



November 18, 2014

The Honorable Antonio Reynoso
Chair, Committee on Sanitation & Solid Waste Management
New York City Council
250 Broadway Suite 1740
New York, NY 10007

Dear Chairman Reynoso:

On behalf of the American Forest & Paper Associationⁱ (AF&PA) and the Renewable Bag Councilⁱⁱ (RBC), we appreciate the opportunity to share our perspective on legislation under consideration by the New York City Council Committee on Sanitation and Solid Waste Management, Int. File 0209-2014, which would impose a 10 cent tax on both paper and plastic retail checkout bags. AF&PA and the RBC are active on this issue in states and localities across the country. We believe that paper should be excluded from measures to tax retail bags on grounds that they wrongfully penalize our product—a commodity that is highly recycled, recyclable, compostable, and renewable. **We respectfully oppose this bill and urge you to amend it to remove mandated taxes on paper bags.**

Imposing an equal tax on both paper and plastic will not change most retailers' current preference for plastic. Retailers typically default to the use of plastic bags because one plastic carryout bag is cheaper on a per-bag comparison, despite the fact that a single paper carryout bag can accommodate enough items to replace three plastic bags. If this bill were enacted, it is likely that plastics would continue to be the default choice. The bag taxes generate additional revenue for retailers on the already strained budgets of their customers.

Offering a paper bag free of charge at the point of purchase is a natural part of customer service. Many services are included in the price of the goods consumers already buy: rent, electricity, insurance, employee wages. Once there is an obligation to pay fees for bags, those fees are likely to increase over time.

This tax will be regressive, increasing the cost of basic necessities for low-income citizens who are dependent on public transit and cannot practically expect to bring reusable bags every time they go to a retailer.

According to the 2000 U.S. Census, more than half of all households in NYC use public transportation as their primary transportation rather than cars, and the Metropolitan Transit Authority announced a 2013 ridership of 1.7 billion. These individuals will need to begin carrying reusable bags with them whenever they may plan visit the store, creating a *literal* additional burden for city residents that are already making the environmentally friendly and frugal decision to use public transportation. Paper bags provide New Yorkers with a recyclable and sustainable option to support their mobile, on-the-go lifestyle. Paper bags also serve to protect food purchases from damage and contamination as consumers transport them home.

Consumers who are sensitive to environmental concerns choose paper bags. Responding to consumer demands, many retailers have already voluntarily transitioned to paper. Not only are

paper bags made from recycled paper, they are highly recycled themselves and are a fixture in community recycling programs throughout the state and the rest of the country. In fact, New York City residents frequently use paper bags as their containers when recycling other paper products such as newspapers, magazines, envelopes, juice and milk cartons, and printer paper—all items that are accepted at the curb in the state. According to the U.S. Environmental Protection Agency, the paper bag boasts a national recycling rate of nearly 50 percent. More than 60 percent of paper consumed in the U.S. has been recovered for recycling in each of the last three years – and exceeded 65 percent in 2012.

From a raw material perspective, paper bags are made from a renewable resource. The paper bag is made from a renewable resource – managed forests – that provides habitat for animals and removes large amounts of carbon dioxide from the air we breathe. Today the U.S. has 20 percent more trees than it did on the first Earth Day celebration more than 40 years ago. One-third of the U.S. is forested - 751 million acres. Privately owned forests supply 91 percent of the wood harvested in the U.S.

We encourage the Council to avoid measures that penalize paper and, as always, we stand ready to assist you and offer our expertise as a resource as you begin to shape policy on this important issue.

For additional information, please contact Abigail Turner, Manager of State Government Affairs, AF&PA at (202) 463-2596 or abigail_turner@afandpa.org.

Sincerely,



Cathy Foley
Group Vice President

Cc:
Councilmember Costa Constantinides
Councilmember Vanessa Gibson
Councilmember Andy King
Councilmember Steven Matteo

ⁱ The American Forest & Paper Association (AF&PA) serves to advance a sustainable U.S. pulp, paper, packaging, 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 - [Better Practices, Better Planet 2020](#). The forest products industry accounts for nearly 4 percent of the total U.S. manufacturing GDP, manufactures approximately \$210 billion in products annually, and employs nearly 900,000 men and women. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 47 states. In New York, the industry employs more than 28,000 individuals with an annual payroll of \$1.5 billion. Visit AF&PA online at www.afandpa.org or follow us on Twitter [@ForestandPaper](https://twitter.com/ForestandPaper).

ⁱⁱ The Renewable Bag Council (RBC) is comprised of manufacturers and converters of renewable, recycled, recyclable, and compostable Kraft paper used for checkout bags at grocery and retail outlets throughout Washington and across the United States. The RBC is affiliated with the American Forest & Paper Association (AF&PA) the national trade association of the forest products industry, representing pulp, paper, packaging and wood products manufacturers, and forest landowners. Visit the RBC online at www.renewablebag.org or follow us on Twitter [@renewablebag](https://twitter.com/renewablebag).