

MAINE STATE LEGISLATURE

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Senate Legislative Record
One Hundred and Twenty-First Legislature
State of Maine

Volume II

First Regular Session (Continued)
May 21, 2003 to June 14, 2003

First Special Session
August 21, 2003 to August 22, 2003

First Confirmation Session
October 30, 2003

Second Regular Session
January 7, 2004 to January 30, 2004

Second Special Session
February 3, 2004 to March 18, 2004

Pages 715 - 1415

RESOLVED: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the Piestewa family and the Hopi Tribal Council with our deepest gratitude and respect for her sacrifice on behalf of the People of the State of Maine and the Penobscot Nation and with our best wishes and appreciation.

Comes from the House, **READ** and **ADOPTED**.

READ and **ADOPTED**, in concurrence.

Out of order and under suspension of the Rules, the Senate considered the following:

ENACTORS

The Committee on **Engrossed Bills** reported as truly and strictly engrossed the following:

Act

An Act To Fund Municipal Collection of Household Hazardous Waste

H.P. 1135 L.D. 1549
(H "A" H-526 to C "A" H-494)

On motion by Senator **CATHCART** of Penobscot, placed on the **SPECIAL APPROPRIATIONS TABLE**, pending **ENACTMENT**, in concurrence.

ORDERS OF THE DAY

The Chair laid before the Senate the following Tabled and Later (5/21/03) Assigned matter:

SENATE REPORTS - from the Committee on **BUSINESS, RESEARCH AND ECONOMIC DEVELOPMENT** on Bill "An Act To Improve the State's Returnable Bottle Law and Adjust Handling Fees"

S.P. 326 L.D. 985

Majority - **Ought to Pass as Amended by Committee Amendment "A" (S-217)** (8 members)

Minority - **Ought to Pass as Amended by Committee Amendment "B" (S-218)** (5 members)

Tabled - May 21, 2003, by Senator **BROMLEY** of Cumberland

Pending - motion by same Senator to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (S-217)** Report

(In Senate, May 21, 2003, Reports **READ**.)

On motion by Senator **BROMLEY** of Cumberland, the Majority **OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (S-217)** Report **ACCEPTED**.

READ ONCE.

Committee Amendment "A" (S-217) **READ**.

On motion by Senator **GAGNON** of Kennebec, Senate Amendment "B" (S-250) to Committee Amendment "A" (S-217) **READ**.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Gagnon.

Senator **GAGNON:** Thank you, Madame President, men and women of the Senate. I present this amendment because we have probably the most advanced and forward-looking redemption program in the country. In fact, as we've talked about how Maine goes, so goes the nation, this is probably one of the areas where we are a real leader. In fact, there is equipment being developed right here in the State of Maine that, hopefully, will be a boom to our state in terms of equipment that would be sold to redemption centers.

The goal of this bill, and what I think should be our goal, is to modernize the redemption centers and to provide greater efficiencies to them. This could move them to another level, to another plain, in order to get over that hump in what has become a very labor intensive and fairly simply process of sorting bottles simply for the sake of accounting purposes. We know that progress has already been made with reverse vending operations and reverse vending machines. What this bill does is encourage the industry and provide some incentives for the redemption centers to move in that direction, so we can promote and further our bill as a whole.

This amendment has been worked on for quite some time by a number of different people. I'm pleased to report, in consultation with the good chair of this committee and through her tremendous help, this bill and amendment is now accepted by the organization that represents the redemption centers, the people who represent the beer and wine distributors, and the people who represent the soda bottlers in the State of Maine. If, in fact, we can put this co-mingling issue in law and start moving forward with the agreement of all of them, it is a wonderful day in the legislature for us. I would encourage your support of this amendment. Thank you very much.

On motion by Senator **GAGNON** of Kennebec, Senate Amendment "B" (S-250) to Committee Amendment "A" (S-217) **ADOPTED**.

Committee Amendment "A" (S-217) as Amended by Senate Amendment "B" (S-250) thereto, **ADOPTED**.

Under suspension of the Rules, **READ A SECOND TIME**.

On motion by Senator **HATCH** of Somerset, Senate Amendment "A" (S-245) **READ**.

THE PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Hatch.

Senator **HATCH:** Thank you, Madame President, ladies and gentlemen of the Senate. I rise today to let you know that I've submitted an amendment that would give the redemption centers

a 2¢ increase on the handling fee. There are many reasons for this. First, I appreciate all the work that went into the bill by the commission that met on it. Four years ago, a bill went in regarding the redemption centers not making enough money to pay for their supplies. Over the course of the last couple of years, apparently they worked on a bill, with the input of all the committee members, which has a 1/2¢ float. If the distributors agree to the co-mingling, they get that 1/2¢. The redemption centers get nothing.

Costs for the redemption centers, because of the cost of the handling and so forth, has increased over the last 10 or 15 years. They still get the same amount. I put this in so that they could buy bags, that used to be \$9 a box and are currently \$28 a box, and pay their expenses, which include electricity and everything else that we all have to have when we are in business. Even the overhead on these redemption centers has gone up in the last few years. I would ask that you please accept this, so that the redemption centers can receive some pay. I don't know how the redemption centers, especially the smaller ones, would buy extra supplies and whatnot in the next few years. In my area, we have only small redemption centers. There are no big ones. They employ 8 or 10 people, because of the volume that comes into these small redemption centers. Just to pay those people takes most of the money that comes in.

I would ask you to look favorably on this amendment. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Gagnon.

Senator **GAGNON:** Thank you, Madame President, men and women of the Senate. I would encourage you to vote against the amendment. In all due respect to the good Senator from Somerset, Senator Hatch, who I have a great deal of respect and affection for, I think that what we are accomplishing with the amendment that we talked about previously will provide some incentives or money for the redemption centers. There will certainly be areas or categories of products where they will not be co-mingling. It would not be cost effective, at least not in the short run. They will be seeing a 1/2¢ increase in those areas.

The second thing is that we think that the out-of-state people who are providing products to the big Super Wal-Marts and places like that are not going to participate in any co-mingling agreement, because they haven't participated in the past. There will also be a 1/2¢ on that.

Again, the good Senator from Somerset, Senator Hatch, is correct. There are a lot of small redemption centers. The difficulty is that we need to get over that hump. We need to get them modernized. We need to get some equipment into their facilities so they can do this more efficiently. That will ultimately save them money. That is what the amendment was trying to do. If the industries that are involved do not go at this in an aggressive way, then the legislature would be more sympathetic to this type of amendment. I would encourage you to vote against the pending motion.

Same Senator requested a Division.

THE PRESIDENT: The Chair recognizes the Senator from Washington, Senator Shorey.

Senator **SHOREY:** Thank you, Madame President, men and women of the Senate. After looking at this problem for the past five years, I think the amendment that the good Senator from Somerset, Senator Hatch, has brought forth is very well meaning, but it will not provide a solution. Having talked to my local redemption centers, one of their fears is that, as you add more money to the bottling and to the return fee, more redemption centers will pop up. This is a volume business. There are 200 or 300 redemption centers right now. You don't want to see 600 or 700. That would not work. It would put people out of business. The biggest thing we heard, and what the study commission heard, was co-mingling. That is a way to reduce the cost. I think that if this does not work with the current amendment that the good Senator from Kennebec, Senator Gagnon, put in, we may look at this. I think right now we should proceed on course and reject this amendment. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Somerset, Senator Hatch.

Senator **HATCH:** Thank you, Madame President, ladies and gentlemen of the Senate. I rise again to ask you to support this amendment. There has been no talk in any of the discussions saying that we shouldn't support this. Currently in the state, there is what they call a float that goes back to the distributors of between \$1 million and \$2.9 million. They receive this back because not all the bottles are returned. Out of this float they could afford to pay these small redemption centers an extra 2¢. The reason they had the commission study this was because there was not a lot of redemption center people who could attend these hearings. They were working, sorting these cans and bottles for all of us in this state. They do a great job. The distributors could attend. They had the lobbyists there. They had everyone there. I agree that one lobbyist for the redemption centers probably was sufficient. I would encourage you to vote for this 2¢ for those redemption centers. The money is already there. It doesn't have to be raised. Nobody's going to go broke. We are already paying for those cans and bottles that aren't returned in our landfills anyway. I would encourage you to do this. It won't cost the distributors anything. Thank you.

At the request of Senator **GAGNON** of Kennebec a Division was had. 11 Senators having voted in the affirmative and 23 Senators having voted in the negative, the motion by Senator **HATCH** of Somerset to **ADOPT** Senate Amendment "A" (S-245), **FAILED**.

PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-217) AS AMENDED BY SENATE AMENDMENT "B" (S-250) thereto.

Sent down for concurrence.

All matters thus acted upon were ordered sent down forthwith for concurrence.

The Chair laid before the Senate the following Tabled and Later (5/27/03) Assigned matter: