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The Honorable Kumar Barve, Chair, House Environment and Transportation Committee  
The Honorable Dana Stein, Vice Chair, House Environment and Transportation Committee  
The Honorable Dereck Davis, Chair, House Economic Matters Committee  
The Honorable Kathleen Dumais, Vice Chair, House Economic Matters Committee

**Re: International Paper Comments on HB 36, pertaining to the Environment – Packaging, Containers, and Paper Products – Producer Responsibility**

Distinguished Legislators,

Thank you for the opportunity to share our comments regarding HB 36. By way of background, International Paper is one of the world's leading producers of fiber-based packaging, pulp and paper. We create packaging products that protect and promote goods, pulp for diapers, tissue and other personal hygiene products, and printing papers that facilitate education and communication. We are committed to strengthening our people and the communities where we live and work using all resources responsibly and efficiently, and ensuring our businesses are safe, successful and sustainable for generations to come.

Now more than ever, people rely on paper-based packaging for the safe delivery of essential goods. Groceries, life-saving prescription drugs, clothing, and the food and other supplies we need to take care of our families are all examples of the products that are delivered to our doors in a safe and convenient manner.

IP is very concerned with the scope of HB 36. Packaging Taxes, or Extended Producer Responsibility (EPR), are a solution looking for a problem when it comes to paper and paper-based packaging. The pulp and paper industry has invested billions of dollars to create a robust, market-based system for the recovery and recycling of our products without government intervention and fees. This emphasis on recycling is integral to our goal of advancing circular solutions throughout our value chain, and creating innovative products that are 100 percent reusable, recyclable or compostable. With 18 recycling facilities across North America, International Paper collects, consumes and markets more than six million tons of recovered paper every year.

Paper and paper-based packaging recovery and recycling is a great sustainability success story. According to the American Forest & Paper Association (AF&PA), the paper recycling rate has been consistently high, meeting or exceeding 63 percent since 2009. In 2019, 66.2 percent of paper consumed in the United States was recovered for recycling. The recycling rate for old corrugated containers (OCC) in 2019 was 92.0 percent, and the three-year average OCC recycling rate is 92.3 percent.

Imposing taxes on paper-based packaging and printed materials ignores the nationwide, market-driven system in which International Paper and other industry members have invested billions of dollars over many decades to recover and reuse our products. The government should not tax paper and paper-based packaging to help pay for the recovery and processing of other materials, the manufacturers and consumers of which have failed to invest in their own recycling systems and end markets.

**For these reasons, International Paper strongly opposes the inclusion of paper-based packaging and printed materials in any EPR tax program.**

Thank you in advance for your consideration. International Paper stands ready to work with you and offer our expertise as you continue the discussions on this important issue. If you have questions, please contact me at your convenience.

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