



# American Forest & Paper Association

March 4, 2025

Chair Greg Vitali  
Vice Chair Jack Rader, Jr.  
House Environmental & Natural Resource Protection Committee  
Pennsylvania House of Representatives

## **RE: Opposition for House Bill 109 – an Act amending Title 27 of the Pennsylvania Consolidate Statutes, providing for issuance of permits in environmental justice areas.**

Dear Committee Chair Vitali, Republican Chair Rader, and Members of the House Environmental & Natural Resource Protection Committee,

The American Forest & Paper Association (AF&PA) respectfully opposes HB 109, on behalf of our members and their employees who are an integral part of Pennsylvania's circular economy. While we share the goal of environmental stewardship, we are concerned that this legislation will have unintended consequences that could hinder sustainability investments and economic growth.

### **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 recyclable 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 Pennsylvania, the industry employs more than 50,500 individuals, with an annual payroll of over \$3.2 billion. The estimated state and local taxes paid by the forest products industry totals \$171 million annually.<sup>1</sup>**

Nationally, more than 75% of U.S. pulp and paper mills are in counties where the population is more than 80% rural. These facilities serve as economic anchors in their communities, providing stable, well-paying jobs in areas where manufacturing opportunities can be limited. In addition to direct employment, the forest products industry supports more than 2 million indirect jobs across the supply chain, from forestry and transportation to equipment manufacturing and recycling.

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

### **Paper Industry's Track Record of Environmental Stewardship**

Our industry has a demonstrated, measurable record of success in making paper and paper-based packaging more circular and sustainable through market-driven approaches. Paper recycling rates in the U.S. have consistently increased in recent decades, with 65-69 percent of paper and 71-76 percent of cardboard recovered for recycling in 2023.<sup>2</sup> The paper industry recycles about 50 million tons of recovered paper every year — totaling more than 1 billion tons over the past 20 years. The paper industry has planned or announced around \$7 billion in manufacturing infrastructure investments from 2019 through 2025 to continue the best use of recycled fiber in our products, resulting in an over 9-million-ton increase in available capacity.<sup>3</sup>

Additionally, since 2005, AF&PA members have reduced greenhouse gas emissions by more than 24% and water use by over 8%, returning 88% of the water used in production to the environment. These improvements reflect our industry's commitment to the sustainable production of essential paper products.

### **Concerns with HB 109**

Despite these commitments, HB 109 would introduce additional regulatory complexity that unintentionally could slow environmental progress. The bill would restrict air permits for any major modifications to existing facilities, even when those modifications are designed to reduce emissions. By increasing the complexity and restrictiveness of the permitting process, HB 109 could unintentionally delay projects that would improve environmental performance, creating barriers to efficiency improvements and innovation. These delays would be further exacerbated by additional strain on the Department of Environmental Protection's resources, extending permit review timelines and reducing the efficiency of regulatory oversight.

Beyond delaying critical upgrades, the bill's stringent and at times ambiguous permitting requirements could discourage companies from pursuing modernization efforts or adopting cleaner technologies. The added regulatory hurdles may make such projects financially or logistically unfeasible, counteracting the bill's environmental objectives and deterring investment in Pennsylvania. Of particular concern is §4304(c), which grants the Department discretion to impose "additional requirements." The lack of specificity in this provision creates uncertainty for producers, making it difficult to plan long-term capital investments with confidence.

Additionally, §4304(a)(1) mandates that permit applicants "prepare a cumulative environmental impact report assessing the environmental impact of the proposed new facility or expansion...together with the cumulative impacts on the environmental justice area." However, the bill lacks clear parameters for what such a report must include, creating significant regulatory uncertainty. Without defined criteria, applicants may face inconsistent interpretations, prolonged permitting timelines, and increased compliance costs. Additionally, requiring a permit applicant to prepare a cumulative impacts assessment or report for sources beyond the permit applicant is unfair, unworkable, and would pose significant cost and administrative barriers to considering new

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<sup>2</sup> <https://www.afandpa.org/priorities/recycling>

<sup>3</sup> The Recycling Partnership; Northeast Recycling Council. Last updated: June 2023

modernization projects. The ambiguity and additional burden could deter companies from pursuing essential upgrades, inadvertently stalling environmental improvements and economic investment in Pennsylvania's manufacturing sector.

The forest products industry has consistently invested in sustainability and emissions reduction while remaining a critical economic driver—particularly in rural communities. However, policies that introduce regulatory uncertainty risk discouraging necessary facility upgrades and putting Pennsylvania's manufacturing sector at a competitive disadvantage. To achieve both environmental and economic progress, the state should support regulatory frameworks that encourage sustainable manufacturing investments rather than create obstacles to innovation.

We urge the committee to consider these impacts and support policies that facilitate, rather than hinder, sustainable manufacturing growth. Please direct any questions regarding this matter to Frazier Willman, Manager, Government Affairs, at [Frazier\\_Willman@afandpa.org](mailto:Frazier_Willman@afandpa.org).