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## Testimony in Support of LD 846, An Act to Require Direct Wine Shippers to Comply with Maine Beverage Law

Sarah K. Nichols, NRCM Sustainable Maine Director, March 15, 2023

Senator Hickman, Representative Supica, and members of the Joint Standing Committee on Veterans and Legal Affairs, my name is Sarah Nichols, and I am the Sustainable Maine Director for the Natural Resources Council of Maine (NRCM). I appreciate this opportunity to testify in support of LD 846, because the current exemption for direct-to-consumer wine from the bottle bill is imposing unfair costs on the system and leading to inefficiencies in the program.

NRCM is a dedicated advocate of extended producer responsibility (EPR) programs, where producers are responsible for the post-consumer recovery of the waste product created by their businesses rather than local governments or taxpayers. Maine has nine successful EPR laws on the books, and the oldest and arguably most successful one of those is the bottle bill. In general we do not support exemptions for any of these programs because it inequitably allows so-called "free-riders" to push costs of their waste onto others, and threatens the effectiveness of the laws.

The problem with excluding some wines from the bottle redemption program is that the manufacturers of these wines did not register with the state and initiate a deposit of 15 cents; and consumers of wine did not pay the deposit on these bottles. Some consumers may recognize that they did not pay a deposit on the wine and elect to send the empty bottle through the municipal recycling system, where it imposes costs on the local taxpayer. (It's especially important to keep glass out of municipal recycling systems and into the bottle bill where it is best managed.)<sup>2</sup> More often, the consumer puts the empty wine bottle in with their other returnables, which leads to several undesirable scenarios:

- ➤ If the redemption center <u>does</u> recognize that a wine bottle is not eligible for a deposit, then it's sent home to the frustration of the consumer where it ends up in municipal waste streams and costs taxpayer money.
- > If the redemption center <u>does not</u> recognize that it's not a part of the program, then they pay a 15-cent deposit back to a consumer that never paid in. Then, the redemption center

<sup>&</sup>lt;sup>11</sup> Maine's EPR programs include those for: Beverage containers, Mercury-containing thermostats, auto-switches, and lighting, electronic waste, cell phones, architectural paint, unused pharmaceutical drugs, and packaging.

<sup>2</sup> Glass packaging is a sustainable source of packaging because it is far less toxic than plastic and is highly reusable and recyclable, but it's value as a recyclable commodity is often overshadowed by the cost of collection and transportation to recycling facility, which can be a significant expense for municipal taxpayers. The deposit-return system provides for the glass to be collected for recycling and sorted by color, and provides the funding and mandate needed to get it to market. The glass that goes through municipal recycling systems, however, is lower quality and has a higher likelihood of being used for low-end applications such as road base or landfill cover. It's also important to keep glass separate from the rest of the waste stream because the breakage can contaminate the other recycling streams.

may or may not be reimbursed by the participating wine manufacturers upon pick up of the containers.

- o If a participating wine manufacturer doesn't take back the unregistered container, then the redemption center is out 15 cents and has to deal with managing the abandoned wine bottles;
- o If a participating wine manufacturer does take it back for processing, then it is out a 4.5-cent handling fee plus 15 cent deposit reimbursement paid to redemption centers, and all costs associated with pick-up and processing the glass.

It's also worth noting that the direct-to-consumer wines that are currently exempt from the bottle bill may very well be captured by the new EPR for Packaging law that will be implemented in the next few years. Under that law, they will report to a new packaging stewardship organization each year on the amount of glass sold into the state and pay a corresponding fee to help municipalities manage the material. Also of note, both the bottle bill and the EPR for Packaging laws have exemptions for small producers, so some of the direct-to-consumer wines may end up remaining to be exempt by virtue of being small.

We urge the Committee to vote Ought to Pass on LD 846 because the most environmentally responsible, fair, and effective way to manage empty wine bottles is through Maine's bottle bill program. I am happy to answer any questions.