



January 31, 2022

WestRock Opposition to HB307: Environment – Packaging Materials – Producer Responsibility

Dear Chairs Barve and Wilson, Vice Chairs Stein and Crosby, and Members of the Environment and Transportation and Economic Matters Committees,

On behalf of WestRock, I am writing in opposition to HB307, which would subject paper packaging to an ineffective and costly Extended Producer Responsibility (EPR) program.

WestRock is a Fortune 200 manufacturer of sustainable, fiber-based packaging products with 50,000 employees and more than 300 facilities. We also operate one of North America's largest recycling networks, managing roughly 7.5 million tons of fiber each year. In Maryland, we employ nearly 190 men and women in family-wage jobs across 3 facilities and invest over \$200 million annually through salary, taxes, energy, supplier costs. WestRock's Baltimore Container facility, which I manage, manufactures 100% recyclable paper packaging using primarily recycled fiber.

Paper recycling in the United States is a success story thanks to the many billions of dollars in industry infrastructure investments which led to paper recovery rates of 66.2% and as high as 92% for old-corrugated containers – otherwise known as cardboard.

While EPR may be an appropriate program for certain hard-to-recycle materials with limited end market demand, it is not appropriate for paper products. EPR mandates for paper could disrupt healthy markets for recovered fiber and make them less efficient and more costly. This will prevent recovered fiber from going to its highest value end use, raise the cost of production for new paper products, and narrow available choices for consumers.

Our business relies on a robust recycling ecosystem to support our paper mills and box plants – HB307 fails to deliver on the promise of enhancing paper recycling. Applying EPR to paper would be a punitive tax on the sustainable paper products that we make and sell in Maryland. EPR is an expensive and ineffective solution to a problem that does not exist for paper.

Sincerely,

A handwritten signature in black ink, appearing to read "TJ Billiard", is written in a cursive style.

TJ Billiard
WestRock - Curtis Bay MD
Business Unit General Manager – Philly BU