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NEW STUDY SHOWS POSITIVE ECONOMIC IMPACT THROUGH A TEXAS BEVERAGE CONTAINER DEPOSIT RECYCLING PROGRAM

SENATOR RODNEY ELLIS AND REPRESENTATIVE EDDIE RODRIGUEZ FILE LEGISLATION TO IMPLEMENT PROGRAM IN TEXAS

AUSTIN, Texas—Implementing a refundable deposit on beverage containers in Texas would provide a significant, positive impact to the state through increased economic activity, job creation, and reduced litter, according to a study released today by the Texas League of Conservation Voters. The State of Texas and its local governments would also see an increase it their revenues through such a program, as well as a cost savings through reduced litter clean up costs.

The study, commissioned by TLCV and conducted by Jon Hockenyos of the Austin-based firm TXP, showed Texas would see 2,300 jobs created and \$373 million in total annual economic activity in the first year of the program. By year 10, the jobs created would rise to about 5,300 and the total economic activity would grow to over \$800 million. According to the study Texas could expect a reduction in beverage container litter of up to 80%.

The study examined the impact of a program that would call for the consumer to pay a refundable deposit of a nickel at the time of purchase. The study concludes that beverage container deposit recycling systems are among the most effective and efficient ways to retrieve post-consumer aluminum, glass and PET bottles for manufacturing reuse. The study also states that Texas' glass, aluminum and plastic recycling industries would likely expand their facilities if this supply increased. Currently, they are importing from other states.

"This study shows a beverage container deposit program is a win for Texas' economy, a win for job creation and a win for our environment," said David Weinberg, Executive Director for the Texas League of Conservation Voters. "Curbside recycling is not doing enough in Texas to divert recyclable material from landfills or keep litter from choking our parks, roads, waterways, and beaches. The Texas Legislature should take a very close look at this study in terms of how a beverage container deposit program could be a game-changer for a clean Texas.

"This study shows that a beverage container deposit program is a proposal whose time has come," said Senator Rodney Ellis, Chair, Senate Committee on Open Government and member of the Senate Natural Resources Committee, "Properly structured, this proposal would raise needed revenue to address our water infrastructure challenges and pressing environmental concerns vital to Texas' future."

"This study demonstrates a beverage container deposit program is a job creator that will have a dramatic impact on economic development and substantially increase recycling in Texas," said State Representative Eddie Rodriguez, member of the House Committee on Business and Industry and the House Committee on Economic and Small Business Development.

Senator Ellis has introduced a bill, SB 645, which would implement a beverage container deposit program in Texas. Representative Rodriguez has filed the same legislation, HB 1473, in the House.

TXP also pointed to additional benefits that were not measured in this Texas study but are evident in other states where beverage container deposit recycling systems exist. The additional benefits include reduced energy usage for manufacturers, lower raw material costs, and reduced operating costs for local governments.

The Texas League of Conservation Voters commissioned the report to examine the potential positive outcomes if Texas joined 10 other states – representing a third of the nation's population – that have enacted beverage container deposit refund system. The full study is available online at <u>www.tlcv.org</u>.

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The Texas League of Conservation Voters works to preserve and enhance the quality of life of Texans by making conservation a top priority with Texas elected officials, political candidates and voters. Find us online at http://www.tlcv.org and follow us on Twitter @tlcv.

TXP, Inc. is an economic analysis and public policy consulting firm. For 25 years, TXP has helped clients understand and respond to their most pressing economic and public policy issues. Members of TXP understand the challenges faced by an increasingly complex world, as heightened media attention and an ever more diverse set of stakeholders shine a brighter spotlight on public decisionmaking and public policy.