STATE OF MAINE **DEPARTMENT OF ENVIRONMENTAL PROTECTION**



JANET T. MILLS GOVERNOR



TESTIMONY OF BRIAN BENESKI, SUPERVISOR OF RECYCLING PROGRAMS

MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION

SPEAKING IN SUPPORT OF L.D. 846

AN ACT TO REQUIRE DIRECT WINE SHIPPERS TO COMPLY WITH MAINE **BEVERAGE CONTAINER LAWS**

SPONSORED BY REP. GRAMLICH

BEFORE THE JOINT STANDING COMMITTEE ON VETERANS AND LEGAL AFFAIRS

DATE OF HEARING:

MARCH 15, 2023

Senator Hickman, Representative Supica, and members of the Committee, I am Brian Beneski, Supervisor, Recycling Programs, from the Division of Materials Management, Bureau of Environmental Protection, at the Department of Environmental Protection, speaking in support of L.D. 846.

Maine law provides for the direct shipment of wine to consumers in Maine. However, 28-A M.R.S. § 1403-A (15) exempts wines that are shipped directly to consumers from

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a refund value for beverage container control purposes. This provides an uneven playing field for Maine based retailers and distributors of wine products who are required to participate in the bottle redemption program. In order for Maine distributers to sell wine in the state, they must become an "initiator of deposit", which requires registering with the Department, registering each individual wine label, initiating the 15cent deposit, and arranging for a pick-up agent (if they elect not to be their own) to collect their wine containers from redemption centers, and paying the handling fee and pick up agent for their services. As direct to consumer wines are specifically exempt, out of state shippers of wine not subject to these same costs and labor.

Many of these DTC wine containers end up being taken to redemption centers out of habit as Maine consumers are accustomed to the 15-cent deposit on wines sold in the State. There are approximately 21,300 different wine labels registered with the Department. Due to the sheer number of labels and containers that are received, a redemption center will often provide a deposit refund to a customer initially assuming it's a valid redemption and sort containers later, and then realize during sorting that the wine was not registered. The redemption center must then "eat" the deposit provided to the customer. Although not legal, the redemption center may put the bottle in with other wine bottles associated with a local distributer to get a deposit back, along with the handling fee. Any wine container without a deposit that is mingled in with a local distributor's containers will cost that local distributer the 15-cent deposit and a 4.5-cent handling fee. Again, given the sheer number of different wine labels, this type of abuse is nearly impossible to detect. These wine bottles from out of state direct to consumer shippers are considered "free riders" in the bottle redemption system.

Thank you for the opportunity to provide testimony. I am available to answer questions, of the Committee, both now and at work session.