



**American
Forest & Paper
Association**



Prepared for Members of the Environment and Transportation Committee

Re: SB222/HB284- Environment - Reducing Packaging Materials - Producer Responsibility

Overview of the American Forest and Paper Association:

The American Forest & Paper Association (AF&PA) serves to advance U.S. paper and wood products manufacturers through fact-based public policy and marketplace advocacy.¹ In Maryland, the forest products industry employs nearly 6,000 individuals in facilities that produce packaging, corrugated boxes, sales displays, tissue, and other products with an annual payroll of over \$374 million.²

Paper recycling rates in the U.S. have consistently increased in recent decades, with 68 percent of paper recovered for recycling in 2021.³ According to the EPA, more paper by weight is recovered for recycling from municipal waste streams than plastic, glass, steel, and aluminum combined.⁴ The paper industry has planned or announced approximately \$5 billion in manufacturing infrastructure investments by the end of 2024 to continue the best use of recycled fiber in our products, resulting in an over 8 million ton increase in available recycling capacity.⁵

Proposed Amendments:

Proposed EPR language: the language AF&PA supported during EPR discussions in Washington state this year (similar to language included in California's EPR bill that passed last year) is below. This language is in two sections:

1. Providing for a Material Neutral Off-Ramp

¹ The American Forest & Paper Association (AF&PA) serves to advance U.S. paper and wood products manufacturers through fact-based public policy and marketplace advocacy. The forest products industry is circular by nature. AF&PA member companies make essential products from renewable and recycle resources, generate renewable bioenergy and are committed to continuous improvement through the industry's sustainability initiative — Better Practices, Better Planet 2030: Sustainable Products for a Sustainable Future. 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 people. The industry meets a payroll of approximately \$60 billion annually and is among the top 10 manufacturing sector employers in 45 states.

² Data sources: U.S. government, AF&PA, and RISI. Figures are the most recent available as of December 2020.

³ <https://www.afandpa.org/priorities/recycling>

⁴ https://www.epa.gov/sites/default/files/2021-01/documents/2018_ff_fact_sheet_dec_2020_fnl_508.pdf

⁵ The Recycling Partnership; Northeast Recycling Council. Last updated: December 2021

Proposed Language: *A producer may be exempt from registration and participation in a PRO for a certain covered material if the producer can demonstrate to the department a recycling rate for that covered material of 60 percent for three consecutive years prior to January 1, 2030, and on and after that date demonstrates a recycling rate at or over 65 percent annually.*

2. Clarifying Scope is Limited to Residential Collection

Proposed Language: *Covered material does not include materials for which the producer demonstrates to the department that the covered material meets all of the following criteria:*

- (a) The covered material is not collected through a residential recycling collection service.*
- (b) The covered material does not undergo separation from other materials at a commingled recycling processing facility.*
- (c) The covered material is recycled at a responsible end market.*

Additional Propositions:

The American Forest and Paper Association would like for this legislation to permit multiple Producer Responsibility Organizations to better serve the unique diversity of interests of each type of producer. Multiple PRO's will hold greater accountability over each industry and will be economically beneficial.

Supportive Legislation:

The American Forest and Paper Association supports Delegate Love's HB109 entitled "Task Force on Recycling Policy and Recycling and Waste Systems in Maryland." We are glad to see that this legislation has passed the House and is making its way through the Senate. We believe that this task force is a necessary predecessor to evaluate the capabilities of Maryland's recycling and waste disposal systems.