

Savers' Perspective on House Bill 187 / Senate Bill 219

Maryland Commitment, Community Impact, & Environmental Benefits

A proud and growing member of the Maryland community, Savers currently operates 12 thrift store locations in Maryland across four brands: *Savers* in Parkville; *Value Village* in Adelphi, Brooklyn Park, Cherry Hill (Landover Hills), and Silver Spring; *Unique* in Hillendale and Wheaton and *2A Thrift* in Essex, Columbia, Laurel, Bladensburg, and Camp Springs.

We are also pleased to have opened our first innovative Centralized Processing Center in the United States, in the Hyattsville/Landover area, in January 2023, which will enable us to continue to grow and invest in Maryland.

Savers partners with local nonprofit organizations to supply the majority of items for sale in our thrift stores by purchasing the donations of secondhand clothing and household items they receive from the community. Over the five years between 2016-2020, we paid our nonprofit partners in Maryland more than **\$2.5 million** for these items, providing a reliable and vitally important revenue source for their work. During that same time period, we kept approximately **212 million pounds** of material out of Maryland's waste stream.¹

Sage Policy Group Economic & Environmental Study

Sage Policy Group recently studied our impact in Maryland, concluding in part:

- Including secondary economic and fiscal impacts, in 2022 Savers' Maryland-based operations:
 - o supported more than 1,500 jobs and \$57 million in statewide employee compensation;
 - o generated more than **\$98 million in annual economic activity**;
 - created more than \$7.2 million in state level tax revenues and \$3.7 million for Maryland's local governments each year;
 - *kept* **24,000** *tons out of Maryland's waste stream*; *producing an equivalent mass of fiber would generate more than* **87,000** *tons of* **CO2-eq**;
 - Those 87,000 tons of CO2-eq is an amount equivalent to the annual CO2 output of 17,200 typical passenger cars.²

Our Perspective: House Bill 187 / Senate Bill 219

Maryland is a leader on environmental and climate change issues. On behalf of our customers, we appreciate the House and Senate's consideration of legislation that would exempt reusable clothing items and shoes with a currently taxable price of \$20 or less from the sales and use tax.

We are proud to have loyal customers who shop with us for a variety of reasons. A 2022 survey of more than 5,000 Americans found that 62% of shoppers believe that thrifting has a positive environmental impact, while 71% responded that shopping secondhand allows them to buy items they otherwise could not afford.³

With the passage of this legislation, Maryland would continue its nationally recognized environmental and climate leadership in a win-win for the environment and for progressive taxation for lower income shoppers.

¹ The nonprofit payment and pounds diverted statistics do not include 2A stores as this time period was prior to our acquisition of 2A in 2021.

² Emphasis in bold added. *See* Sage Policy Group, Inc., "The Economic, Fiscal, & Environmental Impacts of Savers' Presence in Maryland," page 3.

³ See Savers | Value Village, "2022 U.S. Thrift Report," accessible at: <u>https://www.savers.com/thrift-proud/rethink-reuse</u>.