



October 23, 2023

Peter Harckam
Member of Senate
Chair, Committee on Environmental Conservation

Deborah J. Glick
Member of Assembly
Chair, Committee on Environmental Conservation

Hearing to examine legislative solutions to increase the effectiveness of the Bottle Bill

Albany, NY
11:00 AM, Monday, October 23, 2023
Hearing Room C, LOB

Introduction

Chairs Harckham and Glick, and members of the Committees on Environmental Conservation, thank you for the opportunity to testify before you today. My name is Chuck Riegler, SVP for Public Affairs & Deposit-Return Compliance for TOMRA Americas.

TOMRA supports the premise that used beverage containers unnecessarily burden the state's solid waste disposal systems. We also see the value 'Bottle Bills' have contributed towards ending land and marine litter, and in creating a 'circular economy' in New York.

We want to re-affirm our support for New York's deposit-return model and consider with you how to thoughtfully 'modernize' it. In addition to today's hearing, we want to add that we support NY DEC's stakeholder process related to the regulations. We also want to share that as EPR-PPP will be considered in tomorrow's hearing, we consider the Deposit-Return and Curbside collection systems as complimentary programs for addressing packaging waste – and suggest that while the programs should be managed separately – the Bottle Bill is the ideal program for managing used beverage containers.

Technology and Services Provided by TOMRA in New York



TOMRA
Collection & Sorting Solutions
4,500+ employees globally • 900+ locations

TOMRA provides Reverse Vending technology, Clearinghouse services, and Material Recovery services to provide convenient, cost-effective, and secure container redemption systems for consumers, grocers, and beverage companies.

We also provide AI and infrared-powered sorting technology to municipal recycling facilities including the SIMMs facility in Brooklyn that handles much of the City's curbside-collected packaging and paper.

TOMRA has five decades of experience working and investing in deposit refund systems

ACTIVE IN EVERY MAJOR GLOBAL DEPOSIT MARKET

40 BILLION cans and bottles collected annually

84,000 reverse vending machines installed globally

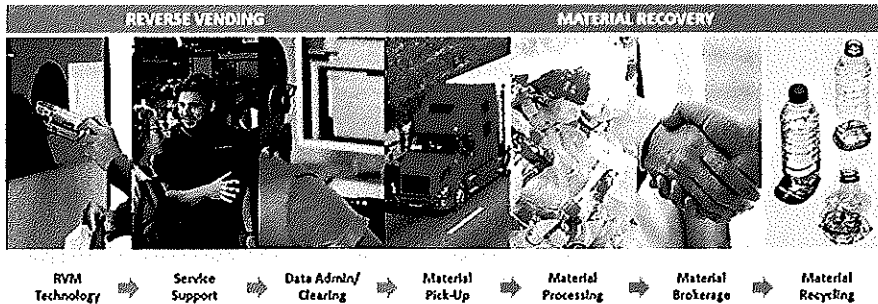
\$6.8 BILLION in deposits exchanged annually

+ 34 more markets

TOMRA has 50+ years' experience in the deposit-recycling field. In one or more roles, we serve deposit recycling systems around the world - including all ten US 'deposit states.

In the Northeast, TOMRA's system incorporates multiple services that help create a seamless process for Producers and other stakeholders like Redemption Centers and the Department of Environmental Conservation. Those services include providing collection technology like Reverse Vending Machines, container validation, clearing deposits and handling fees,

aggregating data from across the redemption network and providing container pick-up and processing services.



In upstate New York, TOMRA partners with various beverage distributors in the companies: TOMRA New York Recycling, and Western New York BICS, to provide 'material recovery' services. Contracted by beverage brand owners and distributors, these companies operate a fleet of trucks to pick-up redeemed beverage containers, and operate material processing facilities in

Lancaster, Farmington, Syracuse, Rotterdam. Downstate, TOMRA provides services out of the Bronx. TOMRA beneficiates redeemed glass bottles in Farmington – producing furnace ready cullet for the Anchor Glass (Elmira) and O-I (Auburn) glass bottle production plants.

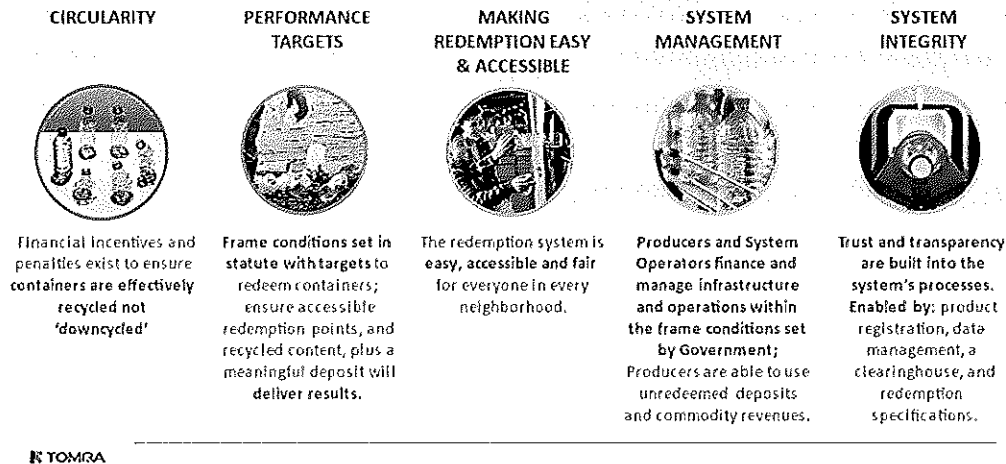
TOMRA, and other stakeholders are getting some first-hand experience 'modernizing' deposit-return programs in other states, and can bring those learnings to New York. Faced with rising social, environmental, and economic costs of waste disposal and an ambition to make deposit redemption as convenient and equitable as possible, Connecticut amended its Bottle Bill in 2021 and set in motion a path to modernize the program. Public Act 21-58 updated the deposit program by:

- First making redemption more accessible for all residents – by strengthening its hybrid redemption model. The Handling Fee was raised to 3.2¢ in October 2021; stores of a certain size were required to provide RVMs. mandating RVMs; and \$5mm in grants for new redemption centers in underserved urban communities.
- (2023) adding more beverage categories and requiring product registration with system operators.
- (2024) raising the deposit from five to ten cents.
- (2024) allowing deposit initiators to keep a higher percentage of unredeemed deposits if the program's redemption rate meets 80%.

Modernizing New York’s ‘Bottle Bill’

The legislature has an opportunity to reaffirm the program’s ambition – and modernize its performance. There is something for every stakeholder in doing this.

When designing a Modern Deposit -Return System Draft the statute and regulations keeping five principles in -mind



TOMRA

As you consider any proposal - we recommend referencing the above principles. The ‘decentralized’ design of New York’s Bottle Bill has proven effective and allowed for competition, but the model needs some attention. We recommend:

Make Redemption Easy and Accessible for Everyone


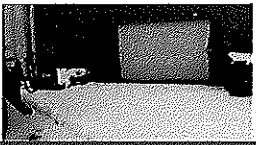

- **Implementation / Timing:** we think that one law can phase-in changes with dates, thus allowing stakeholders to prepare.
- **Strengthen the hybrid redemption model:** ensure all consumers with small and large volumes, and the informal waste pickers, have access to redemption points which make sense for them and the retailers/RCs.

System Management

- **Consider ‘harmonizing’ changes with Connecticut’s law** so that regional producers, retailers, and operators might better manage their supply chains and services.
- **Align container definitions with Reverse Vending technology:** set a lower and upper size limit to ensure containers ‘fit’ the RVM technology. This will harmonize with the regional supply chain, and ensure consumers, retailers, and RCs using RVM technology have a seamless redemption experience.
- **Product Registration:** In order for companies managing the program to redeem, audit, and clear deposits – we must first have a complete list of products. We believe it is important that all beverage companies register their products with retailers, redemption centers, RVM system operators, and third-party agents at least 30 days in advance of being added to the program or raising the deposit level. Especially important for new companies and products entering the program.

- **Connect retailers and redemption centers online:** to better collect and manage data; upload product information; improve collection routing; and improve payment time.
- **Strengthen registration requirements for new redemption centers in matters of worker safety and storage capacity:** We have recommended to NYDEC that the application to become a redemption center consider a few more operational and safety-focused requirements. Some examples:
 - Consult the area pick-up agent during the approval process to ensure the services align.
 - Redemption centers need to be in areas where a tractor trailer can safely access pick-up areas.
 - Have enough storage to manage redemption volumes.
 - Allow pick-up agents to suspend service if conditions are unsafe for the driver (e.g., garbage or unplowed loading docks).
 - Redeemed containers need to be secured to ensure an accurate count and payment.

How to make container pickup safe for all?

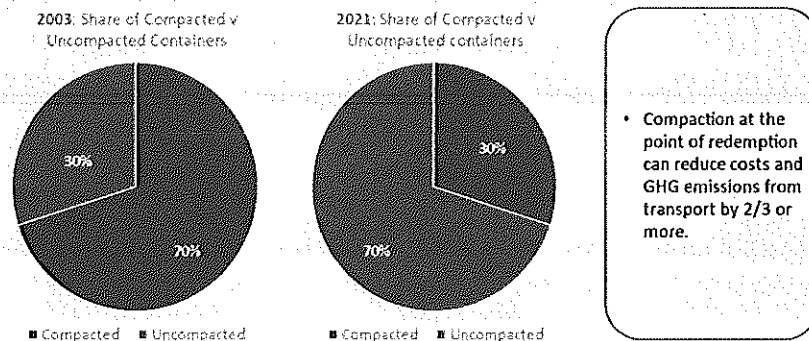
		
Unsafe Locations	Unsafe Pick-up Conditions	Material Not Secured

SOLUTION:

<ul style="list-style-type: none"> • Licensing requirements should include a safety analysis of the proposed location 	<ul style="list-style-type: none"> • To receive pick-up service, redemption providers should be required to meet basic safety requirements (e.g. clearing away snow and ice) 	<ul style="list-style-type: none"> • Requirement for material to be secured
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- **Improve the redemption experience for small volume beverage dealers:** reduced daily redemption requirements; incentivize local alternatives.
- **Incentivize compaction at the top 100 redemption centers in volume:** We believe the trucks of TNYR and WNYBICS servicing upstate New York each year could reduce driving 177,000 miles; reduce using 25,000 gallons of diesel fuel; and decarbonize (Co2) overall by 568,000 pounds.

The amount of compacted containers has decreased as high volume, manual redemption centers have taken a larger share of the redemption network





Strengthen the fiscal integrity of the program

- **Consider using unredeemed deposits to reinvest in the program:** In 2009, New York implemented a provision that allowed beverage distributors to keep 20% of the unredeemed deposits to defray the costs of the new handling fee. Infrastructure grants were also identified - but never funded.

We recommend the Committee consider using funds for near and long-term investments that 'modernize' the program's performance.

Opportunities include: more points of redemption in any underserved part of the state; counting technology in the field to improve accounting and reconciliation; compaction technology to cancel containers and reduce carbon footprint.

TOMRA is deeply committed to doing business in New York State and building upon our well-established partnerships with all stakeholders. We appreciate the opportunity to share our learned perspectives – and are available to talk ideas through with you.

Thank you,

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in [SAVE CONTACT](#)

TOMRA COLLECTION SOLUTIONS: With an installed base of approximately 83,000 systems in over 60 markets including all 10 U.S. states with deposit laws, TOMRA Reverse Vending is the world's leading provider of reverse vending and clearinghouse solutions. Every year TOMRA facilitates the collection of more than 40 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 has over four decades of experience in markets with deposit return laws in place. Throughout the Northeast TOMRA provides many services solely to power container deposit systems or 'the bottle bill'.

TOMRA SORTING SOLUTIONS: TOMRA Sorting Solutions creates sensor-based technologies for sorting and process analysis within recycling, mining, food, and other industries. TOMRA Recycling is a global leader in its field and has pioneered the automation of waste sorting. Its flexible sorting systems perform an extensive range of sorting tasks and can both prepare and sort various types of metals and waste for either material recycling or energy recovery. Currently TOMRA Sorting Recycling has an installed base of close to 5,960 units across more than 40 markets.