



March 23, 2015

Senator Thomas Saviello, Senate Chair
Representative Joan Welsh, House Chair
Committee on Environment and Natural Resources
State of Maine Legislature
100 State House Station
Augusta, ME 04333-0100

Re: LD 680 (Rykerson) An Act To Reduce Waste from Disposable Bags

Dear Senator Saviello and Representative Welsh,

On behalf of the American Forest & Paper Associationⁱ (AF&PA) and the Renewable Bag Councilⁱⁱ (RBC), we appreciate the opportunity to express concerns about the Act To Reduce Waste from Disposable Bags. AF&PA and the RBC are active on this issue in states and localities across the country. We believe that paper bags are highly recycled, recyclable, compostable, and renewable. **We respectfully oppose this bill and urge you to amend it to remove mandated taxes on any type of paper bags and the requirements for qualification as a recycled paper bag.**

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 some 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. Many use paper bags as their containers when recycling other paper products such as newspapers, magazines, envelopes, and printer paper—all items that are accepted at the curb in the state.

According to the U.S. Environmental Protection Agency, the paper industry has exceeded 63 percent recovery for recycling for the past five years. In 2013, 63.5 percent of the paper and paper-based packaging used in the U.S. was recovered for recycling – more than 50 million tons. In Maine, 80 percent of citizens have access to curbside and 90 percent have drop-off recycling access.

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.

Imposing a tax on paper discourages consumers from using bags that are recyclable, biodegradable, compostable, made of recycled material, and reusable. Taxes on paper bags unnecessarily increase costs for consumers, and create distortions in the free flow of recoverable commodities.

The tax included in the bill penalizes customers that choose paper bags, a highly recyclable option that is made from a renewable resource. 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

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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.

The bill defines “recycled paper bag” by specifying that each bag contain 40 percent “post consumer” recycled content. The “post-consumer” qualifier is a distinction without a difference. It only serves to draw attention away from the important fact that materials from every step in the paper production process can, and are, being recycled and reused instead of being placed in a landfill.

We encourage the Committee 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:
Committee on Environment

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 Maine, our industry employs nearly 18,000 individuals with a total annual payroll income of over \$930 million and contributes over \$113 million in state and local taxes. 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). Visit the RBC online at www.renewablebag.org or follow us on Twitter [@renewablebag](https://twitter.com/renewablebag).