



American Forest & Paper Association

May 03, 2021

TO: Co-Chairs Johnson, Steiner Hayward and Rayfield
Members of the Joint Committee on Ways and Means

RE: Continued Opposition to SB 582 Unless Amended

Dear Co-Chairs Johnson, Steiner Hayward and Rayfield:

On behalf of the American Forest & Paper Association (AF&PA), we are writing to confirm that we are opposed to the current version of SB 582. We have appreciated the opportunity to work on this legislation, but believe a major concept is missing. SB 582 should include an accountability mechanism—either a sunset provision or a recovery target that allows highly recovered commodities, like paper and paper-based packaging, to avoid perpetual regulatory costs. Such a mechanism would ensure legislators can hold the program accountable and prevent spiraling costs that would inevitably be passed on to consumers.

In Oregon, the forest products industry employs more than 36,000 individuals, with an annual payroll of over \$2.34 billion. The estimated state and local taxes paid by the forest products industry totals \$264 million annually. We are leaders of companies and associations that make important contributions to the Oregon recycling system and to the state's economy, and are leaders in the U.S. based pulp, paper, and packaging industry. We manufacture and recover sustainably sourced products that are essential, renewable, recyclable, and biodegradable that are part of a forest-based value chain that make up an integrated and circular bioeconomy.

Paper Recycling Works

The paper recycling rate has grown over the decades, and remains consistently high, meeting or exceeding 63 percent since 2009.¹ In 2019, 66.2 percent of paper consumed in the United States was recovered for recycling. Technological innovations in product design and recycling processes are continuously allowing our industry to access and recycle more paper-based products.

US EPA data confirms the superior record and environmental success story of paper recycling from municipal collection programs.² According to the U.S. EPA, in 2018 (the most recent EPA data available) paper and paper-based packaging had a far higher recycling rate from municipal solid waste (MSW) streams than other major recyclable commodities: Paper (68.2%); Steel (33.1%); Glass (25.0%); Aluminum (17.2%); and Plastics (8.5%).³ Put another way, more paper by weight is recovered for recycling from municipal solid waste streams than plastic, glass, steel and aluminum combined.⁴ EPA statistics also show that in 2018, 46 million tons of paper and paperboard were

¹<https://www.paperrecycles.org/media/news/2020/05/12/u.s.-paper-industry-achieves-consistently-high-recycling-rate>

² [Advancing Sustainable Materials Management: 2018 Fact Sheet. EPA. November 2020.](#)

³ <https://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/plastics-material-specific-data>

⁴ [Advancing Sustainable Materials Management: 2018 Fact Sheet. EPA. November 2020.](#)

recycled from municipal solid waste, compared to 3 million tons of plastics. By contrast, that year 27 million tons of plastics in municipal solid waste were sent to landfills. That's 76 percent of all plastic waste.⁵

Robust investment in end market use for recovered paper is an essential pillar of the industry's success. Between 2019 and 2023, U.S. packaging and pulp producers committed to investing more than \$4.1 billion in new manufacturing capacity specifically designed to use over 7 million additional tons of recovered paper per year to manufacture new products.

Additional Amendments are Needed (SB 582-12)

While the bill has been improved through amendments, industry concerns have not been adequately addressed. This bill was crafted during the interim through a process that excluded the major manufacturing sectors. In response, a coalition of industry stakeholders developed a set of 'Producer Amendments' to better align the intent of the bill with the practical implications to manufacturing. Among other provisions, proposed amendments (SB 582-12) which would have established target rates that if achieved by December 31, 2026 and thereafter maintained, would exempt a producer from the program. This provision is vital to continue incentivizing increases in performance from producers and to focus the scope of the EPR program to materials that hinder improvements to the Oregon recycling system.

The paper and paper-based packaging industry is doing its part by meeting or exceeding voluntary recycling goals for our products without the need for burdensome and inflexible regulations. A product stewardship concept like EPR should be focused on improving recycling for materials with low recovery rates, poor recyclability, and limited markets. Including paper and paper-based packaging in a one-size-fits-all approach places a renewable, sustainable, recyclable, highly recovered and recycled, biodegradable, natural product in a system with materials that largely do not share these characteristics.

We support the desire for a sustainable future and 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 Erin Hall, Manager, Government Affairs at erin_hall@afandpa.org or our legislative advocate, Paul Cosgrove, at 503.291.6700 or pcosgrove@pscogrove.com for further information.

Thank you,



Abigail Sztein
Director, Government Affairs
American Forest & Paper Association

⁵ [Advancing Sustainable Materials Management: 2018 Fact Sheet. EPA. November 2020](#)