

May 20, 2020

Senator Nathan Manning, Chair Senate Committee on Local Government, Public Safety and Veterans Affairs Senate Building. 2<sup>nd</sup> Floor Columbus, OH 43215

## Dear Senator Manning:

On behalf of the American Forest & Paper Association (AF&PA), we appreciate the opportunity to **support House Bill 242**, which prohibits municipalities from imposing any tax, fee, or assessment on "auxiliary containers" which includes paper and plastic bags, cardboard, corrugated material, and other packaging used to transport or protect merchandise, food or beverages.

The American Forest & Paper Association (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 over \$200 billion in products annually, and employs approximately 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 45 states.

In Ohio, the forest products industry contributes over 37,000 jobs to the state's economy, more than \$2.1 billion in payroll annually and \$159 million in state and local taxes. AF&PA supports preempting local jurisdictions from enacting bans or taxes on "auxiliary containers" because it prevents the patchwork of local ordinances that penalize paper and paper-based packaging—a material that is highly recycled, compostable and made from a renewable resource.

Our industry achieves a consistently high recovery rate. In 2018, 68.1 percent of all paper consumed in the U.S. was recovered for recycling, and the recovery rate has met or exceeded 63 percent for the past seven years. Paper is the most-recycled material in the U.S. today. According to the Environmental Protection Agency, more paper (by weight) is recovered for recycling from municipal solid waste streams than glass, plastic and aluminum combined. In 2014, 96 percent of the U.S. population had access to community curbside and/or drop-off paper recycling services.

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Offering bags and containers 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. Additional taxes and fees also burden hard working citizens, increasing the cost of basic necessities for all citizens and disproportionately impacting those who earn lower-incomes.

The paper and paper-based packaging industry has set and met goals established on a voluntary basis, and publicly reported on performance. The industry remains open to working with others in the private and public sectors to maximize paper recovery, which has been part of our thinking as we have nearly doubled our recovery rate in the last 20 years.

Thank you for the opportunity to share our views on this measure and we urge a favorable recommendation for H.B. 242. If you have any questions, please feel free to contact Fara Sonderling, Manager of Government Affairs for AF&PA at (202) 463-5168 or fara\_sonderling@afandpa.org.

Sincerely,

Elizabeth Bartheld Vice President, Governm

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