

Testimony in support of LD 1423: "An Act to Improve Recycling by Updating the Stewardship Program for Packaging"
April 23, 2025

Thank you for the opportunity to provide testimony in support of LD 1423: "An Act to Improve Recycling by Updating the Stewardship Program for Packaging." My name is Paul Serbent and I am here representing Huhtamaki who operates the oldest molded fiber operation which was started by Martin Keyes in 1903 in Waterville, Maine. Since that time, the molded fiber industry has expanded globally for the packaging of eggs, fruit, food trays, tableware products, protective packaging for appliances and much more.

Huhtamaki, a Finnish-based company, acquired the rights to market molded fiber products in Europe in the 1930's and eventually bought the Keyes Fiber Company in the 1990's. The factory built in 1908 to house Keyes' expanding business still operates today in Waterville and is also the original factory for producing the legacy Chinet® line of tableware along with other molded fiber products for the retail, foodservice and fast-moving consumer goods.

I tell this history to help you understand the pride that our approximate 600 Huhtamaki employees take in Waterville. We come to work each day knowing that we are in business to protect food, people and in turn, the planet, with very recyclable and sustainable molded fiber products.

We are here today to voice our support of LD 1423. Let me state that we are very much in favor of well-constructed Extended Producer Responsibility (EPR) legislation for packaging. Maine was the first state to pass EPR in the US, LD 1541 and we thought it was because our legislators wanted to protect and preserve our forest industry jobs and keep it thriving. Unfortunately, the original language contained within LD 1541 will potentially harm us as producers, the customers we serve, and the industry, if the language remains unchanged. We stand united and in coalition with Ameripen, and other forest-based companies in support of LD 1423 which provides clarity and definitions to help make EPR in Maine successful, and not put businesses in double jeopardy with its implementation. Specifically, I would like to mention:

- 1) **The "Consumer" double tax.** LD 1541 set up a scenario where Huhtamaki could be both a consumer and a producer, meaning we would be double taxed for packaging for goods that are used in our

process and good that we sell in the state. LD 1423 defines residential consumers as the appropriate “Consumer.”

- 2) **Producer.** The definition of a “producer” is key to understanding who pays the cost for recycling. This bill provides that clarity and also, consistency with other states and thereby reducing risk of free riders.
- 3) **Manage.** The definition of manage for recycled material was expanded to include education and litter clean-up costs. Forcing producers to reimburse municipal education and litter costs is not an appropriate mechanism for funding these activities. Similar to other states, the stewardship organization should provide their own uniform statewide direct investment in education and litter reduction and clean-up.

Additionally, Huhtamaki operates in 17 locations throughout the US and services customers in all 50 states. The Maine EPR for Packaging is set up quite differently from the four other states that have passed EPR, and two other states are in process of signing this legislation. As you can imagine, we need consistency with legislation to comply. One of the areas is with the recognition that forest-based products, such as what Huhtamaki makes, should be provided with an off-ramp from the scope of the program pending they can prove to meet the set levels for composting and recycling. Maine has a change to harmonize with other states, and we urge you to align and consider other states language to ensure we can readily comply without conflict of other states.

Finally, last week, the DEP held a stakeholder meeting to discuss initial draft material types which included readily recyclable as primary and reusable and compostable being secondary. We urge the department to include molded fiber as both recyclable and compostable. The list is out of step in its failure to recognize any paper material type as being recyclable and compostable ... this is an important part of keeping our Maine-based operations and the great industry as a whole thriving within the state.

Thank you for your time today and we welcome you to come to Waterville to meet with our leadership to better understand the molded fiber industry and the importance and history of our operations within the Waterville community.