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To: Joint Standing Committee on Taxation From: Becky Bartovics, Sierra Club Maine

Date: January 31, 2023

Re: Testimony in Opposition to LD 66: An Act to Prohibit the Taxation of Drinking Water

Chairs, Senator Grohoski and Representative Perry, Members of the Joint Standing Committee on Taxation,

My name is Becky Bartovics, and I am testifying as a volunteer with Sierra Club Maine, representing over 22,000 supporters and members statewide. Founded in 1892, Sierra Club is one of our nation's oldest and largest environmental organizations. We work diligently to amplify the power of our 3.8 million members and supporters nation-wide, and we urge you to vote "Ought to Not to Pass" on LD 66.

The 130th Legislature passed Resolve 2021, Chapter 85, establishing the Commission To Examine the Role of Water as a Resource in the State of Maine. Reporting back in November of 2022, the Commission found that there is so much that has not been resolved that they recommended another Commission with more in depth analysis of Maine's water resources. In regards to LD 66, at the very least it is premature, if not morally wrong, for the Legislature to create a structure that encourages bottled water before the Commission has completed its recommendations, and with no equivalent requirements for product testing to be considered a viable alternative to locally sourced water.

Bottled water is a product that is not well regulated by either the State of Maine or the Federal Government. Imagine sending bottled water, considered iconic Maine spring water, to hurricane victims across the country that is laced with any number of chemicals that local water districts must filter out but not the commercial purveyors¹. While insisting that they have filtration systems in place there is no regulation or analysis of that water. It is cringe-worthy to see pallets of plastic bottled Maine water being delivered to people in crisis, knowing that it is benefitting the bottom line of largely international corporations while not providing tax resources for the local Maine communities to address inadequacies of water quality. Yet, we know that Fryeburg's water supply, which is used by Poland Spring in their bottled water, is tainted with PFAS/PFOAs². Fryeburg must address that situation, but the Corporations who are removing water from the state would not be paying into the state to benefit clean water for our citizens without the tax on bottled water

¹ https://www.consumerreports.org/bottled-water/pfas-in-bottled-water-new-study-finds-a1111233122/

²https://wgme.com/news/local/poland-spring-discovers-pfas-in-fryeburg-water-source-forever-chemicals-bottled-water-tested-water-spring#:~:text=FRYEBURG%20(WGME)%20%2D%2D%2D9land%20Spring,water%20only%20in%20the%20spring,&text=Out%20of%2011%20of%20the,five%20have%20tested%20their%20water.

remaining. That seems outrageously unfair to local users, to Maine's citizenry. Before any reduction in taxation of bottled water is provided, we must fix the existing situation.

The state needs to invest in better public water infrastructure, and hold the bottled water industry to a higher standard of safety and transparency before considering proposing it as a way to support communities facing water crises. Waiving sales taxes on bottled water will reduce income to the State that ought to be used to address public water security and safety. And waving those taxes to a value added product is a slippery slope. As a farmer, I have to charge sales tax on all my value added products, such as the fleece I shear from my sheep, my tanned sheep skins, the spun wool, on the spoons we make on the farm from wood that is harvested on the farm. Is LD 66 suggesting that all producers of products for sale should not charge sales tax? I am a proud Maine citizen and am happy we have the level of support for farmers. The bottled water industry should likewise be happy to support the tax base that provides the iconic product marketing coming from the impression of clean water Maine's marketing suggests.

In addition, given our State's efforts to reduce waste, and address rapid climate change, enabling a reliance on the consumption of single use, plastic water bottles is in stark contrast to our goals of sustainability and reducing plastic pollution.

The issue of access to clean drinking water deserves a more comprehensive response than a bill that supports an already heavily subsidized industry which is actively harming the environment and pursuing privileged access to groundwater sources. We have a long way to go to assure that what we are providing to our residents, and to the downstream ecosystems is clean enough for consumption. Please consider no tax holiday for the extractive bottled water industry. We strongly urge the Joint Committee on Taxation to vote "ought not to pass" until a new Commission addresses the urgent need to examine in greater depth issues relating to clean water supply.

Sincerely,

Becky Layton Bartovics

Sierra Club Maine, Volunteer Leadership

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