



May 4, 2023

Senator Ann Cummings; Chair

Cc: Senate Committee on Finance

Wine Institute is a public policy association of over 1,000 California wineries and affiliated suppliers dedicated to advocating the responsible consumption and enjoyment of wine.

We have experience with bottle bills and EPR bills in other states and have had to work through several issues. While we do not support H.158, we need to ensure that the new system will work for our industry. Our main opposition to H.158 revolves around labeling and timing. The distribution of wine is quite different than other beverages. Wine is labeled, boxed, and palletized. Higher end wines are aged at the vineyard for as much as 5 years. Wine is then sent to one of many distribution centers across the country with little knowledge of where the wine will be sold at retail. We are very concerned that H.158 will create a market disruption or will unknowingly have labels that do not comply with the redemption law.

Under § 1534. BEVERAGE CONTAINER REDEMPTION RATE:

If the redemption goals are not met, the redemption value could increase to \$0.20 per container. In this case, the wine industry would have bottles with the incorrect redemption value and take a long time to have those bottles sold through the system. This is the main reason that the inclusion of vinous beverages in the new system was pushed out to 2027. However, the bill states that the labels would need to be changed within 1 year to comply with H.158. This is not only a concern, but impossible for the wine industry to comply.

Less expensive wines are typically made and distributed within the same year. However, higher value wines are aged in bottles already boxed and either in a wine cellar or one of the many distribution centers across the county. The timeline leading up to vinous beverage redemption would need a longer lead in time.

We respectfully ask that wine be removed from H.158 or the bill needs to extend a long enough lead time for label changes similar to the lead time as the initial enactment of H.158. Wine Institute believes it is vital and necessary to maintain an orderly marketplace for wine in Vermont. Without it, Vermont will likely see a drop in wine sales and a significant disruption of wine distribution in the State.

Thank you for your thoughtful consideration.

Respectfully,

Carol A Martel
Northeastern Counsel
Wine Institute
24 Sandpiper Lane
Merrimack, NH 03054
cmartel@wineinstitute.org