

Oregon Paint Stewardship Program

Annual PaintCare Stakeholder Meeting

June 28, 2019



State of Oregon
Department of
Environmental
Quality

Attendees (in person or on the phone)

- Loretta Pickerell, DEQ
- Abby Boudouris, DEQ
- Blake Bennett, DEQ
- Abbey Waterman, DEQ
- Willy Tiffany, Oregon Refuse and Recycling Association
- Jeremy Jones, PaintCare
- Lauren Scher, PaintCare
- Kathy Boutin-Pasterz, Columbia County
- Joyce Thung, Cal Recycle
- Stephanie Edwards, Cal Recycle
- Kristin Aldred Cheek, Product Stewardship Institute
- David McCall, Tillamook County
- Megan Warfield, Washington State Department of Ecology

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DEQ is a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.

Welcome

Loretta Pickerell opened the meeting and welcomed attendees. The purpose of the meeting was to review PaintCare's 2018 annual report and discuss the paint stewardship program's status and future actions to be taken. The meeting was open to the public for attendance both in-person or by teleconference.

PaintCare Presentation of 2018 Annual Report

Jeremy Jones presented highlights from the 2018 Annual Report.

The overall collection volume in 2018 remained stable at around 800,000 gallons of paint from all sources. For latex-based paints, recycling and reuse together increased to 71% of all paint collected compared to 58% in 2017. Of that total, 54% was paint-to-paint recycling, up from 53% in 2017, and 12% was paint-to-cement recycling, a new method first added in 2018, which boosted the recycling rate. Reuse remained stable at 5%.

Within Oregon, 96.7% of residents lived within a 15 mile radius of one of 172 collection sites. When collection events are included, coverage rose to 98.5%.

Collection events provide services in areas where permanent sites don't exist or sites alone don't meet local need. Paint was collected at seventy two municipally sponsored household hazardous waste collection events. PaintCare also held eight paint collection events in areas not served by HHW events.

PaintCare also provided forty-nine large volume pickups at forty-one sites for individuals and businesses with left-over paint amounts exceeding limits at drop-off sites. Those included recurring large volume pickups offered to businesses that continually generate large amounts of left-over paint and receive bins that are picked up when full. In 2018 ten sites used RLVP, three more than in 2017.

Revenue for 2018 increased by about \$200,000, primarily due to the new fee structure successfully implemented in October. For the last three months of 2018, revenue exceeded expenses as expected. However, because new fees were in place for only three months, the program deficit increased by 11%. In 2019, with a full twelve months of fees, the deficit is expected to be reduced by half and the program should be back in the black by the end of 2020.

PaintCare's outreach includes a website (<https://www.paintcare.org/>) that provides the public with information about the program including drop-off sites, large volume pickups, and how to become a program site. Other outreach includes point of sale materials, brochures, mailers and social media to promote programs. In the future, PaintCare plans to focus on underserved areas, maintain and improve on recycling rate gains, and implement new reuse efforts. Oregon-specific information can also be found on the website (<https://www.paintcare.org/>), including a site locator that is the main reason for most website visits. One improvement to the site locator tool was adding the volume of paint each site accepts and specific designations for HHW sites and reuse program sites.

Questions and Comments – responses are from PaintCare unless otherwise noted:

Q: Where was the paint going before paint-to-cement recycling was added?

A: It was being sent for biodegradation at the Arlington landfill.

Q: Does reuse mean a can of paint is used by someone else? What about oil-based reuse?

A: Yes, reuse for both latex and oil-based paints means the paint stays in the can and is sold or given away for use as paint. Paint-to-paint recycling is transforming old latex paint into a new paint product.

Q: Where does oil-based paint go for energy recovery?

A: It is sent to Stericycle in Kent or Clean Harbors depending on the vendor or hauler. PaintCare's annual report describes the collectors, transporters, and processors in more detail.

Q: Does it cost Metro more to send paint to Visions Environmental (Oroville, CA) for use in cement products instead of Arlington landfill for biodegradation? Who decides where collected paint goes?

A: Paint is sent for biodegradation as a last resort, primarily because it's difficult to sell. Paint programs in states without biodegradation as an option typically landfill the unusable paint. It costs Metro more to send paint for recycling at Visions Environmental than to send it for biodegradation at the Arlington landfill. Metro chooses where to send the paint it manages as long as the management options follow the hierarchy described in PaintCare's plan .

Q: If I take paint to Habitat for Humanity, why is PaintCare involved?

A: PaintCare incentivizes reuse stores by offering compensation for paint they distribute for reuse. PaintCare also inspects reuse stores, such as Habitat for Humanity, that accept paint for the program for reuse or recycling a couple times a year to ensure that the paint collected is being managed properly.

Q: Could PaintCare expand its reuse efforts?

A: PaintCare is trying to increase reuse, including assessing what might be keeping partners from providing more reuse, such as lack of space or staff. New in 2018, PaintCare is conducting reuse at events, separating out the best of the paint dropped off and giving it away there for reuse. PaintCare also specifically asks customers requesting large volume pickups if they are willing to donate the left-over paint to charity for reuse at places such as Habitat for Humanity, a practice unique to Oregon.

Q: Do large volume pickups tend to be for contractors?

A: Yes, both recurring and one-time large volume pickups are generally from painting contractors or construction companies.

Q: Does any place in the state still need a collection site? Are there problems establishing or keeping collection sites?

A: Yes, areas where PaintCare is still conducting paint collection events are areas that need a collection site. PaintCare will add two new event locations this year, but will also discontinue a few because a drop-off site was established or the community has indicated an event is not needed. PaintCare has achieved 98.5% coverage with sites and events; reaching the last 1.5% is a real challenge. PaintCare has a conversation every year with each county where events are held to determine the need and frequency for events. This includes counties where events were not held the previous year.

Q: What is the reason for the \$96,000 increase in administrative costs for 2018?

A: These cost increases in 2018 were for additional work PaintCare performed to comply with its program plan, including a comprehensive program and financial audit, source reduction efforts, public awareness initiatives and research on cost effectiveness measures. It was not for increases in salaries or office staff, though it might include hiring consultants for surveys or execution of that aspect.

Q: So research projects and other statutory goals have not been conducted?

A: PaintCare worked with DEQ on designing research to develop goals, pared back those efforts in recent years because of financial issues, and is now planning to continue moving forward with working on those activities.

DEQ Presentation of 2018 Watershed Volumes

Blake Bennett presented DEQ's comments associated with the PaintCare annual report and watershed volumes.

The total volume of paint collected in 2018 declined by 2%. The volume of latex-based paint increased by 2%, while oil-based paint declined 15%. This may reflect a reduction in the amount of leftover paint to be recycled, but other factors such as changes in sales, awareness of the program, or how leftover paint is used could also explain the decline. This highlights a need to establish goals and plans for measuring both reductions in leftover paint volumes and program awareness. PaintCare is required to develop these measures, and will include plans on when that work will be completed in the program plan update PaintCare is now developing. The measures developed will help determine whether the reduction in paint collection volume is from declines in post-consumer paint generated or other factors like declines in awareness.

Paint-to-cement was added as a new recycling category. It accounted for 12% of the latex paint disposition, primarily displacing paint that would have been sent for biodegradation.

The fee on consumer paint sales increased in 2018 by about 20% to 25% on different sizes of paint containers. DEQ approved the fee increase to ensure program revenue covered expenses and to retire the program's debt by 2020. PaintCare will reevaluate these fees and report to DEQ every other year.

Despite the small decrease in the volume of paint collected in 2018, there was little change in the relative volumes of paint collected in geographic areas around the state. Metro accounted for more than 50% of paint collection statewide.

Three areas were served only by PaintCare events in 2017. In 2018, Wallowa added a site, leaving only Lake and Milton-Freewater served by PaintCare events alone.

DEQ submitted a report to the legislature in November 2018 as required by the statute. Highlights are:

- Over 4.9 million gallons of paint collected between 2010 and 2017
- Over 50 percent of latex paint collected has been recycled
- Collection opportunities cover 98 percent of Oregon residents

In the legislative report, DEQ also recommended statutory changes to strengthen the paint stewardship program. Those included ensuring full costs of the program be covered by PaintCare, including all collection-related expenses and DEQ's administrative expenses; prohibiting the use of the consumer fee for most litigation or for penalties; and requiring a closure plan in case a stewardship organization ceases operations.

The state requires an updated program plan every four years. An updated plan was to take effect in 2018. PaintCare is working with DEQ to improve its draft plan update. DEQ will post PaintCare's proposed plan update on DEQ's website for comments before approving it. Updates to the plan will include a greater focus on ensuring readers can understand PaintCare's process and procedures for ensuring safe and environmentally sound management of paint and remittance of fees, a timeline for developing post-consumer paint reduction and public awareness goals and implementation plans, and a more robust description of education and outreach materials and efforts.

Questions and Comments – most responses are from PaintCare unless otherwise noted:

Q: There have been concerns regarding collection of paint in Southern Oregon, will you elaborate?

A: Paint was collected at a recent HHW event in Josephine County. PaintCare was not notified before the event and did not assist with costs associated with management of the paint. Josephine County and PaintCare are discussing how PaintCare can assist with future paint collection and HHW events.

Q: Is revising the 15-mile convenience standard being considered? I understand the idea is that everybody should have the same access, but people living in eastern Oregon drive more than 15 miles for daily business and expect services to be further away.

A: DEQ: The statute established the convenience requirement, but allows PaintCare to propose exceptions to DEQ for approval based on assessment of the needs for a particular area. For example, where an event held to meet the convenience standard for a particular area is poorly attended because people take their paint elsewhere, PaintCare can assess the ongoing need for that event and propose dropping it to DEQ for approval.

Q: Aren't these events expensive?

A: Collections at events are more expensive than at facilities, but the events do provide service to underserved areas while increasing awareness of paint collection opportunities. Overall, the

number of events are steadily declining. PaintCare held twelve in 2018 and will hold only four in 2019.

Q: There are still some negative perceptions of the program in the legislature, so is there an opportunity somewhere along the way to share some of the successes of the product stewardship program more broadly in that arena?

A: PaintCare: Elevating the profile of the program in a positive light is a great idea, and we have had some internal conversations to that end, so the first thing that comes to mind with the program is something positive.

C: Dave McCall thanked PaintCare for addressing and responding to so many of their concerns and suggestions. He was pleased to see that many of the things that are not required in PaintCare's annual report, but had been requested several times, were included. He acknowledged and appreciated PaintCare's efforts to make changes and address concerns.

R: Jeremy thanked him for reading the report.

Q: A question was directed to Megan Warfield, with the Washington State Department of Ecology, regarding the new paint stewardship program being developed for Washington State. Can there be some kind of partnering between Oregon and Washington? I assume paint collected in Clark County will come to Metro, but maybe some of the paint collected in Oregon go to Washington if there is a facility there that does similar recycling.

A: Megan Warfield: Metro does not accept Clark County paint. Clark County has considered starting a paint recycling program, as have a couple other counties in Washington as well. In addition, Green Sheen, a processor in Kent that processes paint for PaintCare in Colorado, has for the past year been collecting paint for a fee at roughly 40 sites along the I-5 corridor in Washington. So Washington State has potential processors for its new paint product stewardship program.

Q: Earlier you said that Metro is making the decisions where the paint goes?

R: Metro does decide where the paint it manages goes as long as it follow the management options described in PaintCare's plan. Metro continues to work with PaintCare to send even more of its non-reusable or recyclable paint to Visions Environmental for use in cement products instead of biodegradation.

Q: Regarding the portion that is not getting recycled back into paint, Metro is a member of the International Paint Recycling Association, and some IPRA members have found export markets for the grays, browns and really bright colors that are harder to market in the US. Have there been any discussions around that in Oregon? What are PaintCare's thoughts on that?

A: Metro has discussed with PaintCare and DEQ the many challenges and actions they are taking to shore up their sales operations. As one Metro representative put it, "we just need to get better at selling paint." The left-over paint going to biodegradation is paint they cannot recycle or sell.

Finding markets for unwanted colors is probably the most important conversation that's happening right now in our program, and IPRA's direction may help us do that. Everyone can sell white and currently popular colors, but color trends change frequently, and it's hard to

find outlets for colors people no longer want. Finding markets to maximize paint-to-paint is the priority, then figuring out the best options for managing the remainder.

- C: Kristin Aldrich, PSI: The focus right now is really on increasing paint-to-paint and improving the public's perception of recycling paint - raising people's awareness that there is such a thing as recycled paint and working on a quality assurance certification program to build the reputation of recycled paint. Next comes the question, how do we expand those markets? Different processors are focused on export markets. Some are 100% domestic. Others processors have identified alternative markets. These are the things being talked about and we'll be discussing this more at the NAHMA conference later this year.

With no further comments, Loretta Pickerell thanked the attendees for their participation and adjourned the meeting.

Alternative formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.