



# Manufacturers Association of Maine

Testimony of

Jessica L. Laliberte

On behalf of the Manufacturers Association of Maine

In Opposition of

**LD 1541 An Act To Support and Improve Municipal Recycling Programs and Save Taxpayer Money**

May 10, 2021

Senator Brenner, Representative Tucker, and distinguished members of the Joint Standing Committee on Environment and Natural Resources. My name is Jessica Laliberte and I serve as the policy relations manager for the Manufacturers Association of Maine. We are a non-partisan, pro-growth, pro-manufacturing trade organization. We represent 400 manufacturers and the 29,000 workers they employ in aerospace, metal, paper, marine/boat building, semi-conductor, wood, textile, aquaculture, biotech, medical device, electronics, RF and wireless communications, plastics, composites and bioplastics, studio and food and beverage manufacturing. Several of our members are employee owned or ESOP companies.

The Manufacturers Association of Maine (MAME) stands opposed to **LD 1541 An Act To Support and Improve Municipal Recycling Programs and Save Taxpayer Money**. This is an extremely complex bill with many negative consequences.

**LD 1541** seeks to levy a fee on producers' products contained, protected, delivered, presented, or distributed in or using packaging material. The fee will be based on the amount by weight of packaging material associated with the products they sell, offer for sale, or distribute for sale in or into the State. Imposition of such a fee equates to a tax increase on manufacturers. This diverts funds from investments such as research and development, innovation, and perhaps most important human capital.

Maine is already one of the mostly poorly ranked states for doing business. This proposed legislation is more burdensome regulation.

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33 McAlister Farm Road  
Portland, ME 04103  
207-747-4406  
[info@mainemfg.com](mailto:info@mainemfg.com)  
[www.mainemfg.com](http://www.mainemfg.com)

*"The Manufacturers Association of Maine is dedicated to promoting and growing manufacturing."*

We have serious concerns surrounding the term “readily recyclable” (in the definitions sections letter P) “Readily recyclable” means, with respect to a type of packaging material, that the type of packaging material, as determined by the department by rule: (1) Can be sorted by entities that process recyclable material generated in the State; (2) Has a consistent market for purchase. For the purposes of this subparagraph, "consistent market for purchase" means, with respect to a type of packaging material, that entities processing recyclable material are willing to purchase full bales of that type of fully sorted packaging material in quantities equal to or in excess of the supply of that fully sorted packaging material. "Readily recyclable" does not include types of packaging material that entities that process recyclable material generally accept only in small quantities or that such entities typically sort out from other recyclable material during processing.”

The market for materials is ever changing. What is recyclable today may not be tomorrow. As proposed this bill would define “readily recyclable” through annual rulemaking by the Department of Environmental Protection. We find the definition troublesome as it notes - to be readily recyclable it must be in 'full-bales'. This is concerning as to how the economies of scale would be reached for package material to be deemed valuable if the municipalities have varying recycling efforts and interest in materials that differ. Also concerning to us is the transitional period between the time material is determined to be readily recyclable or not to be readily recyclable for the purpose of calculating payments and reimbursements. Businesses rely on predictability.

MAME and our members are good stewards of the environment and are proud of their environmental records. We strongly advocate for policies which promote sustainability while maintaining the nature beauty of our state. Recycling has been a part of operations for many of our members. “Our company policy is to return the parts in the packaging they came in, and we get parts from all over the world.” Another manufacturer member noted “corrugated has been a recycled product since way before recycling became popular. It just makes sense financially because recycled corrugated is easily incorporated into new board.”

Yet, once again we are left asking how does this fee and the stewardship fund align with the goals of the state’s ten-year economic plan; to grow both the gross domestic product and wages by 10% and to increase the workforce to 75,000?

The Manufacturers Association of Maine is opposed to **LD 1541 An Act To Support and Improve Municipal Recycling Programs and Save Taxpayer Money** and urges an ought not to pass vote.

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