



Maine Grocers &
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**IN SUPPORT – LD 1909 An Act to Modernize Maine's Beverage Container Redemption Law
and LD 1910 An Act to Amend the Returnable Beverage Container Program**

Dear Senator Brenner- Chair, Representative Gramlich- Chair, and Members of the Committee on Environment and Natural Resources,

My name is Christine Cummings and I am the Executive Director of the Maine Grocers & Food Producers Association (MGFPA). The Maine Grocers & Food Producers Association is a business trade association representing Maine's food community, Main Street businesses, including independently owned and operated grocery stores and supermarkets, food and beverage producers and processors, manufacturers, wholesalers, distributors, and supportive service companies.

Our industry recognizes and supports efforts to help refine Maine's Bottle Bill to make the process easier and more viable for our beverage manufacturers/bottlers, retailers, and our partners in the redemption process. Our members are honored to be a part of Maine's successful bottle bill program with an estimated 75-87% recycling rate. While we recognize there is opportunity for improvement, it is well above the national recycling average rate of 34%. Both bills propose a redemption goal of 75% - 85% and we stand in support of retaining these rates (recognizing the necessary flexibility as the program evolves into the proposed cooperative).

We are not taking a specific position to support LD 1909 nor LD 1910 exclusively. In review of the parallel efforts each bill provided opportunity for our association to comment further as the effort is refined. We are also still supportive of LD 972 (the Department's Resolve to study the beverage container redemption program) if it's necessary to achieve a further compromise and ultimately the best bottle recycling program. We understand that only limited policy modifications may come from these bills as an interim step forward.

Both bills appear to simplify sorting by size and material type. We support efforts to simplify sorting, manual labor, and further efficiencies on behalf of the redemption centers, technology counting services and RVMs.

Specific to LD 1909 we do value the anticipated proposed timeline for clarity amongst stakeholders. Whether or not the timeline is feasible is to be determined.

As we've conveyed previously, of particular interest to our members is retail's (the dealer's) role within the redemption process and the requirement to serve as a redemption center and/or have an existing dealer-agreement with a nearby center (a Member Dealer / Redemption Center Agreement). Dealer retailers include storefronts larger than 5,000 square feet to large, big box retailers, while also at times including restaurants or cafes. Currently, the member-dealer agreements are specifically permitted due to 'a lack of space or staff'. We stand opposed to measures that would mandate dealers to accept beverage containers when they are not in the business of doing so. Our retailers, specifically grocers, often have limited backroom storage, and are in a highly regulated business specifically focused on food safety which often does not pair well with accepting dirty, used returnables.

- LD 1909 We have concerns that the language seeks to require dealers to accept beverage containers if there is no redemption center with whom to have a redemption center agreement within 10 miles. In theory, this would mean every dealer would be required to accept containers creating a small patch work of those collecting and of locations who need pick-ups. We question how to best address reducing the carbon footprint of the program and collect the largest quantities of material within the patch work
 - The language also puts the responsibility on the dealer to report to the DEP if there is no redemption center with whom to make an agreement with. This should be evident upon redemption center information available to the DEP (whether or not there is a redemption center licensed within a municipality)
 - We question the most efficient footprint of redemption centers per population and do not know if a 10-mile radius is an adequate pairing of centers-to-population
 - We would ask the ME DEP to study the current number of redemption centers (which we believe to be 321 currently) and overlap a population density map to understand whether or not there are designated deserts. Of the permitted redemption center licenses per municipal populations, how many are fulfilled vs open? What are the statistics of the licensed redemption center closures over the last few years and newly opened? Have we seen any redemption centers open or new applications with the handling fee increase?
 - Lastly, we would find value in understanding transfer station locations and redemption centers (as related to the population density) to determine if there is value in the transfer stations as a center for collection and pick-up in partnership or outside of the dealer requirement
- LD 1909 Within the proposed language, the Cooperative (upon approval of the Department for their plan) shall contract with a third party to conduct a study to examine operating costs of redemption centers, sizes, geographic locations, technologies, effects on brand sorting, and effects on transportation costs, operating costs, and make recommendations specific to the handling fee schedule and payment. This is 'designed to facilitate a stable and sustainable redemption system.' We support this concept and while we don't know if it's best suited within this particular cooperative structure nor post-approval, it would provide valuable data.
- LD 1910 while vague, we appreciate the language specific to the Maine Commingling Cooperative to 'Engage with retailers to ensure a balance between retail redemption and alternatives.'

We want to be a part of the solution to combat the perceived redemption deserts but believe that there is more analysis necessary.

LD 1909 Proposes a Board of Directors for the Co-Op, we suggest the Committee consider including a member of the dealer/retail industry as another perspective (if this model is to move forward).

We are appreciative of LD 1909's study specific for the sustainability of the redemption business model and associated department rule for evaluating potential handling fee increases. Potentially the rules should be major substantive opposed to routine technical to ensure full legislative approval as done with past handling fee increases.

Vermont has just recently passed legislation to modernization their bottle bill program which awaits their Governor's signature. It has been touted as a PRO style program. It may warrant further review as a comparison for modifications that they've made to their system.

As stated previously, specific to LD 134 and LD 972, we continue to ponder how the bottle bill will work in parallel to the state's EPR program specifically as the beverage container materials remain in a siloed program potentially effecting recyclability, consolidation of materials, and program funding. We are interested to study this component further as well. We support an effort to review and gather additional data and research behind any proposed changes. Now is the time to update our bottle bill but it must be done correctly for continued success.

We understand and respect the interest in providing a solution to modernize Maine's bottle bill. Striking the right balance for Maine's consumers, businesses, and environment is critical.

Thank you for the opportunity to provide testimony.



Christine Cummings
Executive Director