

The Honorable Brownie Carson, Chair Committee on Environment & Natural Resources 100 State House Station Augusta, ME 0433 April 18, 2019

The Honorable Ralph Tucker, Chair Committee on Environment & Natural Resources 100 State House Station Augusta, ME 0433

RE: Opposition to LD 1431—Resolve, To Support Municipal Recycling Programs

Dear Senator Carson, Representative Tucker and Members of the Committee:

The American Forest & Paper Association<sup>i</sup> (AF&PA) appreciates the opportunity to share our perspective on legislation under consideration by the Committee on Environment and Natural Resources on <u>LD 1431</u>. AF&PA respectfully asks that the Committee oppose LD 1431 which would resolve that the Maine Department of Environmental Protection (DEP) should draft an extended producer responsibility (EPR) program for paper and packaging bill for the 2020 session.

AF&PA supports voluntary paper and paper-based packaging recovery efforts that seek to improve upon the existing recovery and recycling programs in Maine and the United States. We believe that the paper industry's consistently high recovery rates, and the industry's ongoing efforts to increase voluntary recovery, make mandates like an EPR program for paper and paper-based packaging unnecessary and potentially counterproductive.

The resolution as called for by the Committee based on the recommendations and findings of the Maine DEP Annual Report on Product Stewardship, on which AF&PA previously filed comments with our concerns for DEP and with this Committee. The report asserts that a product stewardship program for packaging will increase the recovery of materials for reuse and recycling, but this is not necessarily true. While funding could be raised to fund steps necessary to increase collection, EPR programs do not create end markets for recyclable materials. There are successful recycling programs in the state that would be disrupted, rather than improved by the implementation of EPR.

Additionally, packaging as defined in LD 1431 is a broad category of multiple packaging materials including paper, plastic, glass, aluminum and steel. Each of these materials has distinct challenges, advantages, and economics when it comes to recovery for recycling. Solutions that may work for one material do not necessarily translate to other materials. Some materials may require different strategies and financial investments. Fee proceeds from one material should not be used to subsidize recovery initiatives for other materials. Lumping all of these issues into one stewardship program makes it extremely unlikely that there could be a fair program for all participants.

Paper recovery is an environmental success story, saving an average of 3.3 cubic yards of landfill space for each ton of paper recycled. Paper recovery has fostered a well-developed and dynamic marketplace that allows recovered fiber to find its highest value end use in

manufacturing new products. That, in turn, helps encourage more recycling which part of why paper is the most-recycled material in the U.S. today. According to the U.S. Environmental Protection Agency, more paper (by weight) is recovered for recycling from municipal solid waste streams than glass, plastic, steel and aluminum combined. Ninety-six percent of the U.S. population had access to community curbside and/or drop-off paper recycling services, according to the most recent (2014) survey of communities.<sup>II</sup>

Based on results from the 2014 Community Access Survey, 80% of Maine residents have access to community curbside recycling programs for paper and paperboard and 90% have access to community drop-off systems. While the overall paper recovery rate is at 63% or higher for each of the last nine years, for old corrugated containers (OCC) in particular, the recovery rate was 88.89% for 2017 and has exceeded 80% for the last nine years.

Communities that improve the quality of the recyclable materials in their recycling steams and improve the quality of the recovered paper bales produced by their materials recovery facilities (MRFs) will have greater success in recovered paper markets. Investing in improving consumers' recycling behavior and improving collection are needed steps that were made clearer in the wake of the implementation of China National Sword.

As an alternative to a product stewardship for packaging program, Maine should focus on hard-to-recycle materials where there may not yet be a well-developed collection infrastructure or good recovery results. With a well-developed infrastructure for collecting paper and paper-based packaging in place, to increase recovery Maine should also increase consumer education to drive increased participation across the entire supply chain.

We thank the Committee for their consideration on this important matter and encourage the Committee to avoid measures that penalize Maine industries for doing business in the state. As always, we stand ready to assist you and offer our expertise as a resource as you shape policy on this important issue. For additional information, please contact Abigail Sztein, Director of Government Affairs, AF&PA at (202) 463-2596 or abigail sztein@afandpa.org.

J. J. City,

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Vice President, Government Affairs

<sup>&</sup>lt;sup>1</sup> AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, tissue 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 approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 men and women. The industry meets a payroll of approximately \$55 billion annually and is among the top 10 manufacturing sector employers in 45 states.

In Maine, the forest products industry operates 32 manufacturing facilities and employs more than 15,000 individuals with an annual payroll of over \$814 million and produces \$4.6 billion in product each year. The estimated state and local taxes paid by the Maine forest products industry totals \$91 million annually.

ii http://paperrecycles.org/sustainability/2014-af-pa-community-access-survey