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Testimony in Support of the Beverage Container Recycling Refund and Litter Reduction Program (SB 642) Maryland Senate Committee on Education, Energy, and the Environment, March 5th, 2024

Chair Feldman, Vice-Chair Kagan and distinguished members of the Senate Committee on Education, Energy, and the Environment, my name is Sarah Nichols, I live in Maine, and I am the Director of Government Affairs at CLYNK. We are testifying in support of SB 642 which would allow Maryland to join ten other "bottle bill" states and experience the environmental and economic benefits of a beverage container recycling refund program.

CLYNK is best known for our innovative "bag-drop" recycling system, and at our core we are a mission driven technology company devoted to ensuring that deposit-return, or "recycling refund", programs are successful and convenient for brands, retailers, municipalities, and consumers of beverages. We are operating or have licensed our technology platform in five states and counting, with over 484,000 user accounts and about 100 added daily.

The effectiveness of recycling refunds for beverage containers

So-called "bottle bills" are the proven gold standard for beverage container litter reduction and recycling programs worldwide and have been for over 40 years. Voluntary municipal curbside recycling programs can also be effective at collecting beverage containers and other packaging consumed at home, especially when paired with an extended producer responsibility (EPR) for packaging laws. However, even with EPR for packaging they will never achieve the litter reduction goals, the high rates of participation, or the material quality associated with beverage container recycling refund programs like the one before you today. We believe that the best policy outcome for Maryland would be to pair a recycling refund program for beverage containers with an EPR program for other types packaging: You don't have to pick one or the other.

Bottle bills are so successful at reducing litter, increasing recycling, and saving money for towns and taxpayers because there is an incentive to participate, and a strong demand for the quality recycled material they produce. When someone pays a deposit on the container, it sends a signal to return it for recycling so they can get their money back. And when the highly recyclable containers made of aluminum, plastic, and glass are collected and processed through this system, they are kept clean and sorted, making it valuable on the recycled commodities market and able to be turned back into food-grade packaging. Mixed-stream curbside recycling programs coexist with recycling return systems in bottle bill states, but just can't compare with the litter reduction, participation, or quality of a beverage container recycling refund system.

Deposits on beverage containers essentially turn littered bottles and cans into nickels and dimes, which provides an incentive for them to get picked up and run through these clean processing systems. Beverage container litter in Maryland is a serious environmental issue and should be reason enough to institute this program, but it's also critical for the US manufacturing supply chain. Manufacturers of beverage containers need the quality material collected through the bottle bill

programs but there just isn't enough supply. Many US beverage container manufacturers are instead forced to import recycled materials from other countries as a result. Passing this bill in Maryland could help meet the demand of US-based manufacturers for US-based supply and support the US economy. Recycling refunds are a win-win proposition for the environment and the economy.

How CLYNK and bag drops contribute to successful recycling refund programs

For recycling refund programs to be successful, it's critical to make it easy and convenient for people to participate and get their deposit money back. That is where CLYNK comes in. In Maine, New York, soon to be Connecticut, and beyond, we partner with local retailers to provide quick and convenient locations for people to drop-off used beverage containers in bags stamped with their own unique account bar codes and get their refunds back in a variety of ways.

Using our unique patented technology platform, we collect and scan the bags, count the containers, and put money into a person's CLYNK account. From our app or a kiosk located inside the store, people can get their money back, or easily donate to their favorite charity. Meanwhile, we sort the containers in our processing facilities, bale them, and send them off to where they need to go.

Retailers like how we drive foot traffic to their business and keep the used containers outside of the clean store and in the parking lot. Beverage companies like how we can help them process their materials and provide them with data, and consumers like how easy we make CLYNK-ing for them.

Our team has decades of hands-on experience with similar programs and policies to the one before you today, and we are happy to offer any insights or assistance to the Committee as you iron out the details of what a successful program looks like for Maryland. We would also be happy to host you at one of our facilities in the Northeast so that you can see the CLYNK bag-drop program in action.

Thank you for your time and consideration of these comments, please email me at snichols@clynk.com with any questions.