



# NANCY VANDERMEER

STATE REPRESENTATIVE • 70<sup>TH</sup> ASSEMBLY DISTRICT

TO: Honorable Members of the Assembly Committee on Jobs and the Economy

FROM: State Representative Nancy VanderMeer

DATE: October 19, 2021

SUBJECT: Testimony in Support of Assembly Bill 497

Thank you Chairman Wittke and members of the Assembly Committee on Jobs and the Economy for holding a hearing on AB 497 today. This proposal, which was voted out of this committee unanimously last session and calendared for the Senate's final planned floor session of 2020, addresses an issue brought forward by large employers in and around my district and the Wisconsin Paper Council. Last session, this bill was passed via voice vote in February of 2020 in the Assembly as well. I'd like to note that the only material change with this session's proposal versus last session's proposal is that after consultation with industry personnel and stakeholders, we essentially opened up the criteria that businesses can utilize to attempt to obtain permission for a two-year inspection window provided under the bill. It was done for specific reasons pertaining to insurance industry requirements. I will be happy to provide more detail, but I believe there will be stakeholders here that can probably most effectively speak to that.

Currently, chemical recovery boilers are required to be inspected by the Department of Safety and Professional Services (DPS) on a one year inspection window. However, a number of chemical recovery boilers have the technical capability to be inspected on a two year inspection window if proper enhancements and adjustments are made, and there should be experts here today that can speak directly to that process. According to communication we received from DPS themselves during preparation for last session's hearing, they were not aware of why chemical recovery boilers weren't already excluded from an exemption option that exists currently in agency rules. If they're here today, I hope you'll have the chance to hear from them on that as well.

As you may hear about today and have probably already seen in written comments from business personnel and organizational leaders on the management and labor side of things, in order for DPS to properly complete an inspection, a plant must be taken out of production for up to, but not limited to, two weeks. This puts a strain on production and wages for the time period that a production plant needs to be effectively shut down in order for an inspection to be properly completed. What Senator Testin and I are trying to accomplish with this proposal is creating an efficiency within an existing structure in order for there to continue to be proper safety oversight as well as reasonable, predictable expectations placed on job creators and employers that also have substantial vested interests in the safety of their employees.

I also think it's important to point out that there is precedent for this inspection structure in other states, including neighboring and other Midwestern states. In addition, as I previously mentioned, there are very specific industry standards and technological specifications that can be quantified to prove that chemical recovery boilers like those we're referring to today have the capability to be inspected on a two, rather than one year inspection cycle. Thank you for the opportunity to be here today and the opportunity for a public hearing on this legislation, and I respectfully ask for your support to again move this proposal forward.



# PATRICK TESTIN

## STATE SENATOR

DATE: October 19, 2021

RE: **Testimony on Assembly Bill 497**

TO: The Assembly Committee on Jobs and the Economy

FROM: Senator Patrick Testin

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I would like to thank Chairman Wittke and members of the committee for accepting my testimony on Assembly Bill 497 (AB 497).

I drafted this bill at the request of the Wisconsin Paper Council and a major employer in my district, Domtar. Domtar and other companies across the state utilize chemical boilers, which are inspected by the Department of Safety and Professional Services every 12 months, with the possibility of a six month extension.

To internally inspect the chemical recovery boilers, they must completely shut down all operations. This results in the loss of production and revenue. In addition to a fiscal cost, there is an environmental cost as well. Shutting down and starting up operations results in higher emissions than consistent operation.

This bill is not about slipping old, rusting boilers past inspection. Under the bill, the boilers would need a top rating from their insurers to allow for the 24 month inspection schedule. This would help Wisconsin companies and regulators be more in step with other states. Furthermore, this bill is supported by ownership, management, and labor.

Thank you for your time and I hope that you will join us in supporting this bill. At this point, I can answer any questions you have.



**To:** Honorable Members of the State Assembly Committee on Jobs and the Economy

**From:** Wisconsin Paper Council, Ahlstrom-Munksjö, Construction Business Group, Centergy, UA 400 Pipe Trades, Domtar, Heart of WI Chamber of Commerce, International Association of Machinists and Aerospace Workers, Office and Professional Employees International Union -Local 39, Packaging Corporation of America, United Association of Journeymen and Apprentices of the Plumbing, Pipefitting and Sprinkler Fitting Industry of the United States and Canada, United Steelworkers, WEC Energy Group, GLTPA, Verso Corporation, Wisconsin Manufacturers & Commerce and the Wisconsin Industrial Energy Group

**RE:** Request for Support of AB 497: Chemical Recovery Boiler Legislation

**Date:** October 19, 2021

On behalf of our coalition of industry leaders, economic development associations and numerous labor organizations, we would like to respectfully urge your support for **Assembly Bill 497**, which is scheduled for a public hearing before your esteemed committee today.

As you may know, a chemical recovery boiler is an essential part of the pulp production process as it recovers and regenerates cooking liquors. These boilers not only recover chemicals and generate power much more efficiently, but they do so by utilizing a safe, reliable and environmentally sound process.





Currently internal inspections of chemical recovery boilers are required every 12 months, with the possibility of a 6-month extension. Unfortunately, these manufacturing facilities do not know whether such an extension is granted until approximately one month before the 12-month deadline. It is important to note that pre-planning for a facility shutdown and inspection is not only extremely time consuming and costly but the currently notification period is sometimes not conducive for these complex preparations.

Allowing a full 24 months between inspections in cases where the facility has an agreement and is in good standing with the insurer will provide manufacturers and their employees with regulatory certainty so that these facilities can better plan for such inspections and more efficiently manage the resources necessary to accomplish this task. A similar approach is currently taken in states such as Michigan and Maine.

AB 497 is a common-sense measure which will reform the timeline of the inspections of these technologically advanced boilers. As you can see, this legislation has strong support from industry, labor and the economic development community.





## About Our Coalition:

**WPC:** The Wisconsin Paper Council (WPC) advocates for and represents the state's pulp and papermaking industry. Wisconsin is the #1 papermaking state in the United States and its members provide family supporting jobs for over 30,000 employees throughout Wisconsin.

**Ahlstrom-Munksjö:** Ahlstrom-Munksjö is one of the world's leading manufacturers in sustainable and innovative fiber solutions with about 1,850 employees in its four mills in Kaukauna, De Pere, Mosinee and Rhinelander.

**CBG:** Our purpose, as a Joint Labor-Management company, is to enhance business opportunities and a quality of life by ensuring fairness, equity and standards of excellence in the construction industry of Wisconsin.

**Centergy:** Centergy, Inc. is a nonprofit regional marketing and economic development organization. Our purpose is to foster collaboration among private and public-sector leaders throughout the five counties of central Wisconsin that make up the Centergy Region: Adams, Lincoln, Marathon, Portage, and Wood Counties.

**UA 400 Pipe Trades:** UA 400 is comprised of approximately 2,300 members serving eighteen counties in Northeast Wisconsin. Their main purpose is to provide training for their members and qualified manpower to their 105 signatory contractors for all aspects of the plumbing, pipe fitting, HVACR service, and pipe fabrication industries.



**Domtar:** Domtar is a leading provider of a wide variety of fiber-based products including communication, specialty and packaging papers, market pulp and absorbent hygiene products. With approximately 10,000 employees serving more than 50 countries around the world, Domtar is driven by a commitment to turn sustainable wood fiber into useful products that people rely on every day. Domtar operates paper mills in Nekoosa and Rothschild.

**Heart of Wisconsin Chamber of Commerce:** The Heart of Wisconsin Chamber of Commerce is a dynamic membership organization comprised of non-profit, educational, government, and small and large businesses.

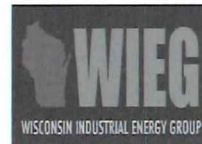
**IAMAW:** With nearly 600,000 active and retired members, IAMAW is one of the most diverse labor unions in North America. From Lockheed Martin to Domtar and Harley-Davidson, you will find IAMAW members across all walks of life.

**PCA:** Packaging Corporation of America is one of the largest producers of containerboard and corrugated packaging in the United States and the third largest producer of uncoated freesheet in North America, based on production capacity. We have approximately 15,000 employees, with operations primarily in the United States.

**UA:** The United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States, Canada (UA), affiliated with the national building trades, represents approximately 355,000 plumbers, pipefitters, sprinkler fitters, service technicians and welders in local unions across North America.

**OPEIU-Local 39:** Office and Professional Employees International Union was chartered in 1945 and with more than 104,000 members (representing 110,000 employees) strong, we're one of the larger unions of the AFL-CIO. OPEIU represents employees and independent contractors in a wide variety of businesses and associations.





**USW:** The United Steelworkers represent workers in a diverse range of industries, including primary and fabricated metals, paper, chemicals, glass, rubber, heavy-duty conveyor belting, tires, transportation, utilities, container industries, pharmaceuticals, call centers and health care.

**WEC Energy Group:** WEC Energy Group is one of the nation's largest electric generation and distribution and natural gas delivery holding companies, with the operational expertise and financial resources to serve the Midwest's energy needs safely, reliably and responsibly.

**GLTPA:** The Great Lakes Timber Professionals Association (GLTPA) has provided proven leadership in the Lake States Forest products industry for over 70 years. GLTPA is a non-profit organization proud to represent members in Michigan and Wisconsin and is committed to leading Forest Products Industry in sustainable forest management.

**Verso:** Verso Corporation is a leading North American producer of specialty and graphic papers, packaging and pulp.

**WMC:** Wisconsin Manufacturers & Commerce (WMC) is the largest and most influential business association in the state, working to make Wisconsin the best place in the nation to do business.

**WIEG:** The Wisconsin Industrial Energy Group (WIEG) is a nonprofit consumer advocacy trade association that advocates for affordable and reliable energy.





## **Assembly Bill 497**

# **Chemical Recovery Boiler Reform Legislation**

## **Background Information**

### **What is a Chemical Recovery Boiler?**

A chemical recovery boiler is a type of biomass boiler that combusts black liquor produced as a by-product in the pulp manufacturing process at paper mills. Black liquor is a fuel derived from wood chips that is regarded as renewable.

A chemical recovery boiler not only effectively uses the thermal energy gained by combusting black liquor, but also recovers sodium (carbonate) ingredients that are reused in the pulp manufacturing process, and thus plays an important role in a pulp manufacturing plant.

The chemical recovery boiler is an essential part of the pulp production process as it recovers and regenerates cooking liquors. Recovery boilers not only recover chemicals and generate power efficiently, but they do so using a safe, reliable, and environmentally sound process.

### **Current WI Law Regarding Chemical Recovery Boiler Inspections:**

Under current law, the Department of Safety and Professional Services (DSPS) imposes rules on inspections of chemical recovery boilers. Currently inspections happen on an annual basis.

Internal inspection of chemical recovery boilers is currently required every 12 months, with the possibility of a 6-month extension (every 18 months). Facilities do not know whether the extension is granted until approximately one month before the 12-month deadline.



## What Changes Does This Legislation Make to Current Law?

Our current legislative draft states that if the owner or user of a chemical recovery boiler maintains insurance coverage for the boiler and ***is in good standing with the insurer that provides the coverage***, the bill limits the frequency of periodic inspections, including internal inspection, that require taking the boiler out of service to every 24 months.

In addition, the bill imposes a deadline on DSPS to act on applications for exemptions or extensions with respect to periodic inspections of chemical recovery boilers. If the owner or user of a boiler applies for an exemption or extension at least 120 days before the expiration of the inspection period that applies to the boiler, the bill requires DSPS to take final action on the application at least 90 days before the expiration of that inspection period.

The frequency of these inspections is extremely costly to Wisconsin businesses that have chemical recovery boilers. The frequency of the inspections force businesses to shut the boilers for several days and costing each company millions of dollars, thus affecting both production and employee wages.

The change in statute will positively impact businesses and the thousands of employees that work for these Wisconsin businesses. The millions of dollars saved by this common-sense change in inspection timeline will allow companies like Domtar to reinvest that money in research and development and the community.

## The Chemical Recovery Boiler Reform Bill Will Have a Positive Environmental Impact:

Shutting down and starting up mill operations results in higher overall emissions than consistent operation of this equipment. Thus, more frequent inspections result in higher emissions than normal continuous operations.

Temperature fluctuation, caused by cooling the boiler for inspection, stresses and weakens welds and other stress concentration points thus reducing the integrity of the boiler and shortening the life of the boiler.



## What Wisconsin Companies Are Impacted by This Legislation?

There are **8 (eight)** chemical recovery boilers in Wisconsin:

- Ahlstrom-Munksjö has 3 chemical recovery boilers (Thilmany-2 and Mosinee-1)
- Domtar has 1 chemical recovery boiler (Nekoosa)
- Packaging Corporation of America has 1 chemical recovery boiler (Tomahawk)
- Verso has 3 chemical recovery boilers (All in Wisconsin Rapids)

## Last Session's Bills Garnered Broad Support Statewide:

This legislation has broad-based support from business, labor unions and economic development organizations. These include:

- The Wisconsin Paper Council
- Ahlstrom-Munksjö
- Construction Business Group
- GLTPA
- Centergy
- Domtar
- UA 400 Pipefitters
- Heart of WI Chamber of Commerce
- International Association of Machinists and Aerospace Workers
- Office and Professional Employees International Union
- Packaging Corporation of America
- United Association of Journeymen and Apprentices of the Plumbing, Pipefitting and Sprinkler Fitting Industry of the United States and Canada
- United Steelworkers
- WEC Energy Group
- Verso Corporation
- Wisconsin Manufacturers & Commerce
- The Wisconsin Industrial Energy Group

*Note: There was **no** opposition to last Legislative Session bills AB 781 or SB 699  
(Source: Wisconsin Ethics Commission)*





State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-0080/1

KP:cdc

## 2021 ASSEMBLY BILL 497

August 4, 2021 - Introduced by Representatives VANDERMEER, KRUG, ROZAR, DITTRICH, EDMING, KNODL, KUGLITSCH, MAGNAFICI, MURPHY, MURSAU, OHNSTAD, OLDENBURG, SHANKLAND, SNODGRASS, SNYDER, SPIROS, STEFFEN, TAUCHEN, TITTL and WICHGERS, cosponsored by Senators TESTIN, FELZKOWSKI, ROTH, COWLES, BEWLEY and NASS. Referred to Committee on Jobs and the Economy.

1     **AN ACT** *to renumber and amend* 101.17; and *to create* 101.17 (2) of the  
2           statutes; **relating to:** inspection requirements for chemical recovery boilers.

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### ***Analysis by the Legislative Reference Bureau***

Under current law, the Department of Safety and Professional Services has promulgated rules that impose inspection requirements on boilers. This bill affects those requirements for chemical recovery boilers. If the owner or user of a chemical recovery boiler maintains insurance coverage for the boiler and is in good standing with the insurer that provides the coverage, the bill limits the frequency of periodic inspections, including internal inspection, that require taking the boiler out of service. Under the bill, those periodic inspections may be required no more frequently than once every 24 months. The frequency limit applies to inspections of the boiler or any of its components.

In addition, the bill imposes a deadline on DSPS to act on applications for exemptions or extensions with respect to periodic inspections of chemical recovery boilers. If the owner or user of the boiler applies for an exemption or extension at least 120 days before the expiration of the inspection period that applies to the boiler, the bill requires DSPS to take final action on the application at least 90 days before the expiration of that inspection period.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***



### Fiscal Estimate - 2021 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> <b>21-0080/1</b>	<b>Introduction Number</b> <b>AB-0497</b>	
<b>Description</b> inspection requirements for chemical recovery boilers		
<b>Fiscal Effect</b>		
<b>State:</b>		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b>		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue      5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others      0 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b>		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS    20.165(2)(j)		
<b>Affected Ch. 20 Appropriations</b>		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DSPS/ Brian Bell (608) 267-1811	Daniel Hereth (608) 267-2435	8/12/2021



Fiscal Estimate Narratives

DSPS 8/12/2021

LRB Number	21-0080/1	Introduction Number	AB-0497	Estimate Type	Original
<b>Description</b> inspection requirements for chemical recovery boilers					

**Assumptions Used in Arriving at Fiscal Estimate**

One-time costs estimates at \$24,538.29, which likely could be absorbed within the agency's operating budget. This estimate is derived from the following:

- 1) From the Division of Industry Services, one-time costs estimated at \$20,400 for IT eSLA Development- create new category of boiler to ID Chemical Recovery Boilers, create eSLA logic for 2 year permit cycle, testing the system.
- 2) From the Division of Policy Development, one-time costs estimated at \$4,138.29 for 80 hours of attorney salary and fringe costs for Promulgation of rules to update the plumbing code at SPS Chapter 341. The time between the required inspections of chemical recovery boilers would need to be lengthened and a process for considering requests for inspection exemptions or extensions for chemical recovery boilers created.

**Long-Range Fiscal Implications**



On behalf of Nick Vitello and United Steel Workers LOCAL 59, I would like to respectfully urge your support for Assembly Bill 497, which is scheduled for a public hearing before your esteemed committee today. As you may know, a chemical recovery boiler is an essential part of the pulp production process as it recovers and regenerates cooking liquors. These boilers not only recover chemicals and generate power much more efficiently, but they do so by utilizing a safe, reliable and environmentally sound process.

Currently internal inspections of chemical recovery boilers are required every 12 months, with the possibility of a 6-month extension. Unfortunately, these manufacturing facilities do not know whether such an extension is granted until approximately one month before the 12-month deadline. It is important to note that pre-planning for a facility shutdown and inspection is not only extremely time consuming and costly but the currently notification period is sometimes not conducive for these complex preparations.

Allowing a full 24 months between inspections in cases where the facility has an agreement and is in good standing with the insurer will provide manufacturers and their employees with regulatory certainty so that these facilities can better plan for such inspections and more efficiently manage the resources necessary to accomplish this task. A similar approach is currently taken in states such as Michigan and Maine.

**Protecting Good-Paying Jobs/Maintaining Global Economic Competitiveness**

- As you know, papermaking is an increasingly complex and extremely competitive global manufacturing market. Passage of AB 497 will help papermaking companies remain globally competitive and viable by placing these inspections more in line with other states such as Michigan and Maine.
- Such internal inspections of chemical recovery boilers require facilities to partially or completely shut down their operations, costing time and productivity. This legislation will help companies with chemical recovery boilers better plan and manage the incredible amount of people power and resources necessary to complete such inspections.
- The dollars saved by this common-sense change in the inspection timeline will allow companies like Ahlstrom-Munksjö, Domtar, PCA and Verso to reinvest those monies into critical research and development as well as back into the communities where they are based.

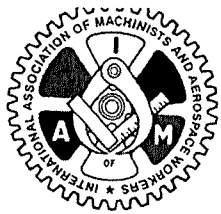
OPEIU/USW Nick Vitello represents over 256 hard-working men and women who believe in enhancing Wisconsin's economy while at the same time protecting our precious environment. AB 497 will protect jobs, maintain competitiveness for this important industry and reduce emissions which is good for our environment.

**We respectfully ask that this committee take executive action on AB 497 in an expeditious manner. Thank you for your time and consideration of this important legislative initiative.**

Sincerely,

**Nick Vitello**

**USW Local 59 Vice President**



## **INTERNATIONAL ASSOCIATION of MACHINISTS and AEROSPACE WORKERS**

NEKOOSA, WISCONSIN

LODGE 1543

On behalf of IAMAW Local Lodge 1543, I would like to respectfully urge your support for **Assembly Bill 497**, which is scheduled for a public hearing before your esteemed committee today. As you may know, a chemical recovery boiler is an essential part of the pulp production process as it recovers and regenerates cooking liquors. These boilers not only recover chemicals and generate power much more efficiently, but they do so by utilizing a safe, reliable and environmentally sound process.

Currently internal inspections of chemical recovery boilers are required every 12 months, with the possibility of a 6-month extension. Unfortunately, these manufacturing facilities do not know whether such an extension is granted until approximately one month before the 12-month deadline. It is important to note that pre-planning for a facility shutdown and inspection is not only extremely time consuming and costly but the currently notification period is sometimes not conducive for these complex preparations.

Allowing a full 24 months between inspections in cases where the facility has an agreement and is in good standing with the insurer will provide manufacturers and their employees with regulatory certainty so that these facilities can better plan for such inspections and more efficiently manage the resources necessary to accomplish this task. A similar approach is currently taken in states such as Michigan and Maine.

### **Protecting Good-Paying Jobs/Maintaining Global Economic Competitiveness**

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- Such internal inspections of chemical recovery boilers require facilities to partially or completely shut down their operations, costing time and productivity. This legislation will help companies with chemical recovery boilers better plan and manage the incredible amount of people power and resources necessary to complete such inspections.
- The dollars saved by this common-sense change in the inspection timeline will allow companies like Ahlstrom-Munksjö, Domtar, PCA and Verso to reinvest those monies into critical research and development as well as back into the communities where they are based.

OPEIU, USW, UA Pipe Trades, and IAMAW represents over 30,000 hard-working men and women who believe in enhancing Wisconsin's economy while at the same time protecting our precious environment. AB 497 will protect jobs, maintain competitiveness for this important industry and reduce emissions which is good for our environment.

**We respectfully ask that this committee take executive action on AB 497 in an expeditious manner. Thank you for your time and consideration of this important legislative initiative.**

Harley Spees

  
President Local Lodge 1543



## AB 497 Public Hearing Input – October 19, 2021

Statewide, the forest industry in Wisconsin provides more than 64,000 jobs and has an output of \$24.7 billion.<sup>1</sup> Sustainability in papermaking is the future of Wisconsin's renewable wood and water resources.

The paper industry is the most significant contributor to sustainable forestry programs in the State of Wisconsin. As an example, the Sustainable Forestry Initiative (SFI®) provides about \$200,000 in educational and research grants to forestry-focused organizations annually.<sup>1</sup>

Pursuing continuous improvement is part of each stage of our work. We seek to ensure the fibers, chemicals, and other inputs we use are ethically and responsibly sourced. Several parts of the pulping process, from parts of the tree to chemicals, can be reclaimed several times.

Following the removal of bark, pulp wood used for papermaking contains two major components:

- Fiber (35%-50%) used for papermaking and
  - Lignin (50%-65%), a form of wood sugar
- The chemical pulping process dissolves the lignin so that it can be washed out of the fiber.*

Chemical recovery boilers are an essential component of the pulping process that enhance the sustainable nature of Wisconsin's pulp mills. The dissolved lignin is burned to produce high pressure steam, and in the process recover/recycle the chemical for reuse in the pulping process.

High pressure steam produced by chemical recovery boilers is first piped to turbines to generate renewable electrical power. The low pressure exhaust steam from the turbines is then piped to paper machines and used to dry the paper in a highly efficient combined heat and power (CHP) energy system.

When electricity and thermal energy are provided separately, overall energy efficiency ranges from 45-55%. A properly designed CHP system will typically operate with an overall efficiency of 65-85%.<sup>2</sup>

Wisconsin's chemical recovery boilers are prime examples of sustainable high efficiency CHP energy systems that utilize renewable fuel, sourced from Wisconsin's forest lands and the Fox and Wisconsin rivers.

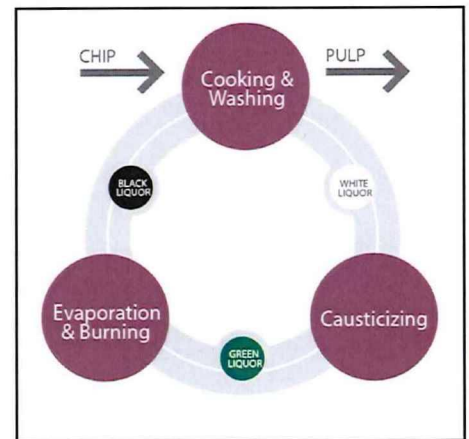
The merit of this legislation lies in three major areas:

- 1) The improvement to a 24 month periodic inspection frequency is expected to improve the overall safety and reliability of chemical recovery boilers by providing the flexibility to align the periodic inspections with the overall condition of the boiler.
- 2) The improvement from 12 month to 24 month periodic inspection frequencies can reduce the thermal stress placed on boilers by the shut down and restart of the boilers.
- 3) Chemical recovery boiler shut down, inspection and restart process can often exceed one week, causing paper production to source higher cost non-renewable power and thermal energy.

We have several Wisconsin pulp mills represented today who can expand on these and other merits of the legislation.

Respectfully submitted by:

Mark Kjorlie, P.E,  
Head of Investments/Engineering - Ahlstrom-Munksjö  
600 Thilmany Rd. | Kaukauna, WI 54130



1: <https://www.wipaper.org/forestry-1> 2: [https://www.energy.gov/sites/prod/files/2017/12/f46/CHP%20Overview-120817\\_compliant\\_0.pdf](https://www.energy.gov/sites/prod/files/2017/12/f46/CHP%20Overview-120817_compliant_0.pdf)



## **AB 497 Public Hearing Input**

### **State Assembly Committee on Jobs & the Economy.**

**October 19th, 2021**

The Ahlstrom Munksjo – Thilmany Mill operates 2 chemical recovery boilers. In 2010, Ahlstrom Munksjo stated working with the State of Wisconsin to get extensions for one of our chemical recovery boilers to operate on a 24 month cycle, and the other chemical recovery boiler to operate on an 18 month cycle.

During the past 11 years, Ahlstrom Munksjo has not seen a negative effect on safety or reliability on either chemical recovery boiler from this outage frequency.

I have been directly involved with the operations and maintenance of the Ahlstrom Munksjo's chemical recovery boilers for the past 21 years. In that time my roles have included: Maintenance Operations Coordinator, Recovery Area Manager, Facility Maintenance Manager, Operations Manager – Pulp and Power, and recently Environmental Manager.

Respectfully submitted by:

**Heath Hoffmann**

Environmental Manager – Ahlstrom-Munksjo Thilmany  
600 Thilmany Rd.  
Kaukauna, WI 54130



October 17, 2021

RE: AB 497 Public Hearing Written Testimony

To: Members of the Wisconsin Assembly Committee on Jobs and the Economy

I am writing on behalf of the 390 employees of Domtar's Nekoosa Mill to ask your support of AB 497, a bill relating to inspection requirements for chemical recovery boilers in the state.

This legislation is very important to the pulp and paper manufacturers in the state, including Domtar.

Domtar is a leading provider of a wide variety of fiber-based products including communication, specialty and packaging papers, market pulp, and airlaid nonwovens. With approximately 6,400 employees companywide serving more than 50 countries around the world, Domtar is driven by a commitment to turn sustainable wood fiber into useful products that people rely on every day.

The Nekoosa Mill, one of 12 pulp and paper mills within the Domtar system, is located in Wood County. It is one of the largest and strongest economic providers for the region and is committed to ensuring Wisconsin remain the nation's top papermaking state. As we currently operate one chemical recovery boiler, we would be directly impacted from the passage of this legislation.

There are several benefits of moving from a 12 month to 24-month periodic inspection frequency as proposed in the legislation:

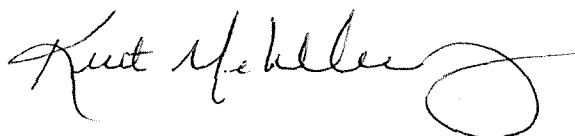
1. Improvement of overall reliability and safety of the chemical recovery boiler.
2. Reduction of the thermal stress placed on the boiler by shutting down and restarting.
3. Decrease in the cost associated with shutting down for extended amounts of time.
4. Avoiding higher overall emissions on the boiler through additional shut down and restarts (More frequent inspections result in higher emissions than normal continuous operations.)

Boiler technology has made great strides and improvements in the last 50 years, with both safety standards and monitoring technology. Advances in technology have not only made modern boilers more efficient, but substantially safer, reducing the need for inspections every 12 months. The majority of states in the country recognize these technological advances, allowing the best performing and safest boilers to apply for inspection variances. Modern control equipment continually monitors a wide range of metrics pertaining to the boiler and its operation, allowing owner/operators to recognize any potential abnormalities before they become a safety or environmental hazard.

The language contained in the bill has been carefully discussed, reviewed, and agreed upon between paper industry and labor union leadership, and has garnered bi-partisan support as noted by the co-sponsors.

Your support on this issue is very much appreciated and we respectfully ask members of the committee to vote in favor of AB 497.

Sincerely,

A handwritten signature in cursive script that reads "Kurt Mehlberg". The signature is fluid and includes a large, decorative loop at the end.

Kurt Mehlberg  
Mill Manager  
Nekoosa Mill



To: Honorable Members of the State Assembly Committee on Jobs and the Economy  
From: Don Gennrich, Mill Manager – PCA Tomahawk  
Date: October 19, 2021  
Re: Support for Assembly Bill 497

Chairperson Wittke and Honorable Committee Members:

My name is Don Gennrich and I serve as the mill manager for PCA's paper mill located in Tomahawk, Wisconsin. I apologize that I am not able to appear in person to testify on this important legislation as I was not able to travel to Madison this week due to ongoing mill operations.

I am respectfully urging this committee to support AB 497 as this measure will not only provide our Tomahawk facility with better flexibility in terms of our overall operations, but it will also promote worker safety and be of benefit to our precious environment as well.

Our chemical recovery boiler is an essential part of our pulp production process as it recovers and regenerates cooking liquors. These boilers not only recover chemicals and generate power much more efficiently, but they do so by utilizing a safe, reliable and environmentally sound process.

Allowing a full 24 months between inspections in cases where the facility has an agreement and is in good standing with the insurer will provide manufacturers and their employees with regulatory certainty so that these facilities can better plan for such inspections and more efficiently manage the resources necessary to accomplish this task. A similar approach is currently taken in states such as Michigan and Maine. The paper industry is a global market, and it is critical that our operations remain competitive with other states. As you know, Wisconsin is proudly number one in papermaking production and measures such as AB 497 will assist our state in remaining as the top producer of paper products in the nation.

We proudly join our statewide coalition which includes unions, economic development organizations, our supply chain partners and both democrats and republican leaders in supporting AB 497. Thank you for your time and consideration of this important legislation.

Sincerely,

**Don Gennrich**  
**Mill Manager**  
**PCA Tomahawk**



# Heart of Wisconsin Chamber of Commerce

October 18th, 2021


I am writing on behalf of the Heart of Wisconsin Chamber of Commerce in support of the Chemical Recovery Boiler Reform Legislation. Assembly Bill 497 directly impacts businesses in our service area. Now more than ever we need to work to keep businesses sustainable for the future.

The suggested legislation will positively impact businesses and the thousands of employees that work for those Wisconsin businesses. The millions of dollars saved annually will let those businesses reinvest into research and further community development. Not only will businesses be impacted positively but so will the environment. Less carbon emission will be released into the environment with less frequent shutdowns.

As the paper industry continues to change, we as a state need to remain competitive with other states including Michigan while keeping safety the highest priority.

We ask that AB 497 be supported.

Sincerely,



Angel Whitehead  
President  
Heart of Wisconsin Chamber of Commerce



44 EAST MIFFLIN STREET | SUITE 404 | MADISON, WI 53703 | PH: 608 441 5740 | WIEG.ORG

To: Assembly Committee on Jobs and the Economy

From: Todd Stuart, Executive Director  
Wisconsin Industrial Energy Group, Inc.

Re: Support Assembly Bill 497, Chemical Recovery Boiler Reform

Date: October 19, 2021

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Chairman Wittke and members of the Assembly Committee on Jobs and the Economy, thank you for holding a hearing on this important bill. I also want to thank the bill authors, Representative Nancy VanderMeer and Senator Patrick Testin for introducing this legislation and leading on this issue.

Wisconsin Industrial Energy Group, Inc. offers these comments on behalf of its members in support of Assembly Bill 497 regarding important changes to the inspection timeline of chemical recovery boilers.

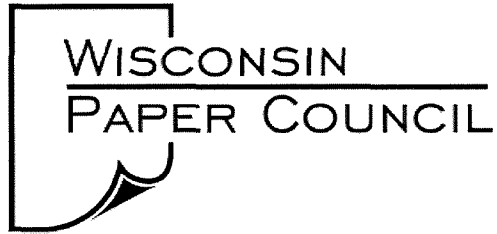
WIEG is a non-profit association of 25 of Wisconsin's largest energy consumers. The group has long advocated for policies that support affordable and reliable energy. Since the early 1970s, WIEG has been the premier voice of Wisconsin ratepayers and an engine for business retention and expansion. Each year its members collectively spend more than \$400 million on electricity in Wisconsin. Together they employ, with well-paying jobs, more than 35,000 Wisconsin residents, including many in the Wisconsin paper industry.

Assembly Bill 497 will help these businesses and Wisconsin's paper, pulp, and forestry sector remain competitive within the nation and across the globe. The changes proposed today will help these employers compete in an increasingly competitive manufacturing market, and match changes done in other states like Michigan and Maine.

As you have already heard in other testimony today, a chemical recovery boiler is an essential part of the pulp production. These boilers recover chemicals and generate power through a safe and environmentally friendly process.

Authorizing a full 24-month inspection schedule of a chemical recovery boiler will assist manufacturers with the regulatory certainty they need to best run their facilities. A consistent inspection schedule will reduce their energy costs because of the amount of energy taken to cool down and reheat these large pieces of equipment.

AB 497 is a common-sense and needed reform. I am glad to be joining members of the industry, labor, and economic development in supporting this legislation. WIEG respectfully asks that you vote in favor of Assembly Bill 497.



Wisconsin Paper Council Testimony  
Before the Assembly Committee on Jobs and the Economy  
Re: Public Hearing on Assembly Bill 497

October 19, 2021

Scott Suder  
President of the Wisconsin Paper Council

Thank you, Chairman Wittke and Honorable Committee Members, for the opportunity to testify on Assembly Bill (AB) 497 today.

My name is Scott Suder and I am the President and CEO of the Wisconsin Paper Council.

As many of you know, the Wisconsin Paper Council (WPC) is the statewide trade association which represents the paper and pulp industry here in Wisconsin. We are an industry focused on sustainability and strong environmental stewardship. WPC works in a bipartisan manner to advocate for positive public policy outcomes that balance a healthy environment with a healthy economy.

The Wisconsin Paper Council would like to thank the primary authors of this bill, Representative VanderMeer and Senator Testin, for recognizing the need for this inspection timeline change for our Wisconsin companies. We appreciate their bipartisan efforts to bring together a diverse array of stakeholders to support this important legislation.

We have included in your materials a memo from our diverse coalition that is working together to support this important measure. As you can see, this statewide coalition includes unions and trades, industry leaders, economic development organizations and allied supply chain partners and numerous trade associations.



AB 497 is a common-sense measure which will reform the timeline of the inspections of chemical recovery boilers. A chemical recovery boiler is an essential part of the pulp production process as it recovers and generates cooking liquors. These boilers not only recover chemicals and generate power much more efficiently, but they do so by using a safe, reliable, and environmentally sound process.

Following my testimony, you will hear from one of our experts, Mr. Mark Kjorlie, who can further explain the complicated chemical recovery boiler process in detail. Mark Kjorlie who is Head of Investments and Engineering with Ahlstrom-Munksjo can further explain why this chain is important to our industry and answer any technical questions you may have.

AB 497 will help our member companies maintain their global economic competitiveness. This legislation will bring Wisconsin in line with other papermaking states like Michigan and Maine. The dollars saved by making this change will allow companies like Ahlstrom-Munksjo, Domtar, Packaging Corporation of America, and Verso to reinvest those monies into critical research and development as well as back into the communities where they are based and, even more importantly, protect these family supporting jobs.

AB 497 is also the right thing to do for our environment. Less frequent inspections will result in lower overall emissions as well as prolong the overall life of the boiler. Thousands of gallons of water will also be saved by making this common-sense change as well.

As you can see, Mr. Chairman and Honorable Committee Members, there is a very diverse, bipartisan coalition supporting this legislation. We have brought together industry, labor, and economic development organizations – all of whom believe that this measure will protect jobs, maintain economic competitiveness, and help our environment throughout our great state.

On behalf of the 30,000 working men and women who we proudly represent, we want to thank you for listening to our concerns today. We look forward to working with each of you on this bipartisan legislation going forward.

Thank you again for your time and consideration.



# ECONOMIC IMPACT

State Industry Economic Impact Report



**American  
Forest & Paper  
Association**

afandpa.org

## State Industry Economic Impact: Wisconsin

### EMPLOYMENT

Forestry & Logging	3,905
Wood Products	19,327
Pulp & Paper	29,328
<b>Total Employment</b>	<b>52,560</b>

### MANUFACTURING OUTPUT

(in thousands of dollars)	
Wood Manufacturing	\$4,465,557
Paper Manufacturing	\$13,737,516
<b>Total Manufacturing Output</b>	<b>\$18,203,073</b>

### ANNUAL COMPENSATION

(in thousands of dollars)

Forestry & Logging	\$42,507
Wood Products	\$1,001,751
Pulp & Paper	\$2,527,059
<b>Total Compensation</b>	<b>\$3,571,317</b>

### NUMBER OF MANUFACTURING/ RECYCLING FACILITIES

Wood Products Facilities	17
<b>Total Paper Manufacturing</b>	<b>207</b>
Pulp, Paper & Paperboard Mills	35
Converting Plants (e.g. box plants, envelope manufacturing)	172
<b>AF&amp;PA Member Company Owned Materials Recovery Facilities</b>	<b>5</b>

### LAND AREA

(in thousands of acres)

Public Timberland	4,716
Private Timberland	11,832
Other Forest Land	526
<b>Total Forest Land</b>	<b>17,074</b>

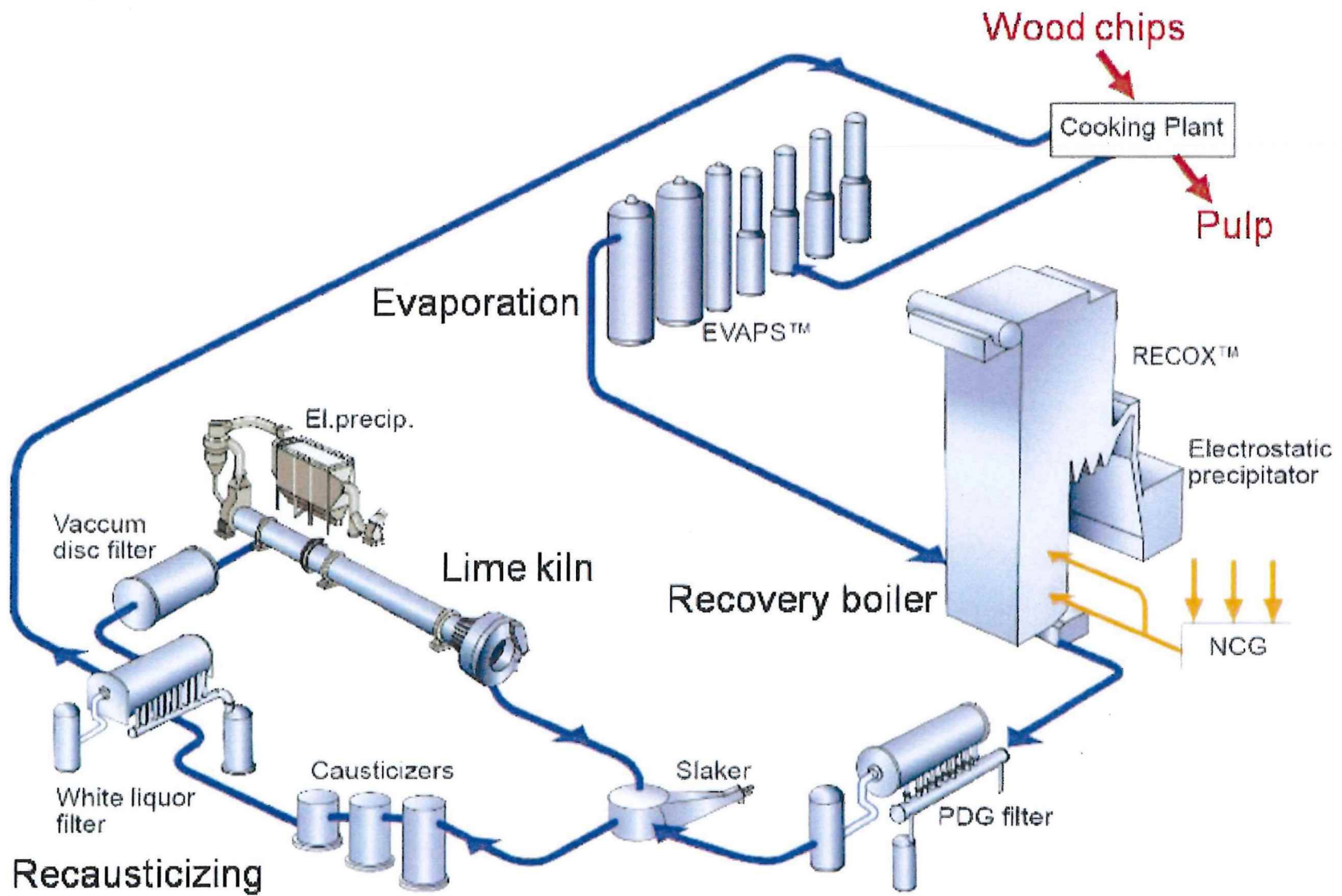
### TAX PAYMENTS

(in millions of dollars)

<b>Estimated State &amp; Local Taxes</b>	<b>\$216</b>
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Data sources: U.S. government, AF&PA, and RISI. Figures are the most recent available as of December 2020.

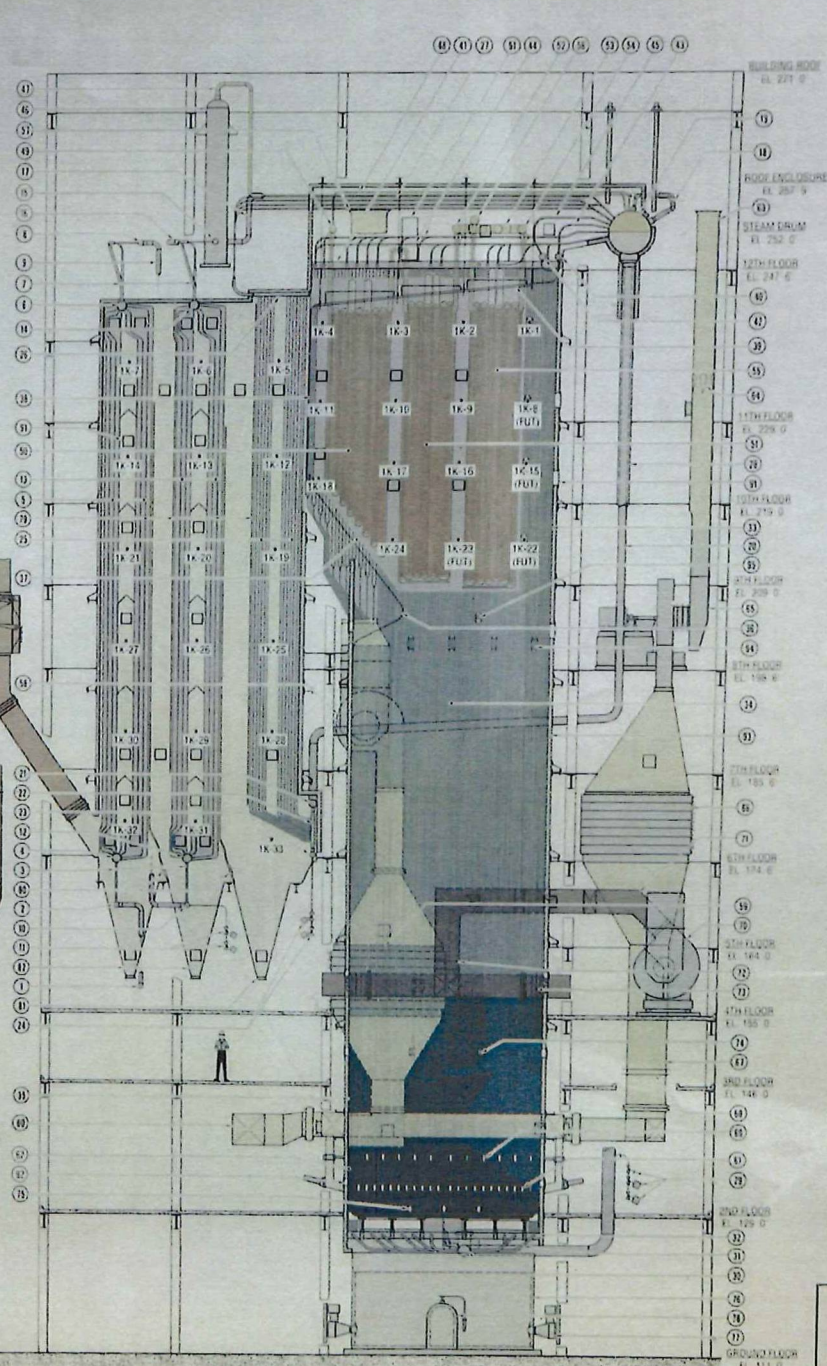
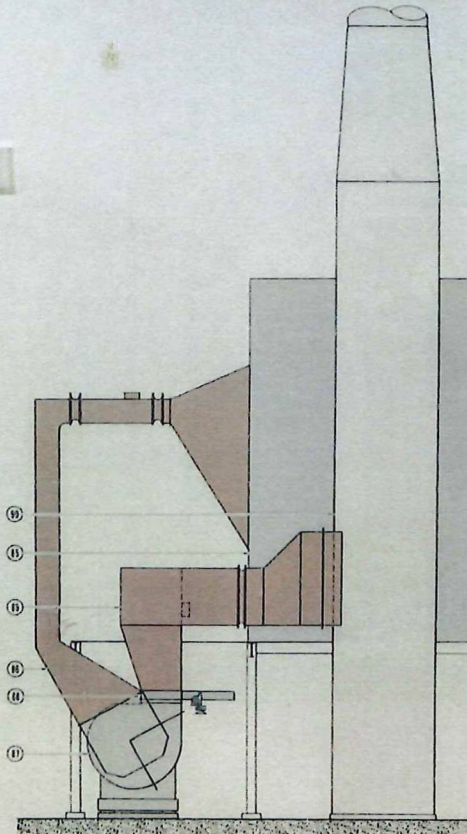
The American Forest & Paper Association (AF&PA) serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative — *Better Practices, Better Planet 2020*. The forest products industry accounts for approximately four percent of the total U.S. manufacturing GDP, manufactures nearly \$300 billion in products annually and employs approximately 950,000 men and women. The industry meets a payroll of approximately \$55 billion annually and is among the top 10 manufacturing sector employers in 45 states.





- AND STEAM CIRCUITS**
- CONDENSER INLET LINK (8-5/8" O.D.)
  - CONDENSER SUPPLY HEADER (8-5/8" O.D.)
  - CONDENSER INLET TUBES (4" O.D.)
  - CONDENSER REAR INLET HEADER (14" O.D.)
  - AN ECONOMIZER (88 ASSEMBLIES, 8 TUBES 2" O.D.)
  - CONDENSER REAR OUTLET HEADER (14" O.D.)
  - CONDENSER OUTLET TUBES (1/2" 4" O.D.)
  - CONDENSER UPPER REAR JUNCTION HEADER (8-5/8" O.D.)
  - CONDENSER OUTLET LINK (8-5/8" O.D.)
  - CONDENSER JUNCTION HEADER (8-5/8" O.D.)
  - CONDENSER EMERGENCY DRAIN VALVES
  - CONDENSER FRONT INLET HEADERS (14" O.D.)
  - ROOF ECONOMIZER (88 ASSEMBLIES, 8 TUBES, 2" O.D.)
  - CONDENSER FRONT OUTLET HEADER (14" O.D.)
  - WATER INLET LINK TO CONDENSER (8-5/8" O.D.)
  - CONDENSER UPPER FRONT JUNCTION HEADER (8-5/8" O.D.)
  - WATER OUTLET LINK FROM CONDENSER (8-5/8" O.D.)
  - FEEDWATER INLET LINK (8-5/8" O.D.)
  - TURKEY ROOM (NO. 1)
  - GENERATING BANK SUPPLY DOWNCOMERS (2, 12-3/4" O.D.)
  - GENERATING BANK JUNCTION HEADER (12-1/4" O.D.)
  - GENERATING BANK INLET HEADER (8-5/8" O.D.)
  - GENERATING BANK DRAIN HEADER (8-5/8" O.D.)
  - GENERATING BANK EMERGENCY DRAIN VALVES
  - GENERATING BANK (16 ASSEMBLIES, 13 TUBES 2-1/2" O.D.)
  - GENERATING BANK OUTLET HEADER (8-5/8" O.D.)
  - GENERATING BANK RISER TUBES (16, 4" O.D.)
  - DOWNCOMERS (2, 18" O.D.)
  - DOWNCOMER EMERGENCY DRAIN VALVES
  - COVER FRONT AND REAR HEADER (18" O.D.)
  - SUPPLY TUBES (20, 4-1/2" O.D.)
  - COVER SIDE WALL HEADERS (2, 10-3/4" O.D.)
  - URNACE FRONT WALL TUBES (91, 2-1/2" O.D.)
  - URNACE SIDE WALL TUBES (95, 2-1/2" O.D.)
  - URNACE REAR WALL TUBES (91, 2-1/2" O.D.)
  - URNACE ARCH
  - URNACE EXTENDED SIDE WALL TUBES (93, 2-1/2" O.D.)
  - URNACE REAR WALL SOCKET TUBES (91, 2-1/2" O.D.)
  - ROOF TUBES (81, 2-1/2" O.D.)
  - FRONT WALL OUTLET HEADER (10-3/4" O.D.)
  - UPPER SIDE WALL OUTLET HEADERS (2, 10-3/4" O.D.)
  - ROOF OUTLET HEADER (10-3/4" O.D.)
  - FRONT WALL RISER TUBES (14, 5" O.D.)
  - ROOF RISER TUBES (14, 5" O.D.)
  - SPRAY WATER CONDENSER
  - STEAM LINK TO CONDENSER (4" O.D.)
  - SUPERHEATER CONNECTING TUBES (21, 3-1/2" O.D.)
  - LOW TEMPERATURE SUPERHEATER INLET HEADER (10-3/4" O.D.)
  - LOW TEMPERATURE REAR SUPERHEATER (22 ASSEMBLIES)
  - LOW TEMPERATURE INTERMEDIATE SUPERHEATER (22 ASSEMBLIES)
  - LOW TEMPERATURE SUPERHEATER OUTLET HEADER (12-3/4" O.D.)
  - SUPERHEATER CONNECTING LINK (12-3/4" O.D.)
  - HIGH TEMPERATURE SUPERHEATER INLET HEADER (10-3/4" O.D.)
  - HIGH TEMPERATURE FRONT SUPERHEATER (22 ASSEMBLIES)
  - HIGH TEMPERATURE SUPERHEATER OUTLET HEADER (12-3/4" O.D.)
- CIRCUITS**
- DUCT TO PRIMARY AIR FAN
  - PRIMARY AIR FAN
  - PRIMARY STEAM COOL AIR HEATERS (400° 150° 50°)
  - PRIMARY AIR BELT DUCT
  - PRIMARY AIR NOZZLES
  - STARTING BURNER
  - DUCT TO SECONDARY AIR FAN
  - SECONDARY AIR - AIR KOIL
  - SECONDARY AIR FAN
  - SECONDARY STEAM COOL AIR HEATERS (400° 150° 50°)
  - SECONDARY AIR DUCT
  - SECONDARY AIR FLOW CONTROL DAMPER
  - SECONDARY AIR NOZZLES
  - TERTIARY AIR FAN
  - TERTIARY AIR DUCT
  - TERTIARY AIR FLOW CONTROL DAMPER
  - LEAD BURNERS (4)
- BLACK LIQUOR SYSTEM**
- BLACK LIQUOR SPRAY NOZZLES (2 EACH WALL)
  - SMELT SPOUTS
  - MAIN DISSOLVING TANK (22' 9")
  - AGITATOR
  - CLEAN-OUT DOOR
- CIRCUITS**
- BAFFLES
  - ECONOMIZER BYPASS DAMPERS
  - GENERATING BANK HOPPER
  - ECONOMIZER HOPPERS
  - ECONOMIZER OUTLET DUCT
  - DISK DAMPER
  - PRECIPITATOR
  - PRECIPITATOR OUTLET DUCT
  - GAS FAN
  - GAS OUTLET DAMPER
  - GAS OUTLET DUCT
  - STACK HEIGHT 276'
- CELLANEOUS**
- ACCESS DOOR
  - DISK HATCHING DOOR
  - URNACE SAFETY
  - MAINTENANCE PLATFORM
  - INTERNAL TABLE TRAVEL PHASE

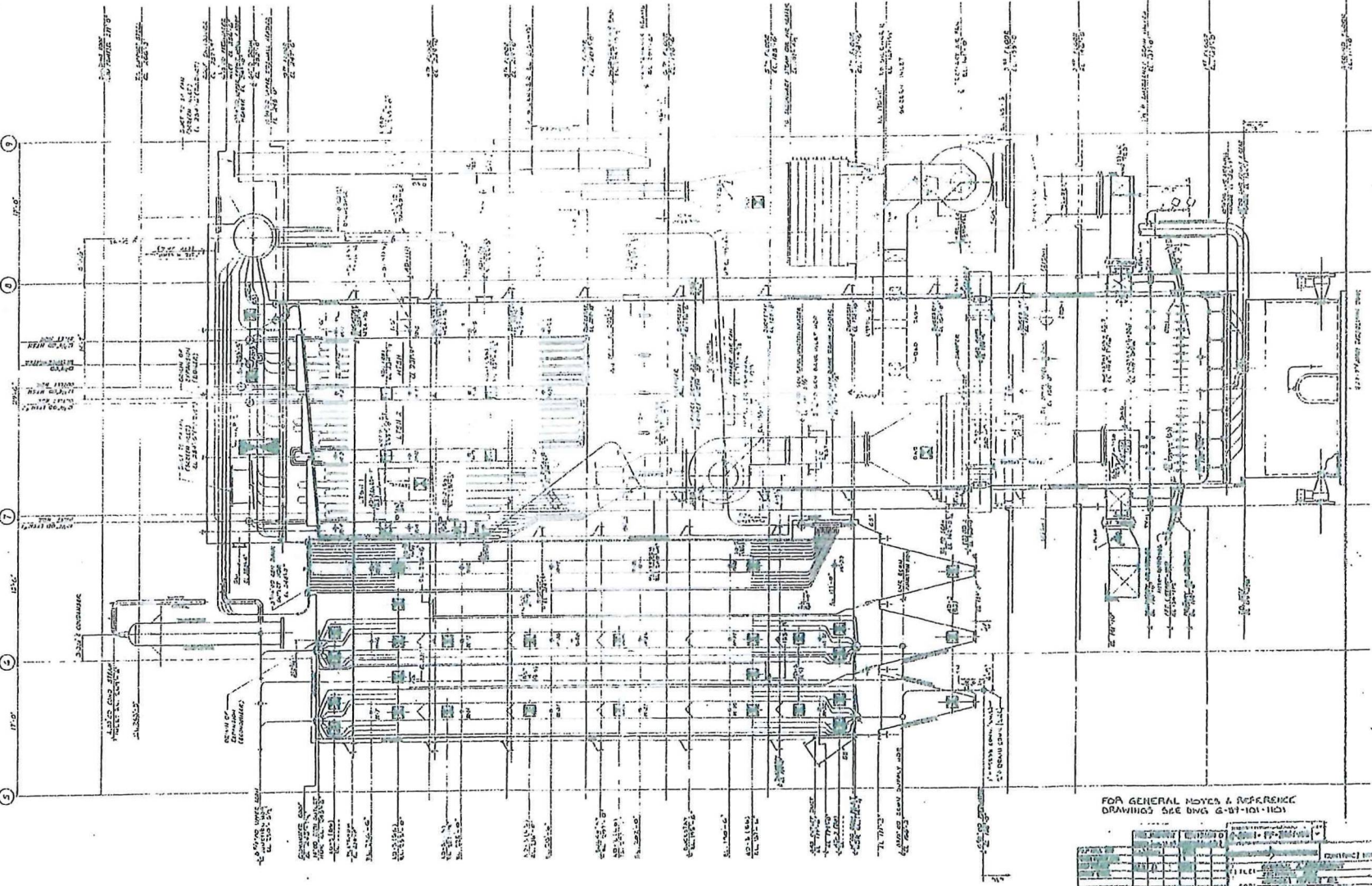
EXPECTED PERFORMANCE	DESIGN POINT
STEAM FLOW	254,000 LB/HR
DRY SOLIDS OF BLACK LIQUOR	1,850,000 LB/DAY
BLACK LIQUOR FROM SUPPLY	2,847,100 LB/DAY
FEEDWATER TEMPERATURE TO ECONOMIZER	258 F
FEEDWATER TEMPERATURE FROM ECONOMIZER	512 F
SUPERHEATER OUTLET TEMPERATURE	925
SUPERHEATER OUTLET PRESSURE	1720 PSIG
SPRAY WATER	11,700 LB/HR
AIR TEMPERATURE TO FURNACE - PRIMARY	500 F
AIR TEMPERATURE TO FURNACE - SECONDARY	300 F
AIR TEMPERATURE TO FURNACE - TERTIARY	80 F
GAS TEMPERATURE TO SUPERHEATER	1580 F
GAS TEMPERATURE FROM ECONOMIZER	374 F
AIR TEMPERATURE TO FAN	80 F
AIR TO FAN	377,700 LB/HR
EXCESS AIR FROM UNIT	15'
DRAFT LOSS - FURNACE	0.30 IN. WG
DRAFT LOSS - GENERATING SECTION	1.30 IN. WG
DRAFT LOSS - ECONOMIZER	2.80 IN. WG
DRAFT LOSS - PRECIPITATION AND DUCTS	2.80 IN. WG



GEORGIA PACIFIC  
NEKOOSA MILL  
NO. 14 RECOVERY BOILER  
C-E CONTRACT NO. 89101







FOR GENERAL NOTES & REFERENCE  
 DRAWINGS SEE DWGS 89-101-1103

<p>1. SEE ALL DIMENSIONS UNLESS OTHERWISE NOTED.</p> <p>2. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUREAU OF STANDARDS SPECIFICATIONS FOR CONSTRUCTION MATERIALS AND METHODS.</p> <p>3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AUTHORITIES.</p> <p>4. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AND UTILITIES AT ALL TIMES.</p>												
<p>REVISIONS</p> <table border="1"> <tr> <th>NO.</th> <th>DATE</th> <th>DESCRIPTION</th> </tr> <tr> <td>1</td> <td></td> <td>ISSUED FOR PERMIT</td> </tr> <tr> <td>2</td> <td></td> <td>AS NOTED</td> </tr> </table>	NO.	DATE	DESCRIPTION	1		ISSUED FOR PERMIT	2		AS NOTED	<p>PROJECT NO. 89-101-1100</p> <p>DATE 10/15/54</p> <p>SCALE 1/8" = 1'-0"</p> <p>BY [Signature]</p> <p>CHECKED [Signature]</p>	<p>CONTRACT NO. 89-101-1100</p> <p>SECTION 1100-1</p> <p>TITLE FLOOR PLAN</p> <p>FOR [Project Name]</p>	<p>DATE 10/15/54</p> <p>BY [Signature]</p> <p>SCALE 1/8" = 1'-0"</p> <p>PROJECT NO. 89-101-1100</p> <p>SECTION 1100-1</p> <p>TITLE FLOOR PLAN</p>
NO.	DATE	DESCRIPTION										
1		ISSUED FOR PERMIT										
2		AS NOTED										





TO: Members, Assembly Committee on Jobs & the Economy

FROM: Craig Summerfield, Director of Environmental & Energy Policy

DATE: October 19, 2021

RE: Support for Assembly Bill 497, chemical recovery boiler reform legislation

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Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to submit written testimony in support of Assembly Bill 497. We especially thank Representative VanderMeer and Senator Testin for authoring this legislation, which will both reduce compliance costs for businesses and have a positive impact on our environment.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, our mission has been to make Wisconsin the most competitive state in the nation to do business. That mission includes supporting legislation that removes unnecessary red tape that creates extra costs for Wisconsin businesses.

According to WMC's most recent *Wisconsin Employer Survey* conducted in June of this year, the biggest challenge facing Wisconsin employers is the workforce shortage, with 72% of respondents indicating this to be the top public policy issue facing Wisconsin. It is unsurprising then that many employers are raising wages. In fact, more than a quarter of survey respondents indicated plans to raise hourly wages by more than 4% in 2021.

With rising wages and a tight labor market, it is critically important that businesses be able to cut unnecessary costs. Thus, WMC is happy to once again join the Wisconsin Paper Council and a broad coalition of associations representing both business and labor in supporting legislation that will reduce regulatory costs for a vital sector of the Wisconsin economy. AB 497 reduces the frequency of costly state inspections of chemical boilers used in the papermaking industry, and better aligns Wisconsin law with other states like Michigan.

In addition, AB 497 will actually reduce, not increase, emissions. Chemical boiler inspections require paper mills to partially or fully shut down operations, and result in higher overall emissions than if the mill was permitted to operate normally. Thus, fewer inspections means fewer emissions spikes, and fewer emissions overall.

In summary, this proposal is a win-win for employers, workers, and the environment.

The Senate companion bill (SB 466) to this proposal already passed the Senate Committee on Labor and Regulatory Reform on a unanimous 5-0 vote. WMC urges Members of the Assembly Committee on Jobs and the Economy to also vote in favor of protecting 30,000+ jobs in the papermaking industry in Wisconsin. Please support AB 497.