

PAINT STEWARDSHIP: NEXT STEPS FOR CALIFORNIA

Workshop and Webcast

Thursday, October 14, 2010 1:00-5:00 PM PST
CalEPA Headquarters, Coastal Hearing Room



Agenda

Introductions:

Bonnie Low, program manager for the San Joaquin paint stewardship grant, welcomed the audience, introduced the speakers and provided instructions for the webcast audience.

Presentations:

Understanding How We Got Here

Presented by: Heidi Sanborn, California Product Stewardship Council (CPSC)

Ms. Sanborn provided an overview of the factors that have influenced the drive for product stewardship policy for paint. Since the 1990s, pursuing product stewardship policy has been a priority of CalRecycle in order to help industry form a solution to the paint issue. CPSC also supports product stewardship for paint as it is the single largest expense of most household hazardous waste programs. A product stewardship approach also encourages paint reuse and recycling, encourages green job creation and teaches consumers how to buy the right amount of paint. CPSC is the lead contractor implementing San Joaquin County's paint stewardship pilot project, known as the Be Paint Wi\$e partnership, which is funded by a grant from CalRecycle. The goal of the pilot project is to test the waters for statewide implementation of a paint stewardship program. Elements of the project include teaching consumers how to buy the right amount of paint and recycle the rest, foster consumer and government purchasing of recycled paint, establish retail latex paint collection sites, promote paint reuse and to assist with the statewide rollout and transition to the industry managed and financed paint stewardship program. CalRecycle began participating in the national paint dialog, the Paint Product Stewardship Initiative (PPSI), in the mid- 1990's. This working group began a dialog to develop a national system for paint product stewardship. Minnesota was slated to be the first state to adopt mandatory paint stewardship, but despite bi-partisan support the bill was vetoed twice. In 2009, Oregon became the first state to enact paint stewardship. Governor Schwarzenegger signed California's paint bill, AB 1343 (Huffman), making California the 2nd state to pass product stewardship legislation for paint. The purpose of today's workshop is to discuss how the program is likely to unfold in California, building on both the lessons learned from Oregon's stewardship program and the lessons learned from the Be Paint Wi\$e Partnership project in California.

Heidi Sanborn said there were many cities, counties, agencies and businesses that advocated for product stewardship policy in California which led to this workshop.

For more information on this presentation, please contact Heidi Sanborn, (916) 480-9010 or heidi@calpsc.org. Heidi's presentation is available on CPSC's webinar webpage using [this link](#).

Industry Implementations and Oregon's Paint Program as a Model

Presented by: Alison Keane, American Coatings Association (ACA) and Mark Kurschner, PaintCare (PC)

Ms. Keane briefly reviewed the history of the paint product stewardship movement, explaining that the American Coatings Association (formerly the National Paint Coatings Association), joined the national

dialog in 2003, recognizing the benefits of developing a coordinated national approach, versus state-by-state legislation.

The first Memorandum of Understanding (MOU) that resulted from the PPSI came in 2005. The purpose of the MOU was to develop pilot projects that would address the potential to eliminate or reduce leftover paint volume, the cost to manage paint, and to develop information where data gaps existed.

The second MOU came in 2007, following a resolution by the ACA Board of Directors, calling for a nationally coordinated system for the management of post-consumer waste paint. Key elements of this MOU included consumer education, a voluntary retail take-back system, creating an industry-operated product stewardship organization, market-based financing for the system, and identifying a pilot state. ACA recognized that legislation would provide a level playing field for paint producers and anti-trust protection was needed for the paint industry.

Key elements of California's new legislation include: establishing an industry Stewardship Organization, creating a paint stewardship assessment fee to be added to the purchase price of paint in order to fund the program, consumer education and outreach, voluntary retail take-back, and partnering with existing government collection (HHW) sites. The stewardship organization must submit a plan to CalRecycle, which will identify the participants, brands, collection sites, disposition and hierarchy of paint (reuse, recycling, fuels blending, etc.), a budget and assessment rates and a communication strategy. Additionally, the stewardship organization will have to submit an annual report and financial audit.

Ms. Keane explained the structure and relationship between the ACA and PaintCare/Product Care. ACA is a voluntary non-profit association originally formed in 1888. ACA represents approximately 250 manufacturers, distributors, raw material suppliers and individuals working in the coatings industry. ACA serves as advocate, provides compliance assistance and is a community liaison for legislative, regulatory and judicial affairs.

PaintCare, a 501(c)(3) non-profit is wholly owned by ACA and is operated by a Board comprised of architectural paint companies. Product Care was hired as Program Manager. Product Care is based in Vancouver, British Columbia and has been in operation since 1994. Product Care manages all or part of 5 paint stewardship programs in Canada, as well as other stewardship programs, has coordinators in each province or state, and has established Product Care-USA, a non-profit based in Portland, Oregon.

Ms. Keane and PaintCare's Mark Kurschner explained Oregon's stewardship program structure:

- The paint manufacturer registers as a PaintCare participant, reports sales and pays PaintCare a PaintCare Recovery Fee for every architectural paint container sold in Oregon. The manufacturer adds the PaintCare Recovery Fee to the wholesale cost of paint to distributors and retailers.
- The retailer checks the Oregon Department of Environmental Quality (DEQ) website to ensure the producer is part of PaintCare, adds the PaintCare Recovery Fee to the final purchase price, provides PaintCare's point of sale educational materials, and voluntarily may act as a collection site for returned paint.
- Household Hazardous Waste Programs act as collection sites, also (voluntary). They may operate permanent facilities or temporary events. Transportation and ultimate end-of-life paint management is provided by PaintCare. Reuse, recycling and other management methods may also be contracted for.

- Consumers pay the PaintCare Recovery Fee when purchasing new architectural paint in Oregon and may drop off leftover paint to any of the PaintCare collection sites in Oregon.
- PaintCare files the program plan on behalf of manufacturers, contracts for collection, transportation and end-of-life management, provides education and outreach, and reports annually on program elements to the state and pays administration fees.

California's legislation is similar to OR legislation in providing for one industry stewardship organization. The Paint Stewardship Assessment is to reflect the true cost of managing leftover paint and will be added to the purchase price of paint to fund the stewardship program.

Initially, Oregon's retailers were reluctant to participate as take-back sites, although now 64 of Oregon's 73 retailers do participate. PaintCare has found that it isn't feasible to have collection sites at every possible location as not all retailers have space or favorable logistics. One of the tasks for PaintCare will be to define where California's existing facilities and infrastructure (transportation, recyclers, etc.) are located in order to maximize efficiencies and participation.

California's legislation requires a stewardship plan to be submitted to CalRecycle, which will identify the participants, brand collection sites, dispositions and hierarchy of paint management (reuse, recycling, fuel blending, and proper disposal), budget, assessment rates and the communication approach.

Questions & Answers: Industry Implementations and Oregon's Paint Program as a Model

Q. How will the program guidelines be implemented?

A. Through rule making. CalRecycle examines the rule making process and comes up with regulations. CalRecycle will review and approve the stewardship plan. The assessment fee will be determined by CalRecycle's approval process.

Q. What is the transparency for the flow of revenue?

A. The anti-trust protection language in the bill provides for transparency.

Q. The bill requires proper disposal. What does the end-of-life look like?

A. We are looking at what is available in California and reviewing California's regulations. Unlike other states, landfilling is prohibited in California.

Q. What is the fee on the sale of paint in Oregon and what will it be in California?

A. 1 gallon is \$.75 and 2-5 gallons is \$1.60. We won't be able to set the fee in California until we hear from CalRecycle because it is based in part on their administrative costs.

Q. What is the fee for HHW facilities?

A. HHW facilities do not pay a fee; however, there is reimbursement to the facilities for transportation and disposal.

Q. Is the fee for alkyd (oil-based) higher?

A. It is possible it may be more. Ideally, this would entice the consumer to purchase more environmentally sensitive (latex and/or recycled) paint. Currently, oil-based paint must go back to HHW facilities. We may consider pursuing a change in regulations to allow collection of oil-based at retail sites, but if not, we will look at paying HHW facilities as an option.

Q. Will the fee fluctuate throughout California?

A. We are leaning towards a single rate statewide in California. That is not always the case elsewhere, because we have to take into consideration geography, recovery rate, and the availability of vendors.

Q. Any chance of the implementation date being earlier than July 1, 2012?

A. No. Based on our experience it is going to take at least one year to develop the plan and gear up to implement it. California is a huge state and we have a lot of research to do. And the program will not move forward until we receive CalRecycle's approval of the stewardship plan.

Q. In Oregon are you experiencing any problems with paint being brought in from out of state? What is your plan for addressing this?

A. It is difficult to police, and yes, it does happen. We are not going to ask for identification when people drop off their paint. Our primary goals are to keep consumers from illegal dumping and to keep it out of the landfill. This expense will have to be built into the budget. California, Oregon and Washington are all looking into this issue, so if we can get the entire west coast on a stewardship plan, it might not be a big issue.

Q. What will become of the recyclers like Amazon and will landfilling paint be prohibited?

A. The bill does not address landfilling, but California regulations do. Paint recyclers like Amazon will pay the same fee as producers.

Q. What is the plan for outreach and how will it be implemented?

A. We already have a logo and branding that will be transferred to California public education materials. We'll use a media campaign (radio, t.v., newspaper, web, pr campaigns, trade shows, home and garden) similar to what you use now to advertise HHW programs. An awareness study we conducted in Oregon concluded that newspaper advertising ranked first, followed by government HHW websites.

Q. Does the paint fee vary from purchase location and size? Is there any incidence of abuse?

A. The size of the container determines the fee. We don't see a lot of abuse of the program, although Oregon retailers are receiving paint all the time, even after hours, in which case the retailer adds the paint to their pick-up bins, and extra bins are available upon request.

Q. Are there images available of the bins?

A. Yes, go to www.PaintCare.org. Go to the Oregon tab, then locate the document *Retailer Collection Letter*. Pictures are within that document.

Q. Does the cost cover disposal of the paint and the paint container?

A. Yes.

Q. Do you anticipate different rates for rural/urban locations?

A. No, we don't. Most likely it will be a single statewide rate based on container size. The reimbursement to HHW programs will be on a case-by-case basis by contract.

Q. Are smaller retailers limited in the quantities they can accept?

A. Yes, but they set their own limits. Quantities received can easily overwhelm small retail sites.

Q. Do you anticipate a rise in user volume from contractors?

A. Yes. In that case, PaintCare will provide collection directly to large quantity paint users because retailers usually cannot accept large quantities and the HHW facilities are sometimes inconvenient for contractors.

Q. What is the cost per gallon for this service?

A. We don't have a lot of information so far, but what we do have is available on the Oregon DEQ website and is based on first quarter data.

For more information on this presentation, please contact Alison Keane, American Coatings Association, akeane@paint.org or Mark Kurschner, PaintCare, mark@productcare.org. This presentation is available on CPSC's webinar webpage using [this link](#).

Panel Discussion: Be PaintWi\$e Partnership - Results from Project

Presented by: Kimbra Andrews, San Joaquin County and Kristina Miller, Tehama County

Ms. Andrews, San Joaquin County HHW Program Analyst, explained that the Be Paint Wi\$e Partnership is a collaborative project between San Joaquin, Tehama and San Francisco Counties, funded by a grant from CalRecycle. CPSC is the lead contractor for implementing the grant. When the grant was written in 2008, the partners envisioned that paint stewardship legislation would be passed in 2009, with the program in effect by mid 2010. There are five grant objectives: educating consumers how to buy the right amount of paint and recycle the rest, foster the demand for recycled-content paint, establish retail latex paint collection sites, encourage paint reuse, and facilitate the roll-out of a statewide stewardship system. The project can be followed online at <http://www.calpsc.org/projects/SanJoaquin.html>

Ms. Andrews discussed the grant objectives. The first objective is consumer outreach and education. A consumer focus group was held in Sacramento to review and test the effectiveness of the education materials developed by the national PPSI group. Based on feedback from the focus group, the materials were refined for use in the pilot project. Important findings from the focus group included:

- Consumers trust information from multiple sources, as opposed to a single source which they felt might be biased. This is the reason the Be Paint Wi\$e Partnership was developed and a logo created to brand the materials produced by this project. The partnership is comprised of San Joaquin, Tehama and San Francisco, as well as CPSC and CalRecycle.
- Consumers prefer information in bullet-point format.
- Point-of-sale information is the preferred delivery method, as well as relevant publications/media sources such as painting and home improvement television shows and publications.
- 19 out of 20 focus group participants did not relate themselves as "local government" so educational messages based on the cost to local government are ineffective.
- Cost is the primary motivator.
- 19 out of 20 participants did not know where their local HHW facility was.
- None of the participants had heard of recycled paint.
- Consumers, at least in urban areas, do not tune in to traditional advertising mediums such as radio and newspaper advertising.

Ms. Miller, Tehama County/Red Bluff Sanitary Landfill Manager, shared a rural perspective on this last point. She recently surveyed rural fair goers and found that the 45+ age demographic still relies heavily on newspaper and traditional outreach methods; whereas the under 45 age group is becoming more receptive towards web and social marketing. She also noted that respondents said Twitter or other social media notices would be helpful to announce HHW collection events.

As a result of the focus group study, the partnership created point of sale consumer education materials, including a poster and a consumer card, which includes a matrix to calculate how much paint to buy. These items are available on the grant project webpage <http://www.calpsc.org/projects/SanJoaquin.html> and can be customized for use in other jurisdictions. The materials are being distributed by 99 retailers throughout the 3 counties, though no "big box" stores agreed to participate.

The second objective is to foster the demand for recycled-content paint and to incorporate product stewardship language into government procurement policies. Other speakers will discuss this objective in detail.

The third objective is to recruit retail sites for latex paint collection. There are 21 participating sites in the three counties. The partnership developed recruitment materials and a training binder, all of which are available on the grant project webpage. To date, the sites have collected approximately 3,500 gallons of paint and saved the counties approximately \$30,000. The types of stores that agreed to participate are “mom and pop” stores, hardware stores and a few name-brand paint retailers including ICI Glidden in Stockton. No “big box” stores agreed to participate. Participating retailers are finding that the program helps increase foot traffic and boost in-store sales and several of the retailers have said that the program gives them a competitive edge and is an opportunity to give back to their community. The partnership found that retailers were easier to recruit than initially assumed, with the exception of the big box stores. Kristina Miller reported that one Tehama retailer declined to participate in the paint collection program because of his experience with Tehama’s battery and fluorescent light collection program. He explained that customers return their batteries and lamps at his site but go to a nearby big box store to make their purchases. A barrier study was conducted by Stephen Groner Associates to identify both the barriers and motivators to participation by retailers. The [barrier study](#) can be found on the grant project webpage.

One of the most significant findings of this objective was the need for a marketing/advertising budget. Following a press conference at the Stockton Color Center, which generated follow up coverage by local newspapers and television stations, the retail store experienced a heavy increase in the amount of paint dropped off. Each time local advertising was released, program usage increased significantly. The lesson from this experience is to keep the message in front of the public in order to make paint recycling habit forming. Examples of press coverage from the project were shared and are available on the grant project webpage.

The fourth objective is to increase paint reuse through paint swaps or give-aways. The partnership developed a reuse fact sheet and supporting documentation for establishing a paint swap at a household hazardous waste facility and is available to provide technical assistance for initial start up.

The fifth objective is assisting with the statewide roll-out of the industry-managed and funded stewardship system. With the passage of AB 1343, this objective has just begun and this workshop is a first step in that process. CPSC will continue to facilitate dialog on the development of California’s stewardship system through the end of the grant period (April 2011). Additional conference calls and/or webinars will likely be scheduled through the end of the grant term.

For more information on this presentation or the pilot project, please contact Kimbra Andrews (San Joaquin County), kandrews@sjgov.org or Kristina Miller (Tehama County), recycle@clearwire.net or Bonnie Low (project manager) bonnie@greenleafpm.com. This presentation is available on CPSC’s webinar webpage using [this link](#).

Questions & Answers: Paint Panel Presentation

Q. Is there an issue with oil-based paints within this program?

A. It has not been a problem. The program is for latex only and the retailers have done a good job of screening the paint. One unusual occurrence was a 55-gallon drum of empty paint containers at a collection site. The paint store employees were visually inspecting the labels of the cans to screen for latex, but let the

customers put the cans in the drums and didn't realize they were empty. It is not cost effective to send empty cans to the paint recycler so this situation was addressed and corrected. Bonnie Low added that only one retailer has complained of illegal dumping (paint left outside after hours), but this store also regularly experiences illegal dumping of other items like mattresses and motor oil, largely due to the location.

Q. When contacting the Big-Box retailers, did you start at the corporate level or individual store?

A. Kristina Miller cautioned that less harm is done if contact with the local representative is attempted before approaching the corporate level. This is important to avoid potential issues in the future at the local level.

Q. If a big-box retailer stated that not participating was a corporate decision and the program is voluntary, how are you going to get them to work with you?

A. It is clear that until their participation is mandatory, we are not going to be able to get them to work with us. Kimbra Andrews added that the smaller retailers want to participate in the program because they see it as a marketing niche and it gives them a competitive advantage.

Q. What are the counties' plans for the gap period between the pilot grant experience and implementation?

A. When the partners started this project, we thought there would be a stewardship program in place by 2011 at the latest. We're disappointed that there is going to be approximately a 14-month gap. However, we're going to attempt to fund the continuation through our local budgets or with support from the paint industry. We may collect the paint from retailers and bring it back to the local HHW facility as we prefer to adjust the program, if absolutely necessary, as opposed to stopping it.

Timing, Information and Resources Needed for Implementation

Presented by: Mark Kurschner, PaintCare (PC)

Mr. Kurschner compared his knowledge with the PaintCare program in Ontario, Canada and the similarities to California. He shared how he used the Canadian model as a guide to developing Oregon's program. Mr. Kurschner discussed California's timeline:

- The program plan must be submitted to CalRecycle no later than April 1, 2012
- The program must start by July 1, 2012 or no more than three months after approval of the plan.

Meanwhile, PaintCare is developing a timeline, identifying and recruiting producers and will release an RFP to service providers. PaintCare is also drafting a budget, which will include the assessment rate that producers will pay. PaintCare must also survey the current HHW programs and collection infrastructure, evaluate reuse, recycling and disposal methods, determine potential paint volumes, identify markets and address potential regulatory and political impediments.

Fortunately in California, there is a depth of program resources, which include CalRecycle, as well as county and local government staff. PaintCare will need to create an operations staff for PaintCare/Product Care in California and coordinate with California and outside stakeholders.

For more information on this presentation, please contact Mark Kurschner, mark@productcare.org This presentation is available on CPSC's webinar webpage using [this link](#).

Questions & Answers: Next Steps

Q. Is there further information we (local government) can provide to PaintCare?

A. Audience members suggested a dialog with the Regional Council of Rural Counties, other associations, CalRecycle staff and presentations given at Household Hazardous Waste Information Exchanges (HHWIE) meetings.

Q. For the retail establishment, where is the incentive in selling less paint product?

A. Waste reduction is a huge issue for the paint industry. Just telling consumers to buy less is not a message retailers are comfortable with, but approaching it from the environmental perspective of waste is something they're willing to do. Ideally, we want consumers to buy paint from retailers who participate in the Take Back Program, which is an incentive for retailers to participate. This model does work because consumers indicate their preference to buy and return paint at the same location.

Q. Does the reimbursement to HHW programs for "disposal costs" include the bins you want us to use?

A. Yes.

Q. What is the frequency of reimbursement?

A. This will depend on the structure of your contract with PaintCare. Based on the Oregon findings, it is approximately 30 days, but if you use an HHW hauler that is not contracted with PaintCare, it could be longer.

Q. You've talked about picking up paint in roll-offs and other large size containers but our facility bulks paint into 55-gallon drums. Are we going to have to stop bulking? What if we can't accommodate larger containers?

A. Based on the Oregon model, we believe you may find that the increase in retail collection sites may mean that you collect less paint at HHW facilities. Our preference is to loose pack paint cans into the bins we provide or into roll-offs at larger sites, but we are willing to look at and discuss your operations if that doesn't work. That's part of the reason we need to do an assessment of existing programs and we'll be looking for your feedback.

Q. Does the new bill allow landfilling of latex paint or ADC or other uses?

A. The bill does not address those issues. They are regulatory issues.

How and Why of Recycled Paint Procurement: Buying Recycled Paint

Presented by: Kin Yee Wong, Department of General Services (DGS)

Mr. Wong discussed state agencies' purchase of recycled content paint and the availability of Green Seal certified (GS-43) recycled-content latex paint through the state's contract. The primary state agencies that are purchasing recycled paint are the Departments of Corrections and Rehabilitation, Parks and Recreation, and Transportation. The state does not require the purchase of recycled paint – it is voluntary – but the recommendation is that at least 50% of the purchase should be paint with 50% or more recycled content. When the state contract expires in 2011, they may consider making it mandatory.

For more information on this presentation, please contact Kin Yee Wong, KinY.Wong@dgs.ca.gov. This presentation is available on the CPSC webinar webpage using [this link](#).

Questions & Answers: Buying Recycled Paint

Q. What is the Department of General Services doing to inform CalTrans and contractors about paint?

A. DGS provides information on our website. We also offer an introductory class for buying green.

Q. Is the next contract cycle mandatory?

A. DGS may recommend that it be made mandatory. Bonnie Low added that although the amount of paint purchased by state agencies from the state contract appears low, we know that there have been additional purchases outside of the state contract, direct through the recycled paint vendors, which are not accounted for in the figure shared by Mr. Wong.

Q. Are purchases being tracked?

A. The data is limited and we haven't had the personnel to really track it but that's something we hope to improve. We suspect there are more users, but they're not buying in large volumes.

Paint Wise: Making Paint Purchasing Decisions that Matter

Presented by: Heather Gadonniex, Mindclick SGM

Ms. Gadonniex emphasized the importance of fostering the market for recycled paint. The presentation addressed the quality of recycled paint that meets the Green Seal standard (GS-43). GS-43 paint is a low-VOC product, approved by the Master Painters Institute, and helps earn points toward LEED certification. Ms. Gadonniex also addressed the importance of incorporating Extended Producer Responsibility (EPR) language throughout procurement policies.

For more information on this presentation, please contact Heather Gadonniex, hgadonniex@mindclicksgm.com. This presentation is available on CPSC's webinar webpage using [this link](#).

Visions Paint Recycling, Inc.

Presented by: Jerry Noel, Visions Paint Recycling, Inc

Mr. Noel, President of Visions Paint Recycling, discussed the need for state and local government agencies to develop contracts for the purchase of recycled paint, which will help create a niche market. Paint recyclers recognize that the public needs to know the quality of recycled paint has drastically improved in the last ten years. Not all recycled paints are equal, but purchasing GS-43 certified paint ensures the highest quality of paint available as it is comparable to virgin paint. Although there is much potential for creating recycled paint, Mr. Noel added that approximately 20% of paint received by recyclers can't be recycled at all due to age or other damage such as freezing, which is why the industry is exploring alternative uses.

For more information on this presentation, please contact Jerry Noel, jerry@visionsrecycling.com. This presentation is available on CPSC's webinar webpage using [this link](#).

Kelly Moore's E-Coat

Presented by: Eric Patricio, Kelly Moore

Mr. Patricio discussed Kelly Moore's E-coat product line. Kelly Moore Paint has collected and recycled latex since the mid 1990s. To maintain quality control, the company receives paint no more than two years old. The E-Coat line is exterior paint, featuring 10 stock colors and custom colors on orders over 50 gallons. These paints meet the low VOC requirement for LEED certification. The product line is available worldwide. Mr. Patricio stated that painters see the competitive niche in offering recycled paint.

For more information on this presentation, please contact Eric Patricio, EPatricio@kellymoore.com. This presentation is available on CPSC's webinar webpage using [this link](#).

Wrap Up

Heidi Sanborn led a discussion that summarized the lessons learned from today's speakers and included action items that we all can do to support product stewardship for paint. Among those items are:

- Buy recycled paint.
- Ask paint retailers to carry recycled paint.
- Buy the right amount of paint and help consumers understand how much paint to buy to avoid leftover.
- Encourage paint swaps. HHW programs that don't already have paint swaps should contact CPSC for assistance in setting up paint swaps.
- Write EPR language into procurement policies to support product stewardship and the purchase of recycled paint.
- Stay informed and educated by participating in workshops like this one.
- State agencies should support the purchase of recycled paint.
- Encourage your local stores to become paint take-back locations
- Support rule changes that allow co-collection of oil and latex paints.

End: 4:26 pm

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