



Regulatory Reform Tops AF&PA 2017 Priority List

Comprehensive tax reform, efficient transportation, trade policy, paper options also targeted

By Donna Harman, President and CEO, American Forest & Paper Association

With a new Administration and Congress in place, 2017 brings fresh opportunities for AF&PA to achieve public policy goals that will strengthen the paper and wood product industry's ability to contribute to a growing economy. With 900,000 employees in large and small communities across 45 states, forest products industry employees are the face of American manufacturing, accounting for 4 percent of total U.S. manufacturing GDP and an annual payroll of \$50 billion dollars. The horizon ahead is open for growth. And, right now, we are fully engaged in making that happen on behalf of our member companies.

We expect and welcome a busy pace this year as we advocate for policy priorities that support our industry's ability to invest, innovate and compete on a wider scale at home and around the globe. High on that list — regulatory policy. Simply put, we need smarter regulations to grow the economy, and AF&PA will back policies and legislation that ensure regulations do more harm than good. At the same time, we stand behind steps that will lead to economic growth, including comprehensive tax reform, improved transportation efficiency, trade policy, continuation of paper-based options and sustainability policies.

SMARTER REGULATIONS TO GROW THE ECONOMY

The cost, complexity and volume of regulations disproportionately affects manufacturers. Regulations must be designed to provide net benefits based on the best scientific and technical information through a transparent and accountable rulemaking process, with due consideration of the cumulative regulatory burden. A top focus is ensuring that the biomass energy produced and used in our facilities is considered carbon neutral, and we will continue to make the case for the repeal of the Clean Power Plan. Additionally, we will work to stem the tide of overreach on air and water regulations affecting the industry, including modernizing the cumbersome air permit process and ensuring reasonable, science-based human health water quality criteria.

COMPREHENSIVE TAX REFORM

Comprehensive reform of our tax system will improve economic growth, job opportunity, capital investment and the competitiveness of U.S.-based businesses and is critical. Lower tax rates are needed for all businesses, and reforms should support investment in U.S. manufacturing while recognizing the complex global supply chains that make robust U.S. manufacturing possible.

TRANSPORTATION EFFICIENCY

Our industry's shipping functions must be globally competitive. Safely increasing truck weight limits on federal interstate high-

ways and freight rail system rate and service improvements are necessary and have our support.

TRADE

U.S. paper and wood product manufacturers need unrestricted access to international markets and a level playing field among international competitors through the elimination of both tariff and non-tariff barriers. Trade agreements that generate substantive economic benefit to U.S. forest products manufacturers and their workers should be maintained. Enforcement of trade agreements and laws that ensure all nations play by the rules so that trade flow is not arbitrarily distorted are essential.

SECURING ACCESS TO PAPER OPTIONS

The government's rush to digitize puts millions of Americans at a disadvantage, many of whom are in rural communities and/or low-income households. We cannot forget that 45 percent of seniors do not own a computer, and 30 percent of citizens do not have online access at home.

AF&PA will continue to support policies to ensure all citizens have access to paper-based communications options for government services and information. That includes continuing to make the case for the withdrawal of the Securities and Exchange Commission's proposed 30e-3 regulation. Paper should continue to be the method of delivery when investors decide not to choose another option.

SUSTAINABILITY

In 2016, the dedication of the U.S. pulp, paper, packaging, tissue and wood products manufacturing industry to advancing sustainability has led to the early achievement of Better Practices, Better Planet 2020 goals of reducing greenhouse gas emissions by 16 percent, reaching beyond the 15 percent goal ahead of schedule. Additionally, safety improvement hit 40.8 percent, surpassing the 25 percent goal, and over 63 percent of paper consumed in the U.S. has been recovered for recycling for each of the past seven years, reaching a record 66.8 percent in 2015. We will continue to support policies that make advances in these areas.

AF&PA looks forward to partnering with stakeholders and policy makers to put positive measures in place that will open the doors to economic expansion. Doing so will allow our manufacturers to do what they do best — make products that are essential to everyday American life — employing hundreds of thousands of Americans across the country. Stay tuned. I look forward to reporting on the results of our efforts.