

Maine Grocers & Food Producers Association PO Box 5234 Augusta, ME 04332 207.622.4461 info@mgfpa.org

## NEITHER FOR NOR AGAINST – LD 1467 'An Act To Promote a Circular Economy through Increased Postconsumer Recycled Plastic Content in Plastic Beverage Containers'

Dear Senator Brenner- Chair, Representative Tucker - Chair, and Members of the Committee On Environment and Natural Resources,

My name is Christine Cummings and I am the Executive Director of the Maine Grocers & Food Producers Association (MGFPA). The Maine Grocers & Food Producers Association is a business trade association representing Maine's food community; Main Street businesses, including independently owned and operated grocery stores and supermarkets, food and beverage producers and processors, manufacturers, wholesalers, distributors, and supportive service companies.

We are pleased to see the progress this bill has made since a similar version was introduced and amended last session, LD 102. This bill specifically addresses plastic bottles that are a part of Maine's bottle bill which is an important distinction while also basing the requirements off the total number of plastic beverage containers sold. Because the bill addresses only plastic beverage containers within Maine's redemption program it will enable easier supply chain tracking for percentage calculations.

In reviewing similar legislation last session, our grocers anticipated their private label bottle costs would increase approximately 7.5-10% equating to about .5 cent per bottle (about 12 cents per a 24 pack case) to increase the recycled plastic content in bottles. We provide that statistic to note that there may be minor price increases at retail to accommodate the recycled content requirement. However, with the 5 to 10 year implementation dates of LD 1467 we also recognize that there are likely many market factors that will determine the pricing in years to come.

We express concerns for the bill's recycled content requirements as it relates to the smaller and private label brands ability to comply and for our state's beverage producers who will need to source alternative packaging materials. Overall feedback from our membership is the concern for available recycled content in the market. If these requirements are set in place there very well could be a monopoly of the available recycled plastic material, leaving other companies unable to purchase recycled material, unable to comply, and driving up costs. Nevertheless, we are pleased to see the waiver as an opportunity for smaller producers to accommodate any potential limited market access to recycled material.

We appreciate the good intentions of the bill and commend the industry leaders who are setting the precedence to integrate recycled content into their bottles. We hope that their investments will ensure an improved infrastructure and availability for recycled content for beverage producers of all sizes.

Thank you for the opportunity to provide testimony.

Christine Cummings

Christine Cummings Executive Director