



September 26, 2023

RE: Letter to Oppose Bill CB-032-2023, the Better Bag Bill

Dear Committee Chair Olson, Vice-Chair Dernoga, and Members of the Committee:

On behalf of the American Forest & Paper Association¹ (AF&PA), we appreciate the opportunity to share our perspective on legislation under consideration by the Prince George's County Council, which seeks to set a 10-cent fee on paper bags in addition to banning plastic bags. We believe Prince George's County should avoid taxing highly recyclable paper bags in an effort to address plastic waste – therefore, we must **respectfully oppose Bill CB-079** as proposed.

AF&PA is active on this issue in states and localities across the country, and we appreciate the recognition of how recyclable paper bags are appropriate for continued use by retail stores. However, we believe taxes on paper bags would wrongfully penalize our product, as paper is a commodity which is already highly recycled, recyclable, compostable, and made from a renewable resource.

The forest products industry has a demonstrated, measurable record of success in making paper and paper-based packaging more circular and sustainable through market-based approaches. Paper recycling rates in the U.S. have consistently increased in recent decades, with nearly 68 percent of paper recovered for recycling in 2021.² The paper industry recycles about 50 million tons of recovered paper every year — totaling more than 1 billion tons over the past 20 years. According to the EPA, more paper by weight is recovered for recycling from municipal waste streams than plastic, glass, steel, and aluminum combined.³ The paper industry has planned or announced around \$7 billion in manufacturing infrastructure investments by 2025 to continue the best use of recycled fiber in our products, resulting in an over 9 million ton increase in available capacity.⁴ In addition, 95.1 percent of Marylanders have access to residential curbside recycling.⁵

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.

In Maryland, the forest products industry employs more than 6,000 individuals with an annual payroll of over \$374 million and produces over \$1.7 billion in product each year. The estimated state and local taxes paid by the Maryland forest products industry totals \$32 million annually.

² <https://www.afandpa.org/news/2023/us-paper-industry-tallies-high-recycling-rate-2022>

³ https://www.epa.gov/sites/default/files/2021-01/documents/2018_ff_fact_sheet_dec_2020_fnl_508.pdf

⁴ The Recycling Partnership; Northeast Recycling Council. Last updated: June 2023

⁵ <https://www.afandpa.org/priorities/recycling/what-were-doing>

Impacts of Bag Fees

The proposed mandate for stores to charge 10 cents for every recyclable paper bag would result in a tax on our product with little benefit to Prince George's County, as the revenue will be collected and retained by the retailer. Retail stores already have the option to charge for carryout bags or any other in-store service without needing permission or requirements from the County.

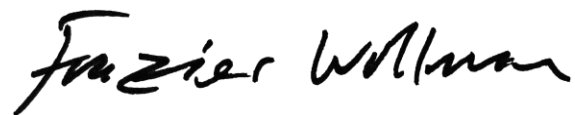
Government taxes imposed on products increase costs for consumers who can least afford it and can create distortions in the free flow of recyclable commodities like paper. Taxes and fees burden hard working citizens by increasing the costs of basic necessities for all and disproportionately impacting fixed- and low-income consumers. These consumers can ill afford to pay an additional tax on paper bags while struggling to cover increasing costs of essential products and need affordable packaging options to protect their food purchases from damage and contamination. Paper bags are a clean, hygienic and convenient choice to meet those needs while also being recyclable, reusable, and compostable.

Our Commitment to Utilizing Recycled Paper in Manufacturing

The paper and packaging sector's environmental success story is due to strong and free markets for our recyclable materials. Recycled fiber content is a high-value, global commodity that fosters a dynamic marketplace where recovered fiber finds its highest end-use in the creation of new products. This creates a virtuous cycle which encourages more paper recycling and recovery. Rather than drive increased use of recyclable paper, fees on paper bags would shift away from paper to other products where it is less efficiently used. By contrast, the market-driven recycling system is already recovering and recycling record amounts of paper. Imposing a fee on paper bags is unnecessary and contrary to the County's stated environmental goals, particularly given the environmental benefits of paper and the recovered fiber sector.

We encourage Prince George's County to avoid measures, including paper bag fees, which would penalize paper. We stand ready to assist you and offer our expertise as a resource as you continue the dialogue on this important issue. Please feel free to contact Frazier Willman, Government Affairs Manager, AF&PA at Frazier_Willman@afandpa.org for further information.

Sincerely,



Frazier Willman
Manager, Government Affairs
American Forest & Paper Association