



Maine Beverage Distributors Association

February 4, 2026

An Act to Clarify the Approval Process for and the Operation of the Commingling Program for the Management of Beverage Containers

Good afternoon, Sen. Tepler, Representative Doudera, and members of the Environment and Natural Resources Committee. My name is Cheryl Timberlake. My government relations firm is Capitol Insights. I am a resident of Mt. Vernon. I serve as the Executive VP for the Maine Beverage Distributors Association (MBDA) and the Maine Beer Wine Commingling Group (MBWCG).

Here to ask for your support on LD 2036 and the sponsor's amendment.

MBWD advocates on behalf of the Maine-based independent family-owned businesses licensed to distribute beer, wine and non-alcoholic beverages to Maine retailers, restaurants and breweries/wineries that are licensed to sell those products to consumers.

Maine's beverage distributors are part of the Maine Beverage Redemption Group (MBRG), known also as the "Coop", aka the Cooperative.

Today, as we undertake the modernization of the beverage container redemption law, there are several new provisions that create uncertainty for MBRG. LD 2036 seeks to clarify these challenges.

Page 4 and 5 §3107 3-B, B(1) Sales Data

Allocation of costs is a necessity if all brands are sorted together by material and size. The history of commingling is a proven success as these groups allocate costs based on sales data and redeemed containers. We have come to understand that some initiators face substantial challenges in providing sales data, the basis on which the preexisting commingling groups allocate costs.

Included in the MBRG Bylaws and Operation Plan, IODs must submit appropriate sales data, and the appropriate costs connected with those sales to The Coop. In addition, there is a Statute requirement for IODs to collect bottle redemption data, see 38 MRSA 3119.

There can be no good reason for an entity not to strive to have sales reporting data. The MBRG is discussing possible options for fair allocation of costs if we do not appear to have "GOOD" sales data, but it must be the goal for everyone to make a reasonable attempt to provide sales data. The cooperative plan proposes a timeline for those who struggle with this to find a path for better reporting; especially given that the reporting requirements are in statute.

Page 15 - Reporting requirements under 38 M.R.S. §3119

By March 1, 2025, IODs must submit a report detailing the number of nonrefillable beverage containers sold within the state. These reports must categorize containers by size, beverage type (including wine, spirits, and others), and redemption value. Additionally, IODs must specify the number of non-refillable containers returned by beverage type and redemption value.

It is not fair to legacy commingling groups to have to commingle their bottle bill finances with other entities based on estimates. To achieve the goal of full commingling by material type, auditable sales data must be a requirement.

Page 5, §3017 3-B, B(5) The commingling groups are fulfilling their payment responsibilities to the redemption centers directly and should continue to do so into the future. This ensures continuity of these payments. Allow MBRG the flexibility to manage the process. Report to the Cooperative through the Commingling groups and their agents.

Page 10, **Refillable infrastructure development:** A description of how the Cooperative will support the development of infrastructure throughout the State for the collection and sanitization of refillable beverage containers and for the return of those refillable beverage containers to IODs of refillable beverage containers for refilling and sale.

F-1 Cooperative's responsibility for refillable containers. The cooperative should be required to study the issue first to determine the costs and efficiencies of a system for Maine.

Removing the wine exception for UPC is the concern. This exception for wine is largely needed for unique wines that are imported from other countries or not desired to be sold in grocery stores, etc. These wines should be allowed to continue to be available.

The wine bottles will be stickered with the deposit and are sorted in the redemption process. The wine UPC exception was in rule, proposal attached, and we hope to have it addressed for clarity in statute but have not proposed the details to accomplish this.

Thank you for your consideration of our concerns and I would be happy to answer any questions.

~~must also be printed clearly on the container label using letters, numerals, and symbols not less than 1/8 inch high.~~

B. For ~~W~~ine and ~~S~~pirits ~~Products~~ with labeling that does not include the required refund value, the ~~I~~nitiator of ~~D~~eposit ~~must shall~~ ensure that a Department-approved sticker that clearly identifies the ~~D~~epartment-approved ~~commingling~~ ~~agreement in which the initiator of deposit participates~~ ~~I~~nitiator of ~~D~~eposit and the deposit/refund value is affixed to the ~~Product~~ ~~beverage~~ container. ~~Prior to the sale of a Wine or Spirit container to which a separate sticker stating the refund value is to be affixed, the Initiator of Deposit shall submit a sample of the sticker to the Department for approval. Approval will be based on the readability, suitability, and durability of the sticker.~~ The ~~I~~nitiator of ~~D~~eposit on other ~~L~~iquor ~~P~~roducts, ~~other than Products not sold in~~ metal beverage containers, may ~~seek approval to affix an approved refund value sticker to its~~ ~~their Product~~ ~~beverage~~ containers for a limited time to allow product sale in ~~the State Maine~~ until the ~~Product~~ label can be modified to include the ~~Maine~~ deposit/refund value. ~~Prior to the sale of a beverage container on which a sticker is to be affixed, the commingling group must submit a sample of the sticker to the Department. Stickers must meet the labeling requirements in section 7(A) of this chapter and must be suitable for their purpose.~~

C. ~~When the Distributor is the Initiator of Deposit, a Manufacturer shall provide its Distributor with evidence that its Product is labeled in accordance with Subsection A, or shall contract with a Product Distributor in Maine to label each Product in accordance with Subsection B. A Distributor acting as an Initiator of Deposit may request the Department review Manufacturer Product labels for compliance with this Section as part of its product label registration. If such a request is made, the Product may not be offered for sale in Maine until the Department completes label review and finds that the label meets the standards in this Section.~~

D. ~~With the exception of W~~ine products, ~~All~~ beverage containers sold in the ~~State of Maine~~ must bear a ~~UPC or EAN that is scannable, remains attached to the beverage container after opening, and is unique to each beverage container, except that:~~

- (1) ~~Seasonal or rotating products with the same IOD, beverage container material type, size, and deposit value may use the same UPC; and~~
- (2) ~~If one product has multiple beverage containers, they may bear the same UPC if they are made of the same material type and have the same deposit value. combination of Beverage brand, container Type, Size and flavor. Malt liquors of the same Beverage brand may utilize one UPC for EAN for their seasonal products in the same container type and size.~~

8. Registration of Beverage Containers

Each beverage container and its label must be registered with the ~~commingling cooperative or, in the absence of a Department-approved commingling cooperative plan, with the Department prior to the~~ ~~B~~everage being offered for sale in ~~the State Maine~~ and annually thereafter. ~~Applications for~~ ~~Registrations~~ must be on forms or in an electronic format provided by ~~the commingling cooperative or~~ the Department.

A. Registrations must include:

- (1) ~~The Product name of the product in the beverage container;~~