



May 10, 2021

Wine Institute Statement in Opposition to LD 1541, An Act To Support and Improve Municipal Recycling Programs and Save Taxpayer Money

Honorable Stacy Brenner, Senate Chair
Honorable Ralph Tucker, House Chair
Joint Committee on Environment and Natural Resources

Wine Institute opposes LD 1541, “An Act To Support and Improve Municipal Recycling Programs and Save Taxpayer Money.” **The California wine industry is committed to sustainability with an impressive 80% of California’s total wine production certified under a statewide sustainability program.** The sustainability program encourages use of products with recycled content, reusability, takeback or recyclable packaging, and non-toxic materials. Wine Institute is committed to participating in discussions regarding the develop of efficient, cost effective means for handling wine packaging. While we support the objective of recovering more wine packaging, LD 1541 is problematic in approach and costs.

The regulatory program envisioned in this bill is overly broad, costly, bureaucratically burdensome and unnecessarily complicated. **LD 1541 attempts to shift the full costs of Maine’s recycling system for non-traditional wine packaging and other packaging to a mandatory producer responsibility organization (PRO).** In the end, the hefty government price tag for modernizing Maine’s recycling system will be passed along to Maine consumers in higher prices and potentially less selection. This proposal provides no shared responsibility to encourage consumers to be good stewards of the packaging, crucial to a healthy recycling system.

As you know, traditional wine packaging, bottles and cans, are included in Maine’s bottle bill. For over thirty years, wineries have participated in this existing producer responsibility program. Our wineries register and pay fees to both BABLO, as manufacturers of wine and to the DEP, as participants in the bottle bill. This duplication of registration requirements and fees is an added compliance cost for wineries and these added costs are passed on to Maine consumers. It is worth mentioning, that some small and midsize wineries already forego selling wine in Maine through the traditional three tier system because of these costly requirements. Hence, Maine wine consumers either pay more for their wine or they are forced to buy it elsewhere.

- While glass wine bottles and cans would be exempted from this program, this overly broad bill would not only include environmentally friendly packaging such as wine bag-in-a-box, TetraPaks and pouches, it could potentially pull in the component parts of traditional glass bottles such as wine corks, (both natural and synthetic), capsules, screw caps and the like. This additional mandate would create a compliance nightmare for wineries currently doing business in Maine.

Wine Institute would respectfully request that all wine containers be included in Maine's existing product responsibility program, the Maine "bottle bill" or in the alternative, include all wine containers in a producer run product responsibility program such as that envisioned in LD 1471.

Wine Institute members continue to increase their commitment to the use of packaging that is more environmentally friendly. California wines are currently being sold in Maine and all over the country in nontraditional packaging. A quick trip to your local Hannaford or Shaw's will demonstrate this trend. Wine can now be purchased in cans, TetraPaks, pouches and boxes. This trend toward environmentally friendly packaging continues to grow without the need for overly burdensome programs like the one envisioned in LD 1541.

- Bag-in-a-box wines, for example, already create significantly less solid waste versus the same volume of wine in traditional 750ml bottles. In addition, it weighs less, uses 87% less energy to produce and produces 90% fewer greenhouse gases. These are all powerful incentives for an industry steeped in tradition to move toward packaging materials that are less expensive and more environmentally friendly.

This overly broad bill creates a significant amount of uncertainty, builds a sizable bureaucracy and otherwise complicates an already challenging compliance system for wine producers. This type of packaging legislation has not passed in California or anywhere else in the country.

It is our fervent hope that Maine will give this issue more time for thoughtful discussion in order to address the myriad of concerns and the substantial financial impact on Maine consumers, businesses and wineries.

Respectfully submitted,

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Wine Institute

Wine Institute is a public policy organization representing 1,000 California wineries and affiliated members.