



April 23, 2025

Senator Denise Tepler
Representative Victoria Doudera
c/o Legislative Information Office
100 State House Station
Augusta, ME 04333

To the Members of the Joint Standing Committee on Environment and Natural Resources:

On behalf of the members of the Maine Beverage Association, your local distributors of a variety of refreshing products including diet soda, soda, juices, sports drinks and, increasingly, water, I am pleased to offer our support of LD 1423, An Act to Improve Recycling by Updating the Stewardship Program for Packaging.

Our containers are exempt from the EPR program because they are already subject to the deposit return system. We do, however, have other packaging in the market that would be subject to EPR and, more importantly, our companies have experience with EPR programs around the world. We bring significant experience with these systems and a set of principles that we believe are essential to meet the goals of an EPR system: to provide environmental and economic benefits and promote a circular economy.

Regrettably, Maine's EPR model invests most, if not all, of the authority of the PRO within the Department of Environmental Protection. This is contrary to EPR models adopted in most other jurisdictions around the world. Centralizing the PRO's authority in a government agency and having its operation subject to a rulemaking process – as opposed to being run by the producers themselves - creates an additional level of bureaucratic cost. It also limits the ability of the PRO to adapt quickly and effectively to changes in the market and to innovations in packaging.

EPR programs should be designed to produce measurable and accountable environmental outcomes, deliver service conveniently to consumers, be financially and socially sustainable, and to close the loop by ensuring that recovered materials can be made into new packages. We want to ensure that EPR is a vehicle for change and improvement – raising collection, recycling, and reuse rates – and not just a transfer of funding to producers.

While LD 1423 will not solve the fundamental infirmities with Maine's EPR law, it does make some important improvements. One of those is updating the definition of producer so that the

program is focused on product packaging sold at physical retail locations in the State and via the Internet, remote sale or remote distribution. That definition exempts packaging specific to business-to-business transactions, packaging that was not supposed to be part of this program and is not part of EPR programs in most other jurisdictions.

The members of our association – and food and beverage distributors worldwide – receive and deliver to grocery stores and neighborhood convenience stores by building pallets of various products requested by that store. We use corrugated cardboard and shrink-wrap to build out these pallets to keep them stable during transport. We have had existing systems in place for decades to collect and consolidate corrugated cardboard and shrink-wrap when we receive pallets. Nearly all our customers do the same with pallets we deliver to them. The material is recycled through existing contracts with waste haulers and recyclers. It is not disposed of through the municipal waste stream, and it does not add to municipal costs in any material respect.

However, under current law and the recently promulgated rule, our members may have to pay for the cost of this packaging, irrespective of the fact that it is not disposed of through the municipal waste stream. It is our understanding that we would be assessed this cost in order to support educational and litter prevention objectives of the Stewardship Organization.

Thank you for your consideration of this information. I will be present at the work session should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Newell A. Augur", followed by a horizontal line.

Newell A. Augur
Executive Director