

## **NEWELL AUGUR**

157 Capitol Street Suite 3 Augusta, ME 04330

**PH** 207.791.1281 **FX** 207.623.9367 naugur@pierceatwood.com

pierceatwood.com

Admitted in: ME

May 11, 2023

Stacy Brenner, Senate Chair Lori Gramlich, House Chair Legislative Committee on Environmental and Natural Resources 100 State House Station Augusta, ME 04333-0100

## RE: LD 1418 – An Act Concerning Single-use Disposable Water Bottles and Water Refill Stations

To the Members of the Committee on Environment and Natural Resources:

I appreciate the opportunity to provide you with further information regarding two claims made at the public hearing on this bill.

The first concerns the assertion that a water bottle can be recycled only "two or three times." To be sure, a standard PET bottle can be recycled as many as <u>ten times</u>. The National Association for PET Container Resources has conducted a <u>life cycle analysis</u>, <u>since updated</u>, to document the recyclability of PET. Although the polymer chains of a PET bottle do break down when the resin goes through heat cycles during the recycling process, recyclers are able to use additives to increase the internal viscosity of the PET, thereby extending its recyclability.

The second claim concerns the amount of unclaimed deposits in Maine, which were estimated to be more than \$17 million. This figure likely was created by extrapolating the unclaimed deposits of non-commingled brands. Those funds are remitted to the State and amount to \$3.5 million according to the Department of Environmental Protection. Since those noncommingled brands amount to approximately 15-20% of containers sold in Maine, the casual logic would be to multiply that number by 4 to get the unclaimed deposit for commingled brands. Page 2 May 11, 2023

In fact, the unclaimed deposits for commingled containers is half that amount. According to figures in the possession of the Department of Environmental Protection pursuant to PL 2019, c. 526, §14, unclaimed deposits in 2022 for the members of the Maine Beverage Association was \$4.2 million and for the members of the Maine Beer and Wine Distributors was \$3.1 million. These distributors are responsible for roughly 80% of the containers sold in Maine. (These amounts are slightly higher than average given reduced redemption rates during the pandemic, although they are returning to a pre-pandemic level).

One of the primary reasons that commingled brands have historically higher redemption rates and lower unclaimed deposit amounts is because the distributors who sell those brands are based in Maine. As a result, they are better able to manage their responsibilities - and related sales data – under the beverage container law.

I would be pleased to provide any additional supporting data at the Committee's direction.

Respectfully submitted,

MUCG

Newell A. Augur On behalf of the Maine Beverage Association

Cc: Peter Blair Sarah Nichols Newell Augur Maine Beverage Association LD 1418

May 11, 2023

Stacy Brenner, Senate Chair Lori Gramlich, House Chair Legislative Committee on Environmental and Natural Resources 100 State House Station Augusta, ME 04333-0100

RE:LD 1418 – An Act Concerning Single-use Disposable Water Bottles and Water Refill Stations

To the Members of the Committee on Environment and Natural Resources:

I appreciate the opportunity to provide you with further information regarding two claims made at the public hearing on this bill.

The first concerns the assertion that a water bottle can be recycled only "two or three times." To be sure, a standard PET bottle can be recycled as many as ten times. The National Association for PET Container Resources has conducted a life cycle analysis, since updated, to document the recyclability of PET. Although the polymer chains of a PET bottle do break down when the resin goes through heat cycles during the recycling process, recyclers are able to use additives to increase the internal viscosity of the PET, thereby extending its recyclability.

The second claim concerns the amount of unclaimed deposits in Maine, which were estimated to be more than \$17 million. This figure likely was created by extrapolating the unclaimed deposits of non-commingled brands. Those funds are remitted to the State and amount to \$3.5 million according to the Department of Environmental Protection. Since those non-commingled brands amount to approximately 15-20% of containers sold in Maine, the casual logic would be to multiply that number by 4 to get the unclaimed deposit for commingled brands.

In fact, the unclaimed deposits for commingled containers is half that amount. According to figures in the possession of the Department of Environmental Protection pursuant to PL 2019, c. 526, §14, unclaimed deposits in 2022 for the members of the Maine Beverage Association was \$4.2 million and for the members of the Maine Beer and Wine Distributors was \$3.1 million. These distributors are responsible for roughly 80% of the containers sold in Maine. (These amounts are slightly higher than average given reduced redemption rates during the pandemic, although they are returning to a pre-pandemic level).

One of the primary reasons that commingled brands have historically higher redemption rates and lower unclaimed deposit amounts is because the distributors who sell those brands are based in Maine. As a result, they are better able to manage their responsibilities - and related sales data – under the beverage container law.

I would be pleased to provide any additional supporting data at the Committee's direction.

Respectfully submitted,

Newell A. Augur On behalf of the Maine Beverage Association

Cc:Peter Blair Sarah Nichols