

WEBINAR: PAINT STEWARDSHIP IN CALIFORNIA – NEXT STEPS



Thursday, January 6, 2011

10:00-11:30 AM PST

Agenda

Introductions:

Heidi Sanborn, Executive Director for the California Product Stewardship Council (CPSC), welcomed webinar participants, introduced purpose of webinar and speakers.

Presentations:

Update on California Paint Stewardship Roll-Out

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

Ms. Keane reviewed the background and the relationship between the American Coatings Association (ACA) and PaintCare. PaintCare, a 501(c)(3) non-profit, is owned by ACA and is operated by a Board comprised of architectural paint companies and is open to all paint producers - not just ACA members. PaintCare contracts with the British Columbia based non-profit, Product Care, to operate Oregon's pilot paint product stewardship program. PaintCare will also serve as California's stewardship organization for paint and has contracted with Product Care to operate the program.

PaintCare is currently setting up their California management plan, including identifying paint manufacturers and covered products. There are many different types and brands of architectural paint in California and PaintCare is responsible for making sure all of the parties understand their role and responsibilities. PaintCare hopes to make it easy for consumers and retailers to identify covered products.

The source for PaintCare's operating funds will be an assessment fee on new paint, paid by paint producers. The fee will be a pass-through to consumers. In order to set the assessment fee, PaintCare must determine the program costs. They are currently involved in research to establish costs and set the assessment fee. PaintCare is also responsible for developing an educational campaign.

PaintCare will contract for collection and end-of-life (EOL) paint management. The Request for Proposal (RFP) for this service will include transportation and proper disposal, which includes reuse and recycling. The outcome of the RFP process will help determine what the program costs will be and ultimately help determine the assessment rate.

PaintCare is examining California's existing paint collection infrastructure, including household hazardous waste programs and retail collection, in order to build a comprehensive system that integrates existing programs as much as possible and also fills any infrastructure gaps. PaintCare recognizes that a "one size fits all" approach would likely not be effective in California because of the State's diversity and sophistication of existing programs. To that end, Ms. Keane mentioned that Oregon has different vendors for disposal and processing throughout the state and this may be the case in California as well. The goal is to get the most efficient program possible in California.

The California paint product stewardship program must begin by July 1, 2012, and the assessment fee will be initiated at this time.

California law also requires annual reporting to CalRecycle on the status of the program. PaintCare will track the following information for their annual report: volumes and types of paint collected in all regions; volumes by method of disposition (reuse, recycling into paint or other, fuel blend, etc); program costs; evaluation of funding mechanisms; and education materials.

Ms. Keane reviewed the ACA timeline for California's program. They hope to begin drafting the management plan in March/April, 2011 and to release the RFP in June, 2011. A final plan must be submitted to CalRecycle by April 2012 and the program will go on line July 1, 2012 or three months after program plan approval by CalRecycle.

Building California's Stewardship Program Using Existing Infrastructure

Presented by: Mark Kurschner, Product Care

Mr. Kurschner gave a brief background on Product Care. They are a non-profit based in Vancouver, British Columbia and started operating in 1994. Product Care has been retained by PaintCare in implementing operational aspects of the program.

Mr. Kurschner discussed how PaintCare will examine the current infrastructure in California for paint collection and disposal. Already, staff has joined the information exchange listservs, participated in the October paint workshop, is in contact with CalRecycle, and is reviewing Form 303 data to help evaluate the current program.

Mr. Kurschner also discussed recent site visits to jurisdictions in Northern California, including visits to locations that are part of the pilot Be PaintWi\$e program in San Joaquin and San Francisco to see current operations firsthand. PaintCare will continue meeting with HHW program managers throughout California to better understand the existing programs. PaintCare will also gather data on the current volumes of paint sold and collected in California. This information will be used to ensure program costs are covered. Product Care will help PaintCare prepare the EOL paint management RFP and participate in negotiations to ensure the best possible costs and outcome for California.

PaintCare is also looking for staff to support the program on the ground in California.

The Devil is in the Details: Paint Infrastructure Survey

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

Ms. Sanborn presented the draft survey designed by PaintCare, CPSC and San Joaquin County. The purpose of the survey is to create a detailed picture of California's existing paint collection infrastructure. It is very important that lead agencies operating household hazardous waste programs complete the survey. The survey is your chance to explain your unique program to PaintCare. It is expected that the survey draft will be finalized within the next week or two. It is very likely data entry will be done through an online database or web portal and HHW program operators will be asked to complete the survey for their program. Julia Au with CPSC will be contacting over 140 operators to collect survey data. If you are not contacted by Julia in the next few weeks, please e-mail her at Julia@CalPSC.org to make sure you are on the list. Questions or comments about the survey should be directed to Ms. Sanborn at Heidi@CalPSC.org.

[Update on CalRecycle's Paint Stewardship Implementation Activities](#)

Presented by: Cynthia Dunn and Emily Wang, CalRecycle

Ms. Dunn discussed CalRecycle's role in the implementation of the paint product stewardship law and presented a draft outline of their proposed paint regulations, including criteria for approving stewardship plans and criteria for evaluating submitted annual reports.

CalRecycle will host a meeting with stakeholders on March 10, 2011.

Questions & Answers

1. Q: When will the End-of-Life (EOL) management RFP be released?

A: PaintCare hopes to get the RFP out in June 2011.

2. Q: Is this cost per gallon going to be itemized (visible) to the end user like the e-waste fee?

A: The legislation does not mandate that it be provided as a separate fee on the retail receipt, it leaves it up to the discretion of the retailer; however, PaintCare promotional materials will educate the consumer on the fee – its amount and what it funds – and in Oregon, most retailers are showing it in a visible manner.

3. Q: If I am a manufacturer I am going to sell all my paint in Oregon, Arizona and Nevada and transport it across the border, or at least I am going to crunch numbers to avoid paying the fee. Can you address this?

A: The program is self-policing – since it is owned and operated by an organization of architectural paint manufacturers. It is in everyone's best interest to keep the costs as low as possible since they impact the final price of paint and if the program does not receive the funding it needs – it means the assessment has to be increased. Thus, we do not believe this will be a major issue and have not seen it in Canada or Oregon, where the program is already operating. To the extent that it might happen, however, PaintCare does have an auditing program to ensure that manufacturers are paying into the program based on their actual sales and are not "gaming" the system.

4. Q: How much is the assessment rate on paint in Oregon?

A: The fees in Oregon are: \$0.35 for pints and quarts, \$0.75 per gallon and \$1.60 per 5-gallon container.

5. Q: What percentage of the cost for end-of-life management is transportation?

A: In order to stay competitive, PaintCare does not wish to release contractual pricing information; however, in general, transportation and processing make up approximately 50% of Oregon program costs.

6. Q: Santa Cruz County operates three permanent HHW facilities. How do we get our program as a possible collection site for PaintCare? What size are your collection bins? How often will shipments be made?

A: We are gathering info on the existing HHW collection sites and we'll be contacting you. In fact, you'll be seeing a survey soon, which will be discussed later in this webinar. In Oregon, we are using a [pallet size container](#) because they are stackable and easy to move. PaintCare wants to make available a standard size as much as they can, but know this may not work in all jurisdictions in California as it was seen on recent site visits to stores such as in San Francisco, who have space limitations. Frequency of

collection will be determined based on how much paint you're accumulating. As for frequency of collection, ideally, if we provide you with three containers, we're going to want you to contact us when the second container is full so we can schedule a pick up. It may be possible to set up milk runs in some locations.

7. Q: Will you pay to support reuse programs?

A: Yes, we have an incentive for reuse in our Oregon program and will be looking to implement one in California.

8. Q: The sentiment is that a lot of the paint that is reused is contaminated and hence not good. In spite of this, are the Canadians successfully using the "reused" paint in large quantities or in a reduced capacity?

A: Non-usable paint for paint recycling is used in non-paint applications, such as a raw material for cement, bio fuels, and non-structural concrete. We are hopeful with the number of paint recyclers already in California that the opportunities for both good usable paint as well as the unusable paint will have outlets.

9. Q: Can someone clarify the RFP process? Do cities/counties need to submit an RFP in order to get involved or will we be contacted by PaintCare?

A: You do not need to submit an RFP. PaintCare will be contacting you, or you're welcome to contact us. Just send an email to mark@ProductCare.org.

10. Q: When will your staff visit southern California? I would like to invite them to visit the San Bernardino County HHW Program.

A: We will likely be making site visits in southern California in February and will contact you in this regard.

11. Q: Is there any chance you can make the survey a form so information can be typed in and emailed back to you?

A: The survey is still in development, but we're looking at an online database with form fields for you to fill out.

12. Q: What is the experience in Canada and Oregon with the price of paint to consumers after a paint EPR program is established?

A: In Oregon, most of the paint retailers have opted to make it a visible fee – itemized on the receipt. We have not seen a backlash from consumers on this nominal charge either in Oregon or in Canada. When the Oregon program first started there were some complaints, but once the program is explained to the consumer, they are usually pleased.

13. Q: How does PaintCare see the reimbursement process will go for HHWTF facilities that collect paint? Will it be per shipment reimbursement or monthly reimbursement, etc? What paperwork will be needed?

A: The PaintCare program is not a reimbursement program for current services. PaintCare would like to partner with existing collection locations and will pay for the transportation, reuse and processing of the paint collected in those programs, but this does not mean all program costs will be covered. HHW programs can contract with PaintCare if it is mutually agreeable, but are not required to do so. In Oregon, there are contracts for service with almost all of their HHW programs.

14. Q: Will the program allow regulated generators to bring latex to the program as is allowed in Oregon?

A: Yes, Latex paint is a presumed hazardous waste in California. However, it has a special rule (Health and Safety Code, Section 25217) that allows for “recyclable latex paint” to be collected at non-permitted facilities that meet certain requirements. There does not appear to be a volume threshold, however, PaintCare will be working with DTSC and CalRecycle to clarify this as well as other regulatory uncertainties.

15. Q: Has it been determined if an assessment will be impacted by Prop 26?

A: At this time, our directive is to move forward with this program. Litigation or a legislative fix are possibilities for dealing with the passage of Prop 26.

16. Q: When can we expect to see the final infrastructure survey sent out to HHW programs?

A: The [draft survey](#) is posted on CPSC’s webinar page. We’d like your feedback so please send any comments to heidi@calpsc.org. We hope to have the final released around the week of January 18th, so please be watching for it.

17. Q: This question is for CalRecycle. How is CA looking at dealing with the management of latex that will not be recycled and is destined for disposal given the current regulatory structure in CA for latex paints?

A: CalRecycle is currently working with Paint Care and DTSC to explore the issues and should have more information on this soon.

18. Q: In the Canadian model, what mechanism is there in place to ensure that paint is properly recycled?

A: Each province has different rules, but generally, Product Care has a no landfill policy and final disposition of the paint is reported in annual reports for all programs it runs.

19. Q: Does the legislation cover the percentage of paint that must be recycled?

A: No, AB 1343 did not specify recycling goals in terms of percentages. Paint manufacturers set their goals, submit them with their stewardship plan(s), and may revise them based on information collected for the annual report.

20. Q: Do you have any disposition numbers for paint collected in the Oregon program thus far?

A: Through October, 2010 over 160,000 gallons have been collected. By disposition – alkyd paint is 5% reuse and 95% fuel blending and latex paint is 47% recycled content paint; 6% biomass; 43% biodegradation, and approximately 3% reuse. The numbers will change monthly and should not be used as indicators until a full year of the program has been implemented.

21. Q: Is the Department of Toxic Substances Control on this webinar and will they be participating in the next one?

A: Mary Misemer from DTSC is participating in this webinar and we will certainly invite DTSC as a presenter for the next.

22. Q: Can you expand a little on the reuse program, maybe give examples?

A: If you currently have a reuse/exchange center, we want you to continue to operate it. If you do not, we want you to explore setting one up. As an incentive in Oregon, for example, we are paying \$0.25 per gallon of paint diverted from transportation and processing for reuse/exchange.

23. Q: Will you provide 40 yd roll-offs free of charge for the larger HHW programs?

A: We will certainly consider doing so. We know this is not going to be a “one size fits all” program for California. This is why we want to get to know your programs and are making site visits to facilities

throughout the state. If there is something unique about your operations that you think we need to know about, please get in touch with us.

24. Q: Might you use the Gaylord boxes that PSC currently uses to ship latex paint?

A: Our preference would be the containers (tub skids) that we are using in the Oregon program; however, there may be instances where Gaylord boxes would be utilized.

25. Q: Will the VOCs of the recycled/reusable paint be provided for consumer info?

A: Under current federal and state law – all paint must have the VOC content listed on the label. The current provision for recycled content paint is less than 250 grams/liter to account for the use of older, higher VOC paint in the product. By contrast, the VOC content of new paint is generally 50-100 g/l.

26. Q: What happens to the paint cans when the paint is recycled? Is recycling the metal problematic due to paint residual?

A: Paint containers, plastic and metal can be recycled and will be recycled as much as possible in the California program. Finding markets for such, however, is always problematic – for metal because of the residual and for plastic because there are few viable outlets and the market fluctuation is so great.

27. Q: Is either CalRecycle or ACA working with DTSC to change the regulations to allow retailers to take all paint?

A: CalRecycle is currently working with PaintCare and DTSC to explore the issues and should have more information on this soon.

28. Q: How will Proposition 26 effect the paint bill and does PaintCare have a plan B?

A: As we said earlier, our directive is to move forward at this time. There are many parties discussing this and PaintCare is in regular contact with CalRecycle. At this point, the plan is to keep moving forward. Legislation as well as litigation may be used to address Prop 26 if need be.

29. Q: If an existing HHW facility contracts with PaintCare, will they have additional paperwork to do/change procedures? Will that be determined once you've gathered existing infrastructure info?

A: We have certain information that must be reported to CalRecycle, but for the most part, this is information you would already have, or that would be provided by our transportation and processing service providers, such as the amount of paint collected by type and the final disposition of the collected paint.

30. Q: Whatever happened to the paint program in the east coast? They started out strong. I'm curious about what kind of issues derailed it.

A: To our knowledge, there has never been a paint stewardship program on the east coast. That PaintCare program was originally planned for Minnesota, but despite successfully passing the legislation two years in a row, the then Governor vetoed it. We had legislation in VT and CT last year with good success, but ran out of time for passage in both states. We will again pursue legislation in those states in 2011.

31. Q: Is it possible to put in the RFP that whoever is hired to transport and process to include the cost of personnel to handle the paint once received at the HHW facility from the consumer?

A: PaintCare is interested in all proposals for services under the program – what different service providers include in their costs is up to them.

32. Q: Do we need to submit an RFP if we want to transport our own paint to a recycler, if we want to be reimbursed the transportation cost?

A: If you are operating a current government program, no – you do not need to submit an RFP – PaintCare will meet directly with you and if your current transportation system fits within the PaintCare program, the costs for such can be contracted for directly.

33. Q: In the future, will DTSC allow the recycling of Alkyd based paints in California or will we have to leave the state?

A: This is something that can be explored as we discuss the other regulatory barriers to the program.

34. Q: Are there samples of existing outreach on PaintCare's website?

A: Yes, go to www.paintcare.org. Click on the Oregon Pilot tab and look under Information for Retailers and Consumers.



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