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February 27, 2018

House Labor & Commerce Committee
Chair Rep. Sam Kito & Rep. Adam Wool
State Capitol Building
Juneau, Alaska 99811

RE: CS for HB 264 – An Act relating to a fee for disposable bags relating to the sale of reusable shopping bags; relating to the recycling of disposable shopping bags; and providing for an effective date.

Dear Committee Members,

Though the CS for HB 264 is not yet scheduled in your committee, I thought I might take this time to relay AML's opposition to this bill.

This is an issue that should and is currently being addressed by many municipalities throughout the State. Many municipalities have come up with ideas that "nudge" purchasers to use re-usable bags. Municipalities also have the ability to work directly with the retail establishments in their area to arrive at a solution which works for all involved. To simply impose a fee for undesired behavior does very little to curtail that behavior.

At a time of budget shortfalls, I feel it would be unwise to add to the state's budget to make this bill operational; to say nothing of the direct costs to retailers that will then be passed off to the purchaser. Again, there are more effective and efficient ways to change ones' behavior.

This is an issue that should remain under local control. While the State has bigger fish to fry, municipalities can eventually change behavior rather than watch the State "charge" all involved.

Thank you,

Kathie Wasserman
Executive Director



March 9, 2018

The Honorable Sam Kito, Chair
House Labor & Commerce Committee
The Alaska State Legislature
Juneau AK, 99801

RE: Opposition to HB 264

Dear Chairman Kito and Members of the Committee:

On behalf of the American Progressive Bag Alliance (APBA), an organization that represents our country's plastic retail bag manufacturers and recyclers, thank you for the opportunity to submit this testimony to share our collective concerns with HB 264, which would impose a regressive 20-cent fee on disposable shopping bags or as is being reported in the media, be amended to ban all plastic retail bags.

We respect and applaud Representatives Josephson and Drummond and others for taking the goals of waste and litter reduction seriously. We share a common commitment to environmental stewardship and sustainability. Both are critical to ensuring that we are protecting Alaska's natural beauty and are solid business principles.

As a waste reduction measure—and not just a fundraising bill—HB 264 is flawed. Bag bans and taxes may lead to fewer plastic retail bags being used, but similar policies have never delivered significant reductions in overall waste or litter. Policies that ban plastic bags push consumers to use *less* sustainable alternatives by comparison, and bag taxes often impose a regressive, inequitable burden on the most income-sensitive residents. That's a serious cost to consider for Alaska's hard-working families and fixed-income seniors who may incur higher costs to their grocery bills or be forced to buy more expensive alternatives to highly reusable plastic retail bags.

Beyond the economic impact for individual families and shoppers, HB 264 would require Alaska businesses—many of whom are APBA members' customers—to track, report and remit shopping bag tax revenue to the state. These additional reporting, training and compliance obligations will increase the cost of doing business in Alaska. Those higher costs may not be covered by the 25-percent allowance this bill designates for retailers and could end up being passed down as an additional consumer burden, on top of the initial regressive transaction fee and ban.

The proposed environmental benefits would neither relieve the burden on Alaska's fixed income families and seniors nor deliver meaningful outcomes on sustainability efforts. Environmental Protection Agency figures show plastic retail bags comprise just 0.5 percent of national waste, and national studies find the same bags account for less than one to two percent of litter.

When compared side-by-side to its alternatives, plastic retail bags are the most environmentally friendly choice. In relating the life cycle impacts of plastic to the alternatives – paper and cloth bags – University of Oregon professor David Tyler observed:

*"There are really good things about plastic bags—they produce less greenhouse gas, they use less water and they use far fewer chemicals compared to paper or cotton. The carbon footprint—that is, the amount of greenhouse gas that is produced during the life cycle of a plastic bag—is less than that of a paper bag or a cotton tote bag. **If the most important environmental impact you wanted to alleviate was global warming, then you would go with plastic.**"ⁱ*

Across the country, several states and cities have decided against implementing taxes and bans on plastic grocery bags because of the burden on the public and lack of environmental benefits. When Denver, CO explored, and ultimately rejected, a bag ordinance in 2013, the city's Office of Sustainability concluded, ***"Single-use bags of all types constitute well under one percent of all waste delivered to landfills... There are no substantiated claims that a bag fee will result in entirely eliminating even this tiny fraction of waste sent to landfills... Concluding that a bag fee will make a substantial dent in waste going to landfills is misguided."*** Likewise, voters in Durango, CO overturned a 10-cent bag fee in 2013, and in 2014, the Fort Collins, CO City Council repealed their local fee.

In Austin, TX, and Thurston County, WA, respectively, bag laws actually led to *more* landfill wasteⁱⁱ from reusable bags and doubled the useⁱⁱⁱ of paper bags that use more resources.

Thank you for your time and consideration.

Matt Seaholm
Executive Director, American Progressive Bag Alliance

ⁱ Cooper Matt, [Paper or Plastic? The Answer Might Surprise You](#), University of Oregon Cascade College of Arts and Sciences interview with Professor David Tyler, Fall 2012.

ⁱⁱ Minter, Adam, [How a Ban on Plastic Bags Can Go Wrong](#), Bloomberg View, August 15, 2015

ⁱⁱⁱ Thurston County Solid Waste, [Bag Ordinances: Six Month Implementation Report](#), February 3, 2015



**American
Forest & Paper
Association**

March 10, 2018

The Honorable Sam Kito, Chair
House Labor & Commerce Committee
120 4th Street, RM 3
Juneau, AK 99801

RE: Letter to Oppose House Bill 264 – Shopping Bag Fees and Recycling

Dear Representative Kito:

On behalf of the American Forest & Paper Associationⁱ (AF&PA) and the Renewable Bag Councilⁱⁱ (RBC), we appreciate the opportunity to share our perspective on legislation under consideration by the Committee on Labor and Commerce: House Bill 264 (HB 264), which would impose a 20 cent per bag charge on “disposable” bags.

We believe that paper bags should be excluded from measures to tax retail bags. The bag tax unfairly targets paper products, implying they are part of the environmental problem rather than the solution, and discouraging consumers from choosing paper bags that are recyclable, compostable, made of recycled material, and reusable. In fact, paper bags are the only shopping bags that are accepted for recycling at curbside in Anchorage. Responding to consumer demands, many retailers have already voluntarily transitioned to paper.

Government imposed product taxes increase costs for consumers and can create distortions in the free flow of recoverable materials for reuse in new products. Taxes and fees burden hard working citizens, increasing the cost of basic necessities and disproportionately impact those who are low-income.

Our industry achieves a consistently high recovery rate. In 2016, 67.2 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.

We look forward to continuing our work with the state of Alaska. Please feel free to contact Terry Webber, Director, Government Affairs, AF&PA at (202) 463-2732 or terry_webber@afandpa.org for further information.

Representative Kito
March 10, 2018
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Sincerely,

A handwritten signature in blue ink, appearing to read 'Elizabeth Bartheld', with a stylized flourish extending to the right.

Elizabeth Bartheld
Vice President, Government Affairs

Cc:
Representative Adam Wool
Representative Andy Josephson
Representative Louise Stutes
Representative Chris Birch
Representative Gary Knopp
Representative Colleen Sullivan-Leonard

ⁱ AF&PA is the national trade association for the forest products industry, representing pulp, paper, packaging, tissue, and wood products manufacturers, and forest landowners. Our companies make products essential for everyday life from renewable and recyclable resources that sustain the environment. The forest products industry accounts for nearly 4 percent of the total U.S. manufacturing GDP, manufactures approximately \$210 billion in products annually, and employs about 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 Alaska, the forest products industry employs over 1,200 individuals, with an annual payroll of over \$63 million.

ⁱⁱ The Renewable Bag Council (RBC) is comprised of manufacturers and converters of renewable, recycled, recyclable and compostable Kraft paper used for checkout bags at grocery and retail outlets throughout Alaska and across the United States. The RBC is affiliated with the American Forest & Paper Association (AF&PA). Visit the RBC online at www.renewablebag.org or follow us on Twitter @renewablebag.