



Maine Brewers' Guild
PO Box 2817
South Portland, ME 04116

2/27/19

Dear Members of the Joint Standing Committee on Environment and Natural Resources,

I am Sean Sullivan, executive director of the Maine Brewers' Guild, the nonprofit trade association that represents the beer brewers in Maine. I am here today to represent all of our brewery members, who have voted to stand united in our opposition to the proposed changes to the Bottle Bills.

Maine Brewers' Guild members brew 99.9% of the beer brewed in Maine, and both our legislative committee and our board have followed a process to carefully consider each of these bills.

We are united in our opposition to the following bills related to bottle deposits: LD 575, LD 579, and LD 87.

Our membership, which directly employs over 1900 Mainers, are also united in their opposition to the following bills which change the laws regarding handling fees of beverage containers: LD 426, LD 93, LD 360, LD 377, LD 248, and again, LD 575, and 579.

If any of these bills are passed, the costs to breweries will increase. All of these bills propose major increases in the cost of doing business, at the same time brewers are facing increased workforce costs, competition, and increased cost of raw materials.

While many of our members expressed their strong support of recycling, and wish to see the continued recycling of the beer cans and bottles they produce, they understand these bills will not have a measurable impact on increasing recycling rates. Our brewers also appreciate the role that redemption centers play in the recycling process, and can relate to challenges they face in increased workforce costs, as our breweries are subject to the same challenges.

However, increasing the handling fee for bottles simply shifts the burden from one industry, redemption centers, to another, breweries and beverage manufacturers, as well as distributors.

While these bills are proposing increases in cents, I want this committee to really understand that these cents add up to hundreds of thousands, if not millions of dollars in cost increases to Maine's brewing industry.

The Maine Brewers' Guild recently engaged UMaine to measure the Maine brewing industry's economic impact on our state, and found that breweries now operate in every county in Maine and contribute over \$260,000,000 to our state's economy.

Maine brewers are attracting a new generation of tourists to Maine, with over 9 million tourists visiting a brewery in 2017- many choosing to purchase beer to take home to share with their friends and family. Maine-brewed beer is, in a lot of ways, our new shipbuilding industry, or shoemaking industry - quality goods made by hardworking people in the small towns and cities of Maine, shipped around the world to represent our state. Cost increases as proposed in these bills will have the impact of reducing the number of beers canned or bottled, thereby reducing opportunities to sell our beer.

It is for these reasons I urge you to oppose the set of aforementioned bills relating to the Bottle Bill.

Finally, please note that the Maine Brewers' Guild would gladly work with the legislature and parties on any future discussions to improve the Bottle Bill laws.

Sincerely,

Sean Sullivan
Executive Director, Maine Brewers' Guild