

February 26, 2025

Senate Committee on Judiciary Oregon State Capitol 900 Court Street NE Salem, Oregon 97301

RE: Comment on Senate Bill 680 – Relating to environmental marketing claims.

Dear Committee Chair Prozanski, Vice Chair Thatcher, and Members of the Senate Committee on Judiciary,

The American Forest & Paper Association (AF&PA)<sup>1</sup> respectfully opposes <u>Senate Bill 680</u>, relating to environmental marketing claims, on behalf of our members and their employees who are an integral part of the circular economy. Although we agree with the intent, the legislation risks creating ambiguous requirements for producers and may risk the recovery of recyclable material.

In Oregon, the forest products industry employs more than 35,900 individuals, with an annual payroll of over \$2.6 billion. The estimated state and local taxes paid by the forest products industry total \$276 million annually.<sup>2</sup>

## **Concerns with Senate Bill 680**

Creates Ambiguous Requirements for Producers

Many of the bill's provisions introduce vague and subjective standards, making compliance difficult and enforcement inconsistent. Section 1(2)(b) states that an environmental marketing claim is materially false or misleading if "a reasonable resident would otherwise rely on the claim in a decision to patronize the person or purchase the person's products or services." This language presumes that marketing claims are the sole or primary factor in consumer decision-making, ignoring other considerations such as price, function, and convenience. It also places an unreasonable burden on producers to predict individual consumer behavior, creating an impractical compliance standard.

<sup>&</sup>lt;sup>1</sup> 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 — <u>Better Practices, Better Planet 2030: Sustainable Products for a Sustainable Future.</u> 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.

<sup>&</sup>lt;sup>2</sup> Data sources: U.S. government, AF&PA, and Fastmarkets RISI. Figures are the most recent available as of December 2022.

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Section 1(2)(b)(C) states that a claim is misleading if it "is not supported by competent and reliable scientific evidence, if the person asserts that a scientific basis exists for the claim." While the intent is clear, the provision fails to account for situations where credible scientific studies yield differing conclusions. Environmental science is an evolving field, and regulatory frameworks must allow for the natural progression of research without penalizing producers for reasonable reliance on widely accepted but evolving scientific findings.

Given these ambiguities, SB 680 should be revised to provide clearer compliance criteria and a reasonable enforcement mechanism.

## Risk to Recovery of Recyclable Material

Paper recycling is an environmental success story. Paper is one of the most widely recycled materials in America, and paper recycling rates in the U.S. have consistently increased in recent decades. The paper industry recycles nearly 60% more paper today than it did in 1990, when the industry set its first recycling rate goal. In 2023, between 65 and 69 percent of paper and 71 and 76 percent of cardboard available for recovery in the United States was recycled.<sup>3</sup>

Additionally, the paper industry is working to capture even more paper from the waste stream for recycling. Since 2019, our industry has announced or is expected to complete projects by 2025 that will use more than 9 million tons of recycled paper. These projects include building new mills, converting or expanding existing mills, and updating machinery and equipment demonstrating our commitment to the recovery and recycling of our products.

SB 680, however, introduces provisions that could discourage the use of legitimate recyclability claims, potentially harming recycling participation. The requirement for claims to include "clear, prominent, specific, and significant benefits to the natural environment" could impose excessive disclosure demands, making it impractical for producers to communicate valid recyclability claims. Additionally, the requirement that claims must "mention or discuss potential costs or tradeoffs" when marketing products risks deterring consumers from recycling by introducing unnecessary complexity into environmental messaging. If producers are required to meet unrealistic standards to qualify recyclability claims—or face significant financial penalties for perceived noncompliance—they may opt to forgo making such claims altogether. This could lead to consumer confusion, decreased recycling rates, and increased landfill waste, undermining the very environmental goals the bill seeks to achieve.

## **Conclusion**

AF&PA supports transparency in environmental marketing but urges the Committee to reconsider SB 680's approach. The bill, as drafted, introduces vague compliance requirements that could burden producers, create enforcement challenges, and discourage recycling. We encourage a balanced regulatory approach that ensures truthful marketing while preserving the ability to promote sustainable practices effectively. We welcome the opportunity to work with the

<sup>&</sup>lt;sup>3</sup> https://www.afandpa.org/priorities/recycling

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Committee to refine this legislation in a way that achieves its intended goals without unintended negative consequences. Please direct any questions regarding this matter to Frazier Willman, AF&PA's Manager of Government Affairs at <a href="mailto:Frazier Willman@afandpa.org">Frazier Willman@afandpa.org</a>.