efficient; prevent recovered fiber from going to highest value end use; raise the cost of production for new paper products; and narrow available choices for consumers.

Lastly, the "post-consumer" recycled content requirement in HB 5358 is not beneficial or conducive to the goals of the legislation. The marketplace has shifted – third party certification groups like Forest Stewardship Council and Sustainable Forestry Initiative count both "pre-" and "post-consumer" fiber toward recycled content. Mandating "post-consumer" fiber creates a misperception that certain recovered fiber is better than others, when in reality all recovered fiber that can be used should be used. It is an artificial barrier to using equally environmentally beneficial recovered fiber and increases the cost of manufacturing new paper products without any additional environmental benefit in return.

Conclusion

We encourage the Committee to avoid measures that might penalize paper. We look forward to continuing our work with the state of Rhode Island. Please feel free to contact Abigail Sztein, Director, Government Affairs at Abigail sztein@afandpa.org for further information.

Thank you.