



Good afternoon, Senator Tepler, Representative Doudera and committee members. My name is Jasper Walsh, I am one of the owners of Maine Distributors with locations in Bangor and Mapleton, ME. We are a small, family-owned business; a beverage distributor, initiator of deposit, a Maine Beer and Wine Commingling Group member and pick agent for Maine's bottle bill program. Our team of 110 co-workers have been executing the bottle bill for nearly 40 years. Thank you for the opportunity to offer comments in opposition to LD 2141.

There are two points of misinformation I would love to address as we move forward; the first is that beverage distributors don't care about recycling, our redemption centers or the bottle bill.

This is unceremoniously false. Central and Northern Maine have the highest redemption rates in the state, thanks to the tireless work of the distributors who cover these areas. Our admin teams, delivery teams and ownership groups are dedicated to working in tandem with our redemption centers, DEP and our suppliers to ensure compliance, increase opportunity for efficient pick up and processing payments to our customers, well ahead of the statutory requirement.

Our team, in conjunction with our center operators, moved millions of empty containers, hundreds of thousands of miles, to be processed and recycled in 2025. Most of these containers are loaded and unloaded in to and out of our trucks and warehouses by hand !

Co-Op members constantly evaluate our truck routing and efficiency to reduce our carbon footprint. We implemented bulk bins, thanks to Maine Recycling, to reduce our impact even further and make the operation of redemption centers even easier. We are now reimbursing the cost of redemption center's plastic bags. Through the support of Maine DEP staff, we have adopted wine direct to consumer suppliers into our commingling group to protect Mainer's freedom of choice. Our industry proposed a version of the final Modernization of the Bottle Bill and have worked for MONTHS to add value and real-life experience to the adopted language.

All of these efforts have been at our own expense.



The second point I'd love to address is the idea that there is a mysterious pot of unclaimed deposits sitting in the co-operative's bank coffers. In our business, the cost of running trucks and trailers, along with folks to load and unload these containers from redemption centers from Madawaska to Newport, from Lubec to Greenville, are far more than unclaimed deposits. We are not holding these as profits, they are helping to offset the costs of execution.

It is a challenging program to execute but we do it because we believe in it. Our business has been in the communities we serve since 1964. I was born in Belfast, went to college at UMaine Farmington and live in Carmel. I love Maine, and we can appreciate the desire to enhance clean water and protect our farmland. These are worthy causes, but funding should not be attached to the Bottle Bill. Further draining resources from our business means we can't invest in our employees and their families.

Furthermore, the law clearly states that the initiators of deposit unclaimed deposits are to be used to comply and fulfill the Bottle Bill.

Attached to my testimony is a budget template we worked with members of the new Co-operative of Commingling Groups to detail the costs of the program. There is a conservative 22-million-dollar annual operating deficit. When all the bills are totaled, there are zero unclaimed deposits left for other proposals.

Thank you for your time and I would be happy to answer any questions or if you would like to see the bottle bill in action; we would be happy to host any committee members for a tour of our facility.



Jasper Walsh

Maine Distributors

| UNITS SOLD                              |      | Estimated 2024 Units Sold per COOP |   |
|---|------|------------------------------------|---|
| .05 UNITS                               | 0.05 | 1,030,000,000                      |   |
| .15 UNITS                               | 0.15 | 42,600,000                         |   |
|   |      | 1,072,600,000                      |   |
| <b>UNCLAIMED DEPOSITS</b>               |      |                                    |   |
| Deposits Sold .05                       |      | 51,500,000                         |   |
| Deposits Redeemed .05                   | 80%  | (41,200,000)                       |   |
|   |      |                                    |   |
| Deposits Sold .15                       |      | 6,390,000                          |   |
| Deposits Redeemed .15                   | 75%  | (4,792,500)                        |   |
|   |      |                                    |   |
| <b>Net Unclaimed (Over Redemption)</b>  |      | <b>11,897,500</b>                  |   |
| <b>1 DEP Fee</b>                        |      | (600,000)                          | <i>annual fee to DEP</i>                                    |
| <b>COOPERATIVE OPERATING BUDGET</b>     |      |                                    |   |
| Administrator Cost                      |      | (250,000)                          | <i>possibly low estimate</i>                                |
| Other Professional Services             |      | (100,000)                          | <i>audit cost, etc.</i>                                     |
| Consumer Outreach/ education            |      | (10,000)                           |   |
| Initial Set up Web Page                 |      | (50,000)                           | <i>one time cost</i>  |
| Website Maintenance                     |      | (25,000)                           |   |
| Other                                   |      | (65,000)                           | <i>upc maintenance, etc.</i>                                |
| <b>2 Total Cooperative Costs</b>        |      | <b>(500,000)</b>                   | <i>reasonable costs of administration of coop</i>           |
| <b>4 Bag Reimbursements</b>             | 0.30 | (741,600)                          | <i>estimated 60% @ 200 count bag avg</i>                    |
| <b>5 Refillable Program</b>             |      | (500,000)                          | <i>refillable &amp; reuseable container</i>                 |
| <b>6 Tech Fund</b>                      |      | (500,000)                          | <i>carbon efficient technology fund</i>                     |
|   |      |                                    |   |
| <b>Remaining Unclaimed (Deficit)</b>    |      | <b>9,055,900</b>                   |   |
| <b>7 Pickup Costs</b>                   | 0.02 | (16,480,000)                       | <i>possibly higher / lower depending on material/volume</i> |
| <b>8 Processing Costs</b>               | 0.02 | (16,480,000)                       | <i>possibly higher / lower depending on material/volume</i> |
| Remaining Unclaimed (Deficit)           |      | (23,904,100)                       |   |
| <b>9 Handling Fees Redeemed</b>         | 0.06 | (48,267,000)                       | <i>75% @ .06</i>  |
| Unclaimed (Deficit) before Handing Fees |      | (72,171,100)                       |   |