

January 24, 2024

Senator Stacy Brenner, Senate Chair  
Representative Lori Gramlich, House Chair  
Joint Standing Committee on Environment and Natural Resources  
100 State House Station  
Augusta, ME 04333

Testifying NEITHER FOR NOR AGAINST LD2134 “An Act Regarding Responsibility for Activities Intended to Increase the Use of Refillable and Reusable Beverage Containers”

**Chair Brenner, Chairman Gramlich, members of the Environment and Natural Resources Committee:**

My name is Mike Noel, and I am a Director of Public Affairs at TOMRA. TOMRA is known for pioneering a range of technology and services for recycling and reuse systems, helping to reduce virgin resource extraction. We have over 50 years’ experience operating in more than 40 jurisdictions with container Deposit Return Systems (or “bottle bills”), including all ten U.S. states with deposit laws. We support Maine’s bottle bill system today by providing container pickup services and reverse vending solutions.

Thank you for the opportunity to submit testimony on LD2134 “An Act Regarding Responsibility for Activities Intended to Increase the Use of Refillable and Reusable Beverage Containers.” We have relatively minor comments on the bill that we think would ensure Maine wisely invests its resources into both scaling refillable beverages and ensuring the long-term economic sustainability of Maine’s bottle bill and redemption center small businesses.

**TOMRA is a supporter of advancing reduction and reuse practices**

We are excited to launch this month, one of the world’s first city-wide reusable cup programs in partnership with hundreds of cafes and restaurants in Denmark. TOMRA is providing a full reuse service for cafes and customers complete with reusable cup sales, collection technology, reverse logistics, washing and redistribution. So, we understand the environmental and economic potential for a reuse system.

**Requiring, as opposed to offering, funding for reuse could be a reckless use of resources**

Reuse has not scaled in the U.S. for a reason. Chief among these is the cost of establishing and operating a reuse model vs. the cost of single use packaging. Equally challenging is mainstream consumer participation in the act of returning containers. Achieving mainstream adoption of a reuse system likely requires changing the fundamental economics such as a deposit on refillable containers and a tax on single use containers or simply requiring the retail or beverage industry to ensure a percentage of the beverages sold be collected and refilled. Neither measure is included in this bill.

What is included in LD2134 is a requirement for the Commingling Cooperative to invest \$500,000 per year into a reuse system *even if consumer adoption of such a system does not materialize*. With this level of investment, it is quite likely that Maine’s Commingling Cooperative purchases refillable beverage bottles, establishes a central washing facility, secures participation from a number of craft distributors and deep green consumers. However progress could stop there. Adoption beyond a minority of committed consumers could limit the scale of the reuse system. Yet the Commingling Cooperative as written in the bill must still invest \$500,000 per year of consumer’s unredeemed deposits into the program.

**Requiring investment in reuse comes at the expense of the climate and redemption center’s real needs**

The needs of the redemption centers are real and they have already materialized today. The bottle bill reform measures passed last year of course primarily sought to ensure redemption centers could continue to keep their doors open and keep redemption access available to the public despite rising operating costs. Through the Cost & Carbon Efficient Technology Fund redemption center owners can access grants for reverse vending machines which can reduce labor costs by 75% and enable redemption centers to operate in a market where it is difficult to find workers. Keeping the operating cost of the bottle deposit system low overall helps to minimize the need for future handling fee increases, which likely keeps the cost of beverages in the state at a lower price point for consumers. There is also an ever present need to do more to avert climate change. If the top 40 manual redemption centers in Maine converted to compacting reverse vending technology, it would reduce save 120 metric tons of greenhouse gas emissions per year due to reduced transportation demand.

**Our proposal: Reinvest any funds not spent on reuse into the Cost & Carbon Technology Fund**

To remedy this potential imbalance between investment and demand, we recommend rolling over any of the \$500k that was not spent on reuse projects into the Cost & Carbon Efficient Technology Fund. This way, reuse entrepreneurs can still access funding, key projects like a washing facility can still be built and reuse education can still take place. However, it would all be investments that match the level of demand from the market and consumers. At the same time, redemption centers, the climate – and the bottle deposit system as a whole – would stand to benefit from any unspent resources by reinvesting in technology that is in demand today.

Thank you again for your time. I would be happy to answer any questions you may have.

Thank you,  
Mike Noel

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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 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.

## **TOMRA COLLECTION**

With an installed base of approximately 83,000 systems in over 40 markets, TOMRA Collection is the world's leading provider of reverse vending and clearinghouse solutions. Every year TOMRA facilitates the collection of more than 45 billion empty cans and bottles and provides retailers and other customers with an effective and efficient way of collecting, sorting, and processing these containers.

TOMRA's material recovery business includes the pick-up, transportation, and processing of used beverage containers in North America, as well as the subsequent brokerage of the processed material to recyclers. The revenue stream in this business area is derived from fees received from bottlers based on the volume of containers processed. Currently, TOMRA Material Recovery processes over 340,000 metric tons of containers annually.

## **TOMRA SORTING**

TOMRA Sorting creates sensor-based technologies for sorting and process analysis within the recycling, food, mining, and other industries. TOMRA Recycling is a global leader in its field and has pioneered the automation of waste sorting for recycling. Its flexible sorting systems perform an extensive range of sorting tasks including separating plastics by polymer type for recycling. Currently TOMRA Recycling has an installed base of 5,900+ units across more than 40 markets.

Mike Noel  
TOMRA  
LD 2134  
Testimony attached