

Testimony of Sam Tracy in support of H.B. 232: Maryland Beverage Container Recycling Refund and Litter Reduction Program Environment and Transportation Committee February 14, 2025

Chair Korman, Vice Chair Boyce, and members of the Committee,

Thank you for the opportunity to testify in support of H.B. 232, which would create a Recycling Refund program, also known as a Deposit Return System or simply a "Bottle Bill." Passage of H.B. 232 would make Maryland the 11th state to pass a Bottle Bill, the gold standard for beverage container litter reduction and recycling.

I work for **CLYNK**, a circular economy solutions provider. We make it easy for people and brands to do the right thing through our consumer-centric "bag-drop" technology solutions. Our technology is used in 5 of the 10 Bottle Bill states throughout the country, and dramatically reduces the time and effort required for consumers to redeem their empty containers. We make recycling quick, easy, clean, and fun.

CLYNK, founded 18 years ago, is the pioneer of bag-drop redemption, and has processed over 2.5 billion beverage containers. We have also enabled nearly \$5 million in donations to local charities through our CLYNK To Give program, where we support non-profits organizing bottle drive fundraisers.

Recycling Refunds are effective.

Recycling Refund programs have now existed for over 50 years, and have proven to be incredibly effective at protecting the environment in a variety of ways.

Bottle Bills reduce litter.

There is no other policy that is as effective at reducing litter as Recycling Refunds. This is because they establish a cost to littering, as throwing an empty bottle out of your car window effectively becomes throwing away money. Similarly, they attach a monetary value to picking up litter, turning empty drink containers into dimes just waiting to be redeemed. In states with effective Bottle Bills, you rarely see empty drink containers littering roads or public spaces. When you do, they aren't there for long, because someone will come by to earn some money by picking them up.

Several studies on Bottle Bills' litter reduction effects have been published, with many showing reductions over 70 or even 80%.¹

Bottle Bills dramatically increase recycling rates.

Along with the massive benefits in litter reduction come substantial increases in recycling rates. States without Recycling Refunds only recycle about 24% of their beverage containers,² while those with Bottle Bills generally recycle more than double that amount.

Oregon, the best-performing Bottle Bill state after CLYNK helped establish its bag-drop program, boasts a recycling rate of 87%,³ and it's reasonable to expect that Maryland could match or even surpass that number with the right policy specifics. For additional context, the best-performing Deposit Return System in the world is Germany's, where 98% of drink containers are returned.⁴

Bottle Bills save natural resources and save money.

In addition to increasing recycling rates, Deposit Return Systems establish a new stream of recycling that is significantly cleaner than beverage containers recycled through curbside programs. When beverage containers are mixed into single-stream systems, they are often too contaminated to be made into new drink containers, instead being "downcycled" into lower-value products like fleece clothing or park benches.

When beverage containers are returned through a Bottle Bill, they are clean and highquality enough to be recycled into new beverage containers, creating a truly circular economy where both waste and the need for new materials are minimized. This has a positive impact on the environment, and brings cost savings as well:⁵

- Aluminum can be recycled using less than 5% of the energy to make a new can
- Plastic can be recycled using only two-thirds the energy as using raw materials
- Glass can be recycled using about 77% the energy to make new bottles

¹ See this collection of studies, compiled by the Container Recycling Institute: <u>https://www.bottlebill.org/index.php/benefits-of-bottle-bills/litter-studies-in-bottle-bill-states</u>

² See this report from Frontier Group: <u>https://frontiergroup.org/articles/power-nickel-bottle-bills-and-producer-responsibility/</u> ³ See data from the Container Recycling Institute:

https://d12v9rtnomnebu.cloudfront.net/paychek/10_states_Redemption_Rates_080524.pdf

⁴ See Reloop's fact sheet: https://www.reloopplatform.org/wp-content/uploads/2022/09/Fact-Sheet-Performance-22Sept2022.pdf ⁵ See data from the Environmental Protection Agency:

https://archive.epa.gov/epawaste/conserve/smm/wastewise/web/html/factoid.html

Bottle Bills create jobs and drive investment.

Beyond the cost savings for businesses, establishing a Recycling Refund program will create thousands of jobs in Maryland. This program will create business opportunities in transportation, logistics, manufacturing, technology, and numerous other sectors. This will bring significant investment in facilities and equipment to handle the collection and processing of recycled material.

For comparison, over 100 of CLYNK's 173 employees are in Maine, where we operate dozens of bag-drop locations and two processing facilities. Maryland has over four times Maine's population, requiring even more jobs and infrastructure. We would love to participate in the Recycling Refund system proposed in this bill, and doing so would result in substantial investments and hiring across the state. There are numerous other companies in the recycling space who would be making similar investments in Maryland as a direct result of this bill passing.

Recycling Refunds can be convenient.

Since most Bottle Bills are many decades old, there is sometimes a perception that returning bottles and cans is a slow, dirty, and cumbersome process. We're happy to share that this is no longer the case.

CLYNK's bag-drop system makes container redemption quick, easy, clean, and fun. That's why there are millions of satisfied bag-drop customers in Bottle Bill states.

To start, customers simply create an account online or over the phone, which they can then access using our smartphone app or a physical card.

They then fill a bag with their empty containers, and when that bag is full, attach a sticker with a unique QR code that's linked to their account. This bag can be dropped at one of our sustainability stations, located conveniently near supermarkets or other retailers. This process takes less than 15 seconds and can easily be added onto other errands like a trip to the grocery store.



CLYNK customers dropping bags at one of our sustainability stations in Maine

Once a station is full, our team picks up the bags and brings them to our processing facility. Here, they are counted, credited to users' accounts, sorted, and processed into a form that can be used to make new drink containers. The bags are also recycled to make new CLYNK bags, which are 50% recycled content.

CLYNK users can see their deposit balance accumulate in their account, withdrawing the funds whenever they choose. Some make frequent withdrawals, while most like to build their balance until it reaches a meaningful amount, using it to cover the cost of a grocery run or make a special purchase.



An overview of how CLYNK works

We strive to make recycling easy for consumers and businesses alike, and would be dedicated to making sure Maryland's Recycling Refunds program runs as smoothly as possible. This will allow it to reach its full potential of reducing litter, increasing recycling, saving resources, and growing the economy.

Thank you for your consideration of my comments. Of course, please do not hesitate to reach out to me with any questions.

Sincerely,

Sam Tracy Director of Legislative Affairs & Business Development <u>stracy@clynk.com</u>