



Testimony in Support of LD 134,

An Act to Increase the Handling Fee for Beverage Containers Reimbursed to Dealers and Redemption Centers

Sarah Nichols, NRCM Sustainable Maine Director

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Senator Brenner, Representative Gramlich, and members of the Joint Standing Committee on Environment and Natural Resources, 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 speak to you in favor of LD 134 as proposed to be amended by the sponsor.

Maine's Bottle Bill is the state's most effective recycling and litter-prevention program, but inflation and labor shortages are threatening the viability of Maine's redemption centers, which are key to its success. Redemption centers rely on revenue generated from handling fees—which is a statutorily set amount paid to them by beverage companies for each container that is redeemed by a consumer. Each time they need to increase revenue to cover the rising costs of labor, rent, and utilities so that they can stay in business, they must ask the Legislature to increase this fee amount.

I think it's worth noting that there is no redemption center association or lobbying firm to represent these small businesses as a group, and they must take the time to self-organize and advocate for a handling fee increase every few years or else go out of business. It would be of great benefit to them if the handling fee was instead periodically updated to reflect inflation. There is precedent for regular fee increases that reflect the inflation in other areas of Maine law, including but not limited to cost of living increases in the probate code,¹ income taxes,² and retirement benefits for State employees and teachers.³

We believe that the emergency preamble in the sponsor's proposed amendment clearly articulates the reasons why a handling fee increase is urgently needed. It reflects what we have heard from many redemption center owners who are questioning whether they can keep their businesses open through the busy summer without an increased handling fee.

We also acknowledge that increasing the handling fee imposes a higher cost to the beverage industry, which is why we are working with Representative Allison Hepler on a separate bill that seeks to achieve cost efficiencies throughout the program. We look forward to working with the Committee to identify a path forward that provides both short-term and long-term solutions that will stabilize and modernize Maine's Bottle Bill. I'd be happy to answer any questions.

¹ <https://legislature.maine.gov/legis/statutes/18-C/title18-Csec1-108.html>

² <https://legislature.maine.gov/legis/statutes/36/title36sec5403.html>

³ <https://legislature.maine.gov/legis/statutes/5/title5sec17806.html>