

Texas Clean & Healthy Initiative

Economic development fund for community waste management and public health measures through rebate system on commonly littered, recyclable materials.



**PER UNIT
COLLECTION AT
POINT OF SALE**



**WEIGHT BASED
REBATE TO
CONSUMER**



**WEIGHT BASED
HANDLING PAYMENT
TO PROCESSOR**



**TARGETED
COMMUNITY GRANTS
FOR PUBLIC HEALTH**

User fee would be applied to all single use, take-away (carry-out) bags, single use drink cups, and PET beverage containers.

System would utilize current processes for retail to remit funds to state, i.e., sales tax, with no mandates for distributor or retail pre-payment, storage, or back-hauling.

Financial modeling demonstrates financial sustainability as capture rates increase with user fees between 1-5 cents/unit and \$0.25-\$1/pound rebate. (see below figure)

Rebate would be available to film plastic, single use drink cups, and PET beverage containers.

Consumers donate material by continuing curbside collection, allowing the municipalities to collect the per pound rebate on eligible materials. Collection by civic or other community groups, drop-off centers, events, etc., could also collect the rebate on donated material.

Industry consortium guides system management, including material inclusion and specifications, funding levers, recycling processes, end markets, etc.

Handling payments (\$0.60/pound in urban areas and \$0.90/pound in rural areas) to processors of eligible material that is sold to a verified end market, example MRFs, retail, bailing operations, etc.

Provides annual grants direct to counties for litter enforcement, program education, and recycling partnership for infrastructure, etc.

Net revenue will build savings account to maintain positive balance, adjust handling payments in case of market fluctuation or weight variability, increase rebate to boost capture rates, etc.

System eligible material per capita usage rates	\$0.01/item	\$0.05/item
Annual Revenue Total	\$333,431,231	\$1,667,156,155
<i>Potential cost to consumer (per capita)</i>	<i>~\$4/year</i>	<i>~\$20/year</i>
@ Current Recycling Rates	Rebate @ 25¢/lb	Rebate @ \$1.00/lb
Rebate expenditures	\$26,917,683	\$107,670,731
Handling payments	\$69,544,525	\$69,544,525
Annual Net Revenue	\$236,969,023	\$1,489,940,899

Stakeholders and System Process

