



**Testimony of Newell Augur  
Director, Maine Beverage Association**

**Before the Joint Standing Committee on Environment and Natural Resources**

**In Opposition to LD 2141, An Act to Direct a Portion of Unclaimed Beverage Container Deposits to the Lake Water Quality Restoration and Protection Fund, the Maine Working Farmland Access and Protection Program and Public Defender Office Staffing**

**February 4, 2026**

Good afternoon, Senator Tepler, Representative Doudera and members of the Joint Standing Committee on Environment and Natural Resources. My name is Newell Augur, I am a resident of Yarmouth and a partner at Pierce Atwood. I represent the members of the Maine Beverage Association, your local distributors of a variety of refreshing products including diet soda, soda, juices, sports drinks and water. I am here to testify in opposition to LD 2141, An Act to Direct a Portion of Unclaimed Beverage Container Deposits to the Lake Water Quality Restoration and Protection Fund, the Maine Working Farmland Access and Protection Program and Public Defender Office Staffing.

Back in 2023, our Association and other distributors met at length with both Representatives Crockett and Hepler as they drafted LDs 1909 and 1910 respectively. Although environmental advocates, redemption centers, pick-up agents, and the Department contributed to the reform bill ratified by the 131st Legislature, the concept of ending brand sorting through a cooperative of commingling groups was originally advanced by local distributors.

For the existing commingling groups, one of the fundamental principles of this reform was the ability to continue using unclaimed deposits to partially offset the significant costs associated with collecting containers and paying handling fees. In nearly all bottle bills with good recycling rates, the unclaimed deposits are invested back into the system. Based on 2024 numbers, distributors in Maine process and recycle 847 million beverage containers and pay handling fees of \$50 million annually, so continuing this policy was a centerpiece of the reform for them.

Moreover, this policy has been in place for the past two decades. When local distributors made the necessary investments to form commingling groups in 2004, it significantly reduced the number of beverage container sorts. The Legislature authorized in statute the use of unclaimed deposits to offset bottle bill handling fees in recognition of that investment and those improvements.

Over the past several years, there have been varied estimates, sometimes grossly inflated, offered to this Committee as to the total amount of unclaimed deposits. The actual number is approximately \$11.9 million. This includes the unclaimed deposits from the four commingling groups operating for the past twenty years, and the two new commingling groups that formed as a result of the new law.

The four existing commingling groups, generally comprised of initiators with a significant footprint in Maine, have auditable sales data and can accurately calculate their total unclaimed deposits every year. They have been reporting that data to the Department since 2019. The two newly formed commingling groups do not have any history collecting sales data, and there are still gaps in reporting from some initiators of deposit in those groups. Incentivizing initiators to improve their reporting systems to gather sales data will be essential to the cooperative's success.

The total unclaimed deposit is dwarfed by the cooperative's annual operating costs:

Bags for redemption centers	\$750,000
DEP payment	\$600,000
Technology fund	\$500,000
Refillable container programs	\$500,000
Cooperative administration	\$500,000 (estimate)
Auditor costs	\$125,000 (estimate)
UPC maintenance/administration	\$45,000 (estimate)
Web page set up/maintenance	\$25,000 (estimate)
Consumer outreach/education	\$10,000 (estimate)
Pick up costs (847 million containers x 3 cents)	\$25,410,000
<u>Handling fees (847 million containers x 6 cents)</u>	<u>\$50,800,000</u>
Total	\$79,265,000

It is regrettable that a cornerstone of agreement in the reform law - one which local distributors believed was a settled matter - is again the subject of open debate. For the record, our Association does not oppose preventing invasive plants and algal blooms in Maine lakes, finding equitable and immediate relief for Maine farmers whose lands have been contaminated by PFAS, and ensuring that criminal defendants receive adequate legal representation. But we do not support using unclaimed deposits to fund these objectives.

Thank you for the opportunity to testify. I'd be happy to answer any questions.