



January 14, 2025

Montgomery County Council
Council Hearing Room
100 Maryland Ave
Rockville, MD 20850

RE: Opposition to Bill 24-24, Paper Carryout Bags and Prohibition on Plastic Carryout Bags

Dear Council President Stewart, Vice President Jawando, and Members of the Montgomery County Council,

The American Forest & Paper Association (AF&PA) must respectfully oppose Bill 24-24, on behalf of our members and their employees who are an integral part of the circular economy.

Introduction to AF&PA

AF&PA serves to advance U.S. paper and wood products manufacturers through fact-based public policy and marketplace advocacy. The forest products industry is circular by nature. AF&PA member companies make essential products from renewable and recycle resources, generate renewable bioenergy and are committed to continuous improvement through the industry's sustainability initiative — [*Better Practices, Better Planet 2030: Sustainable Products for a Sustainable Future*](#). The forest products industry accounts for approximately five percent of the total U.S. manufacturing GDP, manufactures about \$350 billion in products annually and employs about 925,000 people. The industry meets a payroll of approximately \$65 billion annually and is among the top 10 manufacturing sector employers in 43 states.

In Maryland, the industry employs more than 5,600 individuals, with an annual payroll of over \$395 million. The estimated state and local taxes paid by the forest products industry totals \$15 million annually.¹

Impacts of Bag Fees

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. Government taxes imposed on products increase costs for consumers who can least afford it and can create distortions in the free flow of recyclable commodities like paper. Taxes and fees burden hard working citizens by increasing the costs of basic necessities for all and disproportionately impact fixed- and low-income consumers. These consumers can ill afford to pay an additional tax on paper bags while struggling to cover increasing costs of essential products and need affordable packaging options to protect their food purchases

¹ Data sources: U.S. government, AF&PA, and Fastmarkets RISI. Figures are the most recent available as of December 2022.

from damage and contamination. Paper bags are a clean, hygienic, and convenient choice to meet those needs while also being recyclable, reusable, and compostable.

Bag Fee Utilization

Since Bill 24-24 does not propose a new bag fee but rather increases an existing fee, AF&PA encourages the Council to take this opportunity to maximize the program's potential to deliver meaningful environmental benefits. Paper bags are a sustainable packaging option, as they are highly recyclable, compostable, and made from a renewable resource. To enhance these benefits, AF&PA recommends that fee revenues—beyond those already allocated to the Water Quality Protection Charge—be directed toward investments in recycling infrastructure and programs. Expanding such programs would not only further the recovery of highly recyclable materials like paper bags but also support broader waste reduction efforts in Montgomery County.

By strategically reinvesting these funds, the County can build on the strong recycling systems already in place, encourage innovation, and provide long-term benefits for both residents and the environment. AF&PA believes this approach represents a more balanced and effective strategy for achieving the Council's sustainability goals than simply increasing the fee without addressing recycling challenges.

We urge Montgomery County to carefully consider the potential impacts of increasing the fee on paper bags, particularly on consumers who rely on these products in their daily lives. If this bill moves forward, AF&PA encourages the promotion of measures that support paper and paper-based products by ensuring that fee revenues are used to maximize environmental benefits. AF&PA stands ready to assist as a resource, offering our expertise to support the Council's discussions on this important issue. For any questions or further information, please contact Frazier Willman, AF&PA's Manager of Government Affairs, at [Frazier Willman@afandpa.org](mailto:Frazier.Willman@afandpa.org).