



**American  
Forest & Paper  
Association**

February 20, 2020

Senator Delores Kelley, Chair  
Senator Brian Feldman, Vice Chair  
Senate Finance Committee  
The Maryland General Assembly  
Annapolis, MD 21401

**RE: Letter on Senate Bill 313– Plastics and Packaging Reduction Act**

Dear Chair Kelley, Vice Chair Feldman and Members of the Senate Finance Committee:

On behalf of the American Forest & Paper Association (AF&PA), we appreciate the opportunity to share our concerns with legislation under consideration by your Committee, Senate Bill 313, the “Plastics and Packaging Reduction Act.” This bill seeks to ban plastic bags while requiring grocery, retail sales and restaurant establishments collect and retain a 10 cent fee for ‘durable bags’ or any bags (paper, plastic, cloth) other than plastic bags under 4mils distributed at the point of sale.

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 4 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 Maryland, the forest products industry employs over 6,000 individuals in 44 manufacturing facilities, with an annual payroll of over \$321 million.

We believe that paper bags should be excluded from measures to ban or tax retail bags on grounds that they wrongfully penalize an environmentally friendly product that is highly recycled, recyclable, compostable and reusable. Paper and paper-based packaging, such as carryout bags, are commonly made with recycled content. The bill unfairly targets paper products, implying they are part of the environmental problem.

### The Paper Industry and the Environment

Paper bags are locally produced, reusable, sustainable and the only grocery bag that consumers can recycle at home in their curbside bin. Every year since 2009, the U.S. paper recovery for recycling rate has met or exceeded 63 percent. And in 2018, 68.1 percent of all paper consumed in the U.S. was recovered for recycling. Paper is a renewable, recyclable and biodegradable resource, with attributes that are hard to find in synthetic, fossil-fuel based materials.

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.

AF&PA's sustainability initiative — Better Practices, Better Planet 2020 — comprises one of the most extensive quantifiable sets of sustainability goals for a U.S. manufacturing industry and is the latest example of our members' proactive commitment to the long-term success of our industry, our communities and our environment. We have long been responsible stewards of our planet's resources. We are proud to report that our members have already achieved the greenhouse gas reduction and workplace safety goals. Our member companies have also collectively made significant progress in each of the following goals: increasing paper recovery for recycling; improving energy efficiency; promoting sustainable forestry practices; and reducing water use.

Paper products keep lands forested, store carbon, are natural and biodegradable, support our nation's recycling system, and ultimately can provide carbon-neutral energy. Thanks in part to the paper products industry providing private sector incentives to landowners, every region of the country has positive forest growth.

### Maintaining Paper Bags as a Free Option for Consumers

This bill will be regressive, increasing the cost of basic necessities for all citizens and disproportionately impacting those who are low-income. Maryland has citizens who rely on public transit and cannot practically expect to bring reusable bags every time they go to a retailer. Some consumers cannot afford to pay an additional cost for reusable bags while they struggle to cover the increasing cost of basic needs and require a packaging option to protect their purchases from damage and contamination.

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, such as rent, electricity, insurance and employee wages. Once there is an obligation to pay taxes for bags, those taxes are likely to increase over time.

Following passage of a plastic bag ban in New York, questions have been raised related to the availability of paper bags and whether that should impact legislation governing the product.

This is red herring to distract policymakers with questions centered around supply. The real question should be whether there should be a government mandated fee on paper bags which are recyclable, compostable, reusable and come from a renewable resource. Retailers and grocers are free to charge for bags, or not offer them at all. AF&PA does not make marketplace predictions on the availability of paper products as this is an individual company decision, just as it is each retailer or grocer's decision whether to give out paper bags and whether to charge a fee for them.

Information summarizing other state bag laws was requested by Delegates in the House and is available to review in the Appendix below.

We encourage the Committee to avoid measures that will penalize the use of paper. We look forward to continuing our work with the state of Maryland. Please feel free to contact Abigail Sztejn, Director, Government Affairs, AF&PA at (202) 463-2596 or [abigail\\_sztejn@afandpa.org](mailto:abigail_sztejn@afandpa.org) for further information.

Sincerely,



Elizabeth Bartheld  
Vice President, Government and Industry Affairs  
American Forest & Paper Association

# Appendix

## States with Enacted Plastic Bag Legislation (NCSL.org)



### Statewide Bag Ban Language

State	Impact to Paper Bags	Impact to Plastic Bags
CA	10 cent fee, grocers keep the fee	Ban on plastic under 2.25mil
VT	10 cent fee to grocers, retailers and restaurants	Ban on plastic without stitched handles
ME	5 cent fee retained by grocer/retailer/restaurant	Ban on plastic under 4mil, machine washable or can be disinfected regularly
OR	5 cent fee, grocer/retailers/restaurants keep the fee	Ban on plastic under 4mil
HI	Differs between islands	Differs between islands
CT	No impact	10 cent fee until 2021, then ban under 4mil
DE	No impact	Ban on plastic under 2.25mil, large retailers only
NY	Counties may opt in for a 5 cent fee; fee split by the county and state, grocery only	Ban on plastic bags under 10mils