



April 19, 2023

Senator Chris Bray; Chair
Cc: Senate Committee on Natural Resources & Energy

Wine Institute, a public policy association of over 1,000 California wineries and affiliated suppliers dedicated to advocating the responsible consumption and enjoyment of wine, is deeply concerned with H 158 as currently drafted and would respectfully request an amendment to the current draft.

We have experience with bottle bills and EPR bills in other states and have had to work through several issues. As you may know, California passed legislation like H.158 in 2022. This year, California is amending that law to ensure that the program functions properly for vinous beverages. The issues presented in California and in H.158 revolve around labeling and timing. While we don't support H.158, we need to ensure that it will work for our industry.

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 up to 2027.

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. Also, because wine is often aged in the bottle, labels for wine bottles are often approved and affixed to the bottles several years prior to entering the distribution system.

For these reasons, our request is to amend § 1524. LABELING to include:

the word "Vermont" or the letters "VT" and the refund value of the container one of the following in not less than one-eighth inch type size or such other alternate indications as may be approved by the Secretary:

- (A) the refund value of the container
- (B) the words "refund value"; or
- (C) the letters "RV", or
- (D) QR Code**

By allowing QR codes as an approved method of labeling, the change in redemption value could be changed much more quickly. The QR Code is "geo fenced" so the code would contain

Vermont only information regarding the redemption values. This is the direction that that the industry is moving to be able to keep up with changing requirement in wine labels.

Wine Institute believes that this suggested change 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,

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