

May 8, 2023

Senator Brenner, Chair Representative Gramlich, Chair Joint Standing Committee on Environment and Natural Resources Maine Legislature 100 State House Station Augusta, Maine 04333

RE: Testimony in Support of LD 1909 – An act to Modernize Maine's Beverage Container Redemption Law.

Dear Senator Brenner, Representative Gramlich, and Members of the Joint Committee on Environment and Natural Resources:

Thank you for the opportunity to provide testimony on LD 1909, An Act to Modernize Maine's Beverage Container Redemption Law. **Just Zero supports this bill**.

Just Zero is a national environmental non-profit advocacy organization that works alongside communities, policy makers, scientists, educators, organizers, and others to implement just and equitable solutions to climate-damaging and toxic production, consumption, and waste disposal practices. We believe that all people deserve Zero Waste solutions with zero climate-damaging emissions and zero toxic exposures.

Maine's Beverage Container Redemption Law – more commonly known as the "Bottle Bill" – has been a critical part of the state's recycling system for almost five decades. The program has consistently produced recycling rates of 70% or greater for included beverage containers, even when national recycling rates have plummeted. As a result, the program has reduced pressure on landfills, increased participation in recycling efforts, and significantly reduced the amount of bottle littering Maine's beaches, rivers, lakes, parks, and communities.

While Maine's Bottle Bill program has been incredibly successful, it needs several long-overdue improvements that will make the program more efficient and effective. LD 1909 will modernize key aspects of the Bottle Bill in a way that sets the program up for continued success without the need for constant legislative intervention.



I. A Dynamic and Just Handling Fee

First, LD 1909 will establish a dynamic handling fee by tying the fee to the Consumer Price Index. This automatic increase will protect Maine's redemption service providers from rising costs, like rent, electric, heat, and labor, that currently undermine their ability to remain economically viable. The handling fee is the only method of compensation for redemption centers. A static, statutorily set handling fee significantly threatens the sustainability of these small businesses that provide essential services to communities across the state and safeguard the success of the Bottle Bill system. *Tying the handling fee to the Consumer Price Index will ensure redemption service providers are fairly compensated for the good work they provide.*

II. Continued Investment into Maine's Most Successful Recycling Program

Second, the bill will ensure continued investment into Maine's Bottle Bill program by requiring the unclaimed deposits be used to maintain and improve the program. The bill establishes clear requirements for how the unclaimed deposits shall be used to benefit and improve the program.

While Just Zero supports the decision to utilize the unclaimed deposits to support and improve the Bottle Bill, unrestricted payment of unclaimed deposits to the Commingling Cooperative creates an incentive for the newly created Commingling Cooperative to work to keep the redemption rate low. A low redemption rate will increase the amount of unclaimed deposits and therefore allow the Commingling Cooperative to profit from a poorly performing system. Given that the bill specifically allows the Commingling Cooperative to utilize a portion of the unclaimed deposits to offset any future increase in the handling fee, this concern is both real and significant.

Therefore, Just Zero urges the committee to consider amendments to LD 1909 that will remove this incentive. Instead, the bill should divide the unclaimed deposits between the Commingling Cooperative and the Department. The portion given to the Department should be earmarked to fund efforts that aim to increase the redemption rate, such as providing additional points of redemption across the state. *Most importantly, the bill should also set a minimum redemption rate of 85%. The Commingling Cooperative should only receive a portion of the unclaimed deposits in the years in which the minimum redemption rate is achieved.*



III. Creating a Pathway to Reusable and Refillable Beverage Containers.

LD 1909 will also create a pathway to reusable and refillable beverage containers. Bottle Bill programs can and should be focused on more than recycling. These programs create both the infrastructure and consumer culture needed to develop strong reusable beverage systems.

In fact, before the introduction of one-way disposable containers, beverage companies relied on consumers to return bottles to be refilled. To incentivize refilling, beverage companies utilized deposit-return programs to ensure that glass containers were brought back and refilled. LD 1909 will help calibrate Maine's Bottle Bill program to reintegrate this approach.

The bill calls for the Commingling Cooperative to utilize a portion of the unclaimed deposits to support activities to increase the use of reusable and refillable beverage containers. This includes performing research, developing pilot projects, and purchasing necessary materials such as bottle washing equipment. This approach will help reduce beverage container waste in Maine.

Oregon has already begun integrating reuse into its Bottle Bill program. In 2018, Oregon launched a statewide refillable bottle program.¹ The system utilizes approximately 245,000 refillable beer and wine bottles.² Each bottle can be refilled about 40 times and are made primarily from recycled glass.³ The program functions identical to how all other non-refillable containers are processed through the Bottle Bill program. The refillable bottles are designed and labeled to be easily separated from the rest of the glass collected through the state's Bottle Bill program. When a customer returns the refillable bottles to their local point of redemption, the containers are separated out and sent to a cleaning facility. From there they are sent back to participating breweries and wineries where they are refilled and placed back into circulation. For consumers, nothing has changed. Since launching in 2018, 617,805 bottles have been diverted from recycling for reuse.⁴ Currently 95 beer, cider, and wine brands are available through the reuse system.⁵

⁵ Id.

¹ Jared Pablen, <u>Oregon Group to Launch Refillable Bottle Program</u>, Resource Recycling. (Feb. 7, 2017). ² *Id.*

³ Cassandra Profita, <u>Oregon Launches First Statewide Refillable Bottle System in U.S.</u>, NPR, (Sept. 17, 2018)

⁴ Oregon Redemption Center, <u>Bottle Drop – Refillable Bottles</u>.

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While Oregon's program has been successful, it is limited due to the lack of consistent investment and has not continued to expand past its initial launch. LD 1909 will provide a steady stream funding to help develop and expand reusable beverage containers. Thereby ensuring that Maine becomes a national leader in beverage container reuse.

IV. The Legislature Should Support LD 1909

In many ways, LD 1909 is thoughtfully borrowing the best elements of Bottle Bill programs from across both the country and the world to uniquely tailor them to Maine's existing program. The changes proposed by this bill will allow Maine's most proven, reliable, and effective recycling system to develop and run more efficiently and effectively. Thank you for your time and consideration of this testimony. I am happy to answer any questions you may have.

Respectfully submitted,

Peter Blair Policy Director Just Zero