

February 25, 2020

The Honorable Kumar Barve
Chairman
Maryland House Environment and Transportation Committee
House Office Building, Room 250
Annapolis, MD 21401

Re: Comments on House Bill 824 - Beverage Container Deposit Program: Establishment and Advisory

Dear Chairman Barve, Vice-Chair Stein, and Members of the Committee:

TOMRA Systems supports your mission to tackle the plastic waste pollution crisis. This is a sprawling human and planetary health crisis that requires a comprehensive solution. We are encouraged to see that House Bill 824 proposes a framework for developing a deposit-return system proven to effectively stop pollution from the source – and create a circular economy for used beverage containers.

With that in mind we wanted to offer our perspective on how we think the proposed bill will be effective and promotes a ‘circular economy’. Our comments are based on over 40-years innovating container deposit-return and municipal recycling systems as a provider of collection and sorting solutions, technology, material processing, and data administration. TOMRA works in over 60 deposit-return markets including New York, Connecticut, Massachusetts, Vermont, Maine, Michigan, Iowa and Oregon. We are available to you, your staff and Delegate Love to share our experience and best practices.

Considering learnings from high and lower-performing deposit-return systems, we encourage policy designers to start by adopting the following principles to guide further operational and financing design:

- **PERFORMANCE**
 - Mandate a redemption rate to recover all used beverage packaging to prevent litter and waste. This will align all efforts made in system design, deposit level and execution.
 - Set a ‘recycling rate’ for each beverage container type considering the European Commission’s recently amended definition of recycling which define recycled material as that which is the output of a recycling sorting operation (not the input). In other words, count those materials which are used by manufacturers.
 - A meaningful deposit amount set in statute will engage consumers into this habit and ensure both environmental results and material volume necessary for end-users.
 - Consider the European Commission’s amendment setting recycled-content targets.

- **EASY ACCESS TO REDEMPTION FOR CONSUMERS**
 - Redemption points must be easily accessible for all consumers. As easy as it was to charge the deposit.

- **STEWARDSHIP**
 - Producers/brand owners are responsible for providing a system administrator and system operator under the guidance of statute.
 - The system administrator will establish procedures and standards to which the system operator(s) will perform; including a clearinghouse for managing product registration, data, controls and payments.

- Create a level playing field for both producers and beverage retailers.

- **ACCURACY**
 - Establish standards for the redemption system redemption points and clearinghouse.

- **COST-EFFICIENCY & EFFECTIVENESS**
 - Unredeemed deposits should remain with the system administrator to cover program costs and be reinvested in the new infrastructure.
 - System administrator and system operator(s) working together have proven their ability to comply with the statute using sustainable financing.
 - Commodities should remain with the producers/brand owners to encourage a circular economy.
 - Use of best-available technologies applied to support these principles.
 - Consider 'design for recycling' guidelines set by the PET, Glass and Aluminum reclaimers.

Thank you,

A handwritten signature in blue ink that reads 'Chuck Riegler'.

Chuck Riegler

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About TOMRA

TOMRA was founded on an innovation in 1972 that began with the design, manufacturing and sale of reverse vending machines (RVMs) for automated collection of used beverage containers. Today TOMRA provides technology-led solutions that enable the circular economy with advanced collection and sorting systems that optimize resource recovery and minimize waste in the food, recycling and mining industries.