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**New Recycling Regulations Could Increase Economic Pressure on New York Families**

By John Bartow

The fortunes of New Yorkers have long been intertwined with its dense forests. This bond has positioned the state as a leader in the forest products industry and contributed significantly to the state’s economic growth for hundreds of years. We have done so by making business decisions which not only protect the business, but the environment we rely upon as well. Recent policy discussions in Albany over new recycling regulations threaten to disrupt this virtuous relationship. These new regulations, known as “extended producer responsibility,” or EPR, would make sweeping changes to New York’s recycling system. By essentially shifting the costs of recycling responsibilities from local governments to manufacturers and distributors of products, EPR aspires to improve recycling rates and make recycling more affordable for the state.

While these are admirable goals, in their haste to move legislation forward too quickly, many proponents of EPR have not fully considered the industries which already exceed national averages in recycling rates nor the implications of the far-reaching bill under consideration in the state legislature. Rather than rushing to implement these changes, New York policymakers must take time to understand how an overly broad, one-size-fits-all EPR program could inadvertently harm the lives and livelihoods of hard-working New York families amid record inflation and ongoing financial hardship.

New York’s forest products industry is among the state’s leading manufacturers, and it plays an important role driving economic growth for the state and individuals. Overall, the forest products industry accounts for $22.9 billion in annual economic impact for New York. It employs nearly 100,000 residents with an average annual salary of $61,526 and total annual payroll of over $2.5 billion.

In addition to its robust economic contributions, the forest products industry is already an active participant in New York’s recycling system. Thanks to the voluntary efforts of forest products manufacturers, including the Empire State Forest Products Association’s 400 members, paper and packaging from municipal waste streams has achieved a higher annual recycling rate than plastic, glass, steel, and aluminum combined. New York has both virgin and recovered fiber available and supporting family wage jobs within state borders- the virgin pulp supply is needed to sustain or grow recovered fiber. We take great pride in New York’s paper recycling achievements and will continue to make progress towards an even more circular economy that benefits New Yorkers.

If you step back and appreciate the forest for the trees, it is clear that New York’s forest products industry is doing its part to help the state achieve its economic and environmental goals.

However, the one-size-fits-all EPR legislation under consideration in Albany will impose significant costs on producers, which could ultimately eliminate jobs and reduce private investment in our recycling infrastructure. Such policy would create a patchwork system of product producers with very different recycling needs, systems, and rates. Under these regulations, highly recycled materials like paper would effectively be required to subsidize products with costly recycling solutions and poor end markets, which would direct resources away from job creation and further investment in our paper recycling system.

This, in turn, could impact our globally competitive cost margins and raise the costs of everyday goods for New York families. Americans are already struggling to keep up with record inflation, with some estimates suggesting that the average family is paying [an additional $433 per month](https://www.cbsnews.com/news/inflation-gas-food-average-household-costs-up/) for everyday needs – or $5,200 annually – compared to last year. [Studies show](https://wastewiki.info.yorku.ca/files/2021/06/Maine-State-EPR-Modeling-Draft-Final.pdf?x63676) that EPR will increase these pocketbook pressures. In fact, in states that have passed laws like those under consideration in Albany, families of four have seen their monthly budgets increase between $32 and $59.

Small businesses, too, could be burdened by this legislation. Main street, the heart of American entrepreneurialism, is only now getting back to its feet after a series of body blows from the pandemic, supply chain disruption, and workforce challenges. The shift of cost associated with this legislation could not come at a worse time for these businesses who have already streamlined every expense possible to survive thus far.

Make no mistake: EPR will touch the lives of New York families and businesses—large and small—statewide. The effects of this policy could worsen what is already a difficult economic outlook for many in ways that lawmakers may not anticipate. Instead of quickly moving to enact such sweeping change, legislators should take time to properly understand these impacts and tailor legislation to find solutions for hard-to-handle products or materials where a healthy end market doesn’t already exist. Our leaders in Albany owe it to New Yorkers to ensure no further economic adversity comes their way.

Remove paper and paper packaging from the EPR legislation.

John Bartow

Executive Director

Empire State Forest Products Association