

TEXAS CLEAN AND HEALTHY INITIATIVE

- Rebate system on commonly littered, recyclable materials to provide non-tax funding for economic relief direct to the participating public, county and municipal governments for solid waste infrastructure development, system education, litter and illegal dumping enforcement, and emergency funds for disaster declarations.
- System would utilize current sales tax system to remit funds with no mandates for distributor or retail pre-payment, storage, or back-hauling.
- Financial modeling demonstrates financial sustainability with flexibility to expand rebate to increase participation if necessary and remain solvent if capture rates increase substantially.
- Costs and value to consumers is based on personal purchasing and recycling choices. Per capita usage rates in Texas for eligible material would average less than \$9/year, with the ability to recover that amount and more.
- Rebate would apply to material with verified end markets for recycling, including plastic bags (retail, grocery, produce, etc) and plastic film packaging and wrappings, retail single use drink cups, and PET beverage containers.
- Supports curbside collection by allocating rebate for eligible material to local government and handling payment to processor, i.e. material recovery facilities (MRFs). Public could similarly donate materials to civic or other community groups, drop-off centers, events, etc., where organizer would collect the rebate on material.
- Initial fund allocation to quickly build out collection systems (rebate centers, reverse vending machines, kiosks, etc) with ongoing handling payments to support and recruit rebate infrastructure and processors of eligible material, i.e. MRFs, retail, bailing operations, etc.
- Industry consortium guides system management, including material inclusion and specifications, funding levers, recycling processes, end markets, etc.
- Funds for consistent statewide communication and education to promote responsible participation across solid waste systems including rebate process, anti-littering and illegal dumping, recycling contamination prevention, etc.



1¢ PER UNIT COLLECTION AT POINT OF SALE

- PET beverage containers
- Single-use take away bags
- Single-use drink cups



25¢/lb WEIGHT BASED REBATE TO CONSUMER

- PET beverage containers
- Plastic bags, film, wrapping, etc
- Single-use drink cups with recycling markets



WEIGHT BASED HANDLING PAYMENT TO PROCESSOR

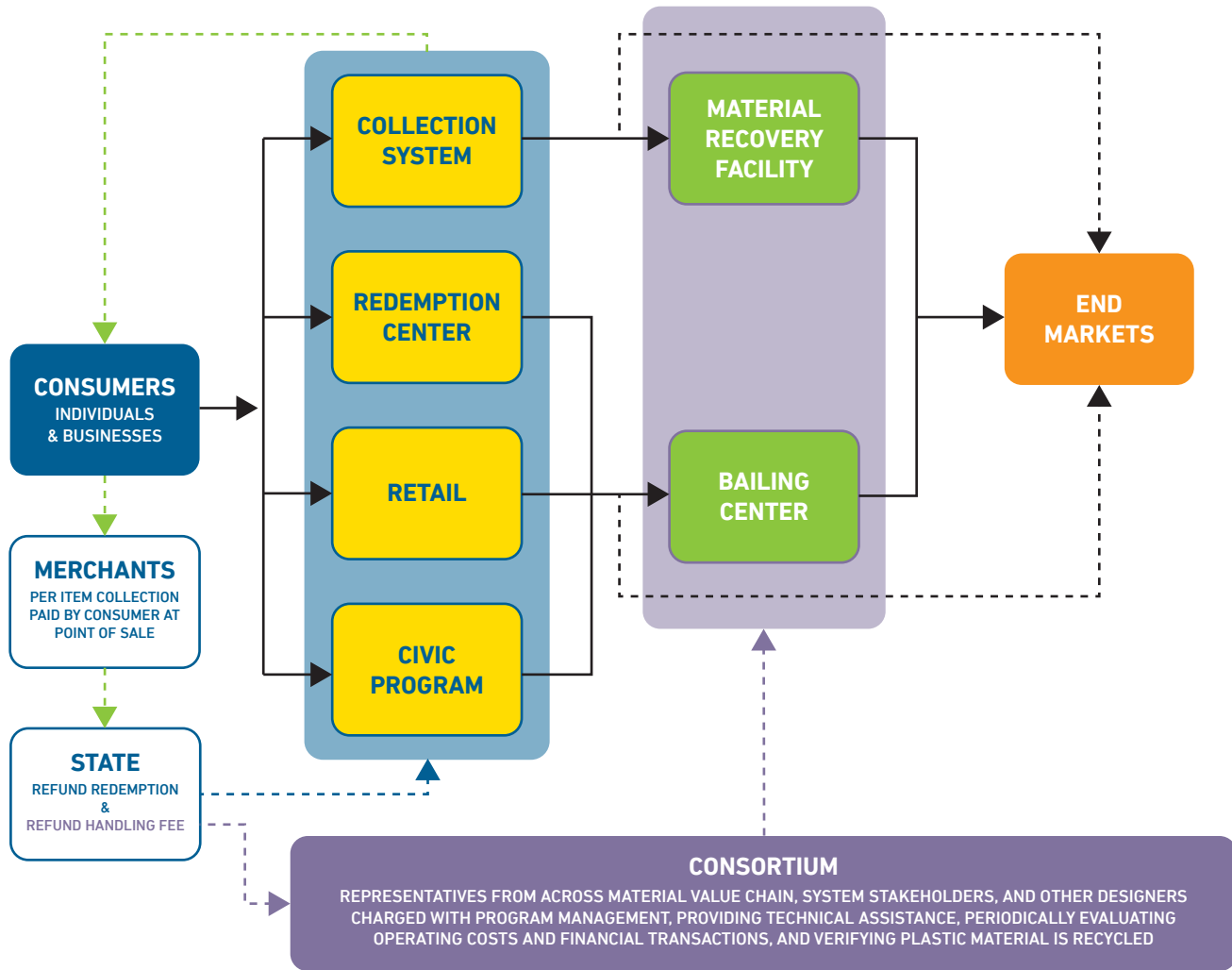
- 60¢/lb urban
- 90¢/lb rural
- once material is sold to recycling markets



TARGETED COMMUNITY GRANTS FOR PUBLIC HEALTH

- Annual grants
- \$100,000 per county with additional \$100,000 per 500,000 population

STAKEHOLDERS AND SYSTEM PROCESSES



POINT OF SALE

- CONSUMERS PAY 1¢ PER PLASTIC BOTTLE OR BAG TO MERCHANT AT POINT OF SALE
- MERCHANTS SEND COLLECTION TO STATE
- STATE USES COLLECTION TO REFUND REDEMPTION TO RECYCLERS AND TO REFUND HANDLING FEES TO CONSORTIUM

RECYCLING OPTIONS

- PLASTIC MATERIAL SENT TO PROCESSORS TO BE PREPARED FOR SALE OR SOLD DIRECTLY TO END MARKETS
- PROCESSOR SENDS REPORT TO CONSORTIUM INCLUDING QUANTITY OF MATERIAL PROCESSED AND CONFIRMING SALE TO END MARKET
- CONSORTIUM REVIEWS REPORT AND PAYS PROCESSOR A HANDLING FEE WHEN PLASTIC MATERIAL IS RECYCLED BY END MARKET

PROCESSORS

- CONSUMERS CHOOSE OPTION FOR RECYCLING ELIGIBLE PLASTIC ITEMS
- COLLECTOR PAYS CONSUMER 25¢ PER POUND OF ELIGIBLE PLASTIC
- COLLECTOR VERIFIES QUALITY OF THE PLASTIC
- COLLECTOR SENDS RECORD OF REBATES TO THE STATE TO RECEIVE REFUND

END MARKETS

- END MARKETS PAY PROCESSORS COMMODITY PRICE FOR RECYCLABLE PLASTIC MATERIAL
- END MARKET SENDS REPORT TO CONSORTIUM CONFIRMING PLASTIC MATERIAL WAS RECYCLED

LEGEND

- SOLID ARROWS DENOTE MATERIAL FLOW
- DASHED ARROW INDICATES ALTERNATE MATERIAL FLOW
- GREEN DASHED ARROW INDICATES FINANCIAL FLOW
- BLUE DASHED ARROW INDICATES REFUND REDEMPTION REFUND FLOW
- PURPLE DASHED ARROWS INDICATE HANDLING FEE REFUND FLOW