



Oregon Architectural Paint Stewardship Program Plan



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Submitted to:

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1. Introduction

SECTION OVERVIEW

This section discusses:

- ◆ Introduction
- ◆ Paint stewardship in the United States
- ◆ Paint stewardship program plan
- ◆ Citations

A. INTRODUCTION

Oregon passed the nation's first state-level paint product stewardship law in 2009. The resulting Oregon Architectural Paint Stewardship Program ("program") has collected more than 6 million gallons of postconsumer architectural paint since the program launched in July 2010 and makes paint recycling simple and convenient for Oregonians through its extensive network of paint drop-off sites and other paint management services around the state. Originally conceived as pilot legislation, the Oregon law became permanent in 2013.

The broad goals of the Oregon Paint Stewardship Law ("law") are for paint manufacturers to:

- 1) Establish an environmentally sound and cost-effective architectural paint stewardship program;
- 2) Undertake responsibility for the development and implementation of strategies to reduce the generation of postconsumer architectural paint;
- 3) Promote the reuse of postconsumer architectural paint; and
- 4) Collect, transport, and process postconsumer architectural paint for end-of-product-life management.

B. PAINT STEWARDSHIP IN THE UNITED STATES

At the urging of state environmental agencies and municipal household hazardous waste programs across the country, the Paint Product Stewardship Initiative (PPSI) began in 2002 to bring about an industry-managed paint stewardship system in the U.S. Facilitated by the Product Stewardship Institute (PSI), the initiative involved several years of stakeholder dialogue and industry and public sector research on paint use habits and recycling opportunities. Participants included the American Coatings Association, paint manufacturers, paint recyclers, federal EPA, and state and local governments across the country.

The PPSI resulted in the development of a model state law to establish an economically and environmentally sustainable, industry-designed and implemented postconsumer paint management system. Oregon passed legislation in 2009, followed by California in 2010; Connecticut in 2011; Rhode Island in 2012; Maine, Minnesota, and Vermont in 2013; Colorado in 2014; the District of Columbia in 2015; and Washington and New York in 2019.

C. PAINT STEWARDSHIP PROGRAM PLAN

The Oregon Paint Stewardship Law requires a stewardship organization (or individual producers) to submit to the Oregon Department of Environmental Quality (DEQ) a Paint Stewardship Program Plan ("plan") that includes the following:

- 1) Specify educational and outreach activities and materials that promote the architectural paint stewardship program;
- 2) Specify activities related to the establishment and maintenance of a convenient system for the collection of postconsumer architectural paint;
- 3) Establish and provide for the development and implementation of goals to reduce the generation of postconsumer architectural paint;
- 4) Promote the reuse of postconsumer architectural paint;
- 5) Undertake the responsibility of negotiating and executing contracts to collect, transport, recycle and process postconsumer architectural paint for end-of-product-life management that includes recycling, energy recovery, and disposal;
- 6) Describe how the end-of-product-life management of postconsumer architectural paint that is collected under the program will use environmentally sound management practices that are consistent with ORS 459.015(2);
- 7) Identify each producer participating in the program and participating brands of architectural paint sold in the state;
- 8) Identify the processors and transporters that manage the postconsumer architectural paint that is collected under the program;
- 9) Include an anticipated annual operating budget for 2021-2025; and
- 10) Include a funding mechanism whereby each manufacturer remits to PaintCare payment of a uniform architectural paint stewardship assessment for each container of architectural paint the manufacturer sells in Oregon.

D. CITATIONS

To aid the reader, each section of this plan is preceded with the relevant text of the law.

2. Stewardship Organization & Program Contacts

SECTION OVERVIEW

This section discusses:

- ◆ PaintCare Oregon LLC
- ◆ Program contacts

A. PAINTCARE OREGON LLC

On behalf of participating paint manufacturers, PaintCare Oregon LLC (“PaintCare”) is pleased to submit to DEQ the Oregon paint stewardship program plan.

PaintCare Inc. was formed in 2009 by the American Coatings Association, the primary trade association for the paint and coatings industry. PaintCare Inc. now organizes a separate single-member limited liability company (LLC) as a subsidiary to serve as the representative stewardship organization for architectural paint manufacturers (also referred to as producers) in each state that passes a paint stewardship law. PaintCare Oregon LLC was formed in 2015. Both organizations are 501(c)(3) non-profit entities.

PaintCare representation is open to all architectural paint manufacturers and they may register with PaintCare at any time. PaintCare currently represents 191 paint manufacturers across its paint stewardship programs.

PaintCare’s corporate office is in Washington, DC. State program staff work in the states in which PaintCare programs operate.

PaintCare Inc. and its subsidiaries are overseen by an 11-member unpaid Board of Directors representing architectural paint manufacturing companies. The names and companies of PaintCare’s Board of Directors at the time this plan was submitted are provided in Appendix C.

B. PROGRAM CONTACTS

The following staff are responsible for ensuring compliance with the Oregon law:

Primary Contact
Lauren Scher
Oregon Program Manager
(503) 410-1648
lscher@paint.org

A full list of PaintCare staff and their titles is constantly maintained on the staff page of PaintCare’s website at www.paintcare.org. PaintCare will notify DEQ within 30 days of changes to any key personnel that are relevant to the Oregon program.

3. Registered Manufacturers and Brands

STATUTORY CITATION

Oregon Law, 2017 Edition, Chapter 459A – Architectural Paint Stewardship Program

Section 459A.825(1) A producer or retailer may not sell or offer for sale architectural paint to any person in this state unless the producer is participating in an approved statewide architectural paint stewardship program organized by a stewardship organization.

Section 459A.827(4)(a) Identify each producer participating in the program.

Section 459A.827(4)(b) Identify the participating brands of architectural paint sold in the state.

SECTION OVERVIEW

- ◆ Manufacturer and brand registration
- ◆ Private label agreements
- ◆ Use of registration lists
- ◆ Program products

A. MANUFACTURER AND BRAND REGISTRATION

Representation by PaintCare is open to all architectural paint manufacturers who are obligated to take part in the Oregon Paint Stewardship Program. Manufacturers register their company and brands of architectural paint products through PaintCare's website dedicated to registrations and reporting sales.

The identification and notification of potential manufacturers is an on-going process. PaintCare identifies potential participants through a variety of sources, including the following:

- ◆ Prior registrations with PaintCare for other PaintCare programs
- ◆ American Coatings Association
- ◆ Internet research

When PaintCare identifies or learns of an unregistered manufacturer or architectural paint brand being sold in Oregon, PaintCare contacts the manufacturer, informs them of their statutory obligation and asks them to register with PaintCare. PaintCare strives to maintain a level playing field for paint manufacturers in Oregon. To advance that goal, if PaintCare determines that a manufacturer is unwilling to be represented by PaintCare and is not participating under another DEQ-approved paint stewardship program, PaintCare will inform DEQ. Notification of registration obligations and ongoing oversight by PaintCare, as described above, applies equally to manufacturers selling paint into Oregon via the Internet.

B. PRIVATE LABEL AGREEMENTS

Private label agreements (or services) represent products manufactured or distributed by one company for use under another company's label. The products are also referred to as store brands or generic brands, and the agreements are also known as tolling agreements. These agreements are often kept confidential to protect the arrangements from

competitive interests. Therefore, PaintCare will not specify which brands are produced by which manufacturer, unless the name of the manufacturer is included in the brand name. Instead, registered manufacturers and their registered brands will always be presented in separate lists to assure the confidentiality of private labeling and other agreements.

C. USE OF REGISTRATION LISTS

PaintCare posts the lists of registered manufacturers and brands on the PaintCare website. The purpose of posting the lists is to make them available for retailers, distributors and DEQ. Retailers and distributors may use the brand lists to identify which brands may be legally sold in Oregon as part of the ongoing operation of the program.

PaintCare has a dedicated staff person who maintains registration relations with manufacturers and tracks changes monthly to companies and brands for all PaintCare states. Manufacturers registered with PaintCare are required to keep their list of brands current. DEQ will receive a list monthly of additions, changes and removals. In addition, DEQ can contact PaintCare at any time to find out if a manufacturer or brand was recently registered.

The current lists of registered manufacturers and brands for Oregon are included in Appendix A and available on PaintCare's website. Both lists will be updated on PaintCare's website and provided to DEQ monthly.

D. PROGRAM PRODUCTS

The terms program products, PaintCare products, architectural paint, and paint are used interchangeably in this plan. In addition, this plan uses the common term latex paint to mean non-combustible or water-based program products, and oil-based paint to mean combustible or petroleum solvent-based program products.

Program products are architectural paints in containers no larger than 5 gallons in size. They do not include Industrial Maintenance (IM) coatings, Original Equipment Manufacturing (OEM) coatings, and other specialty coatings. The full definition and examples of both program and non-program products are provided in Appendix B. This definition is used to determine the products on which manufacturers are to apply the paint stewardship assessment ("PaintCare fee"), as well as to determine which postconsumer products are accepted by the program's paint drop-off sites.

As needed, PaintCare issues product notices to explain or clarify whether and why certain types of products are a part of the program or not. An example of these notices is also included in Appendix B.

4. Collection Infrastructure

STATUTORY CITATION

Oregon Law, 2017 Edition, Chapter 459A – Architectural Paint Stewardship Program

Section 459A.827(2)(b) Specify activities related to the establishment and maintenance of a convenient system for the collection of postconsumer architectural paint as described in ORS 459A.830.

Section 459A.830(1) The convenient system for the collection of postconsumer architectural paint required under ORS 459A.827(2) must ensure that:

(a) One permanent collection site exists for every 30,000 residents in this state.

(b) Ninety-five percent of the residents in this state are within 15 miles of a permanent collection site.

(c) For those geographically underserved areas where the population is not within 15 miles of a permanent collection site, at least one but no more than two collection events are held per year in each geographically underserved area.

Section 459A.830(3) A stewardship organization shall make a good faith effort to coordinate with the appropriate local government, collection service franchise holder or person who provides collection service for the promotion of and payment for a collection event under subsection (1)(c) of this section. If, after a good faith effort, the stewardship organization is unable to coordinate with the appropriate local government, collection service franchise holder or person who provides collection service, the stewardship organization shall promote and pay for the collection event.

Section 459A.830(4) A stewardship organization is not required to comply with subsection (1)(c) of this section for a given geographic area if the Director of the Department of Environmental Quality agrees with the stewardship organization that holding a collection event in that area will not be practicable or effective.

SECTION OVERVIEW

- ◆ Program audience
- ◆ Collection infrastructure
- ◆ Convenience criteria
- ◆ Drop-off site operations

A. PROGRAM AUDIENCE

The Oregon PaintCare program will serve the state's residents, businesses, schools, government agencies and other entities that have leftover, unwanted paint, as described below.

A1. Residential Generators (Renters and Homeowners)

The program will accept any quantity of postconsumer latex or oil-based paint from this group.

A2. Very Small Quantity Generators (VSQGs)

Painting contractors, small businesses, and other small to medium-sized organizations are typical VSQGs (as described in federal rules in 40 CFR 262.14 and referred to as Conditionally Exempt Small Quantity Generators

[CESQGs] in Oregon). The program will accept any quantity of postconsumer latex paint from VSQGs and will accept postconsumer oil-based paint at or below the limits applied to hazardous waste generation for VSQGs. To qualify as a VSQG, among other criteria, a business/organization must (1) generate no more than 100 kilograms (about 25 gallons or 220 pounds) of hazardous waste per calendar month, (2) generate no more than 1 kilogram (about 2.2 pounds) of acute hazardous waste per calendar month, and (3) accumulate no more than 1,000 kilograms (2,200 pounds) of hazardous waste at any given time.

A3. Small Quantity Generators (SQGs) and Large Quantity Generators (LQGs)

The program will accept any quantity of postconsumer latex paint from SQGs and LQGs (as defined in federal rules in 40 CFR 260.10). An organization is an SQG or LQG if it exceeds the generation or accumulation limits stated above for VSQGs. As of the date of this plan, the program does not provide for acceptance of postconsumer oil-based paint from SQGs or LQGs, as oil-based paint from industrial generators is regulated as hazardous waste under federal law. If the program accepts oil-based paint from SQGs or LQGs in the future, such acceptance will be in accordance with all applicable law.

B. COLLECTION INFRASTRUCTURE

PaintCare collection infrastructure and services include the following:

- ◆ Household hazardous waste collection facilities and events
- ◆ Solid waste facilities (solid waste transfer stations, recycling facilities and landfills)
- ◆ Paint retailers and Material reuse stores
- ◆ Paint-only drop-off events
- ◆ Direct pick-up of large volumes

In an effort to maximize convenience for participants, the program strives to partner with locations that are centrally located and open multiple days per week.¹ All eligible locations are invited to participate as PaintCare drop-off sites provided they have adequate space for at least two paint collection bins. The space must be secure, inaccessible to the public, have an impermeable surface, and be protected from the elements.

If an eligible location agrees to be a paint drop-off site, they must comply with PaintCare's operational requirements: they must accept all program products, have staff available to accept paint during operating hours, accept paint from households and businesses, and accept paint free of charge from participants who drop off paint. In addition, sites must be willing to be listed on the site locator on PaintCare's website and post and distribute PaintCare point-of-sale outreach materials, including a window poster advertising their site as a paint drop-off site.

Some exceptions may be allowed in recognition of pre-existing restrictions on HHW facilities and other non-retail sites. For example, if an HHW facility is not permitted to accept waste from businesses, they will not be required to do so. Other examples include:

¹ To provide consistency and allow for comparison with all other PaintCare programs, PaintCare will use the term year-round in place of permanent when evaluating program convenience. While permanent refers to a physical structure with regular collection, it does not distinguish between year-round and seasonal service, both of which are provided by HHW programs in Oregon. PaintCare's term year-round makes a distinction. To be classified as a year-round site, a site must be open at least one day per month, every month of the year.

- ◆ Non-retail sites that accept oil-based paint but do not currently accept latex paint will not be required to change their operations to accept latex paint.
- ◆ Non-retail sites that already charge a fixed amount to businesses and VSQGs to schedule an appointment for paint collection may continue this practice as long as it is clear to the customers that the charges do not relate to services funded by the PaintCare program, including paint collection bins, transportation and processing.

For all sites and events, PaintCare provides and covers the cost for paint collection bins, paint transportation and paint processing (end-of-life management). In addition, most sites are provided spill kits, signage, and training materials. To ensure environmentally sound management, paint collected at all sites and events will be managed as described in the Materials Management section.

B1. Household Hazardous Waste Programs

Household hazardous waste (HHW) facilities and events provide their customers the convenience of recycling/disposing of other products at the same time as paint, and they often have repeat customers that have used their programs for many years.

Permanent HHW Facilities

There are eight permanent HHW facilities in the program at the time of submission of this program plan. Five of the facilities are open year-round, three are seasonal. These facilities are listed in Appendix D.

Temporary HHW Events

One-day/temporary events are a valuable service provided across the state. Both in number and geographical scope, these events will continue to play an important role in supplementing the permanent HHW collection infrastructure. The location and timing of these events are at the discretion of each HHW program.

Notification of the event by the HHW program to PaintCare occurs through either the sponsoring agency or its event operator depending on the structure of the agreement.

B2. Solid Waste Facilities (Transfer Stations, Recycling Facilities, Landfills)

Solid waste facilities, transfer stations in particular, can be important program partners because like HHW programs, they provide their customers the convenience of dropping off other products at the same time as paint, and they may also have regular customers that have used their facilities for many years. Solid waste facilities are also beneficial, particularly in rural areas, where there might not be HHW facilities or paint retailers to serve as drop-off sites.

B3. Retailers

Paint retailers are valuable program partners because they are located throughout the state, are often centrally located in cities and towns, are open five or more days per week, and have staff familiar with paint products and their safe handling. In addition, their customers are likely to have some leftover paint and often ask store staff for advice on what to do with it. Retailer participation as a paint drop-off site is voluntary.

Material reuse stores, such as Habitat for Humanity ReStores, are a subset of retailers that can augment their drop-off site offering with a paint reuse program. At these sites, paint is screened for possible reuse and then donated or sold back to the local community. Paint that is not screened out or cannot be resold is placed in PaintCare bins, as with other site types.

PaintCare currently has 25 material reuse store drop-off sites in Oregon at the time of submission of this program plan, more than any other program state. They are a core component of PaintCare's effort to direct paint toward reuse. PaintCare will continue to seek new partnerships that increase reuse. PaintCare offers a financial incentive to material reuse stores if they offer paint for reuse.

B4. Paint-Only Drop-off Events

PaintCare will provide paint-only drop-off events for the primary purpose of offering paint collection services to populations of the state that are considered underserved because they lack a drop-off site within 15 miles. PaintCare's paint-only collection events will not be restricted by county or other boundaries; participants from anywhere in Oregon will be allowed to use the events.

B5. Direct Pick-Up of Large Volumes

To encourage source reduction, all large volume pick-up participants described below will be asked to consider if their paint is usable and, if so, to consider donating their paint to their nearest reuse location prior to arranging a pick-up appointment.

Large Volume Pick-Up (LVP) Service

The LVP service is a free service offered to painting contractors, other businesses, organizations, and households with large volumes of paint with a minimum quantity, currently 100 gallons in Oregon. This service allows approved users to have paint picked up at their business or home. Approval for use of the LVP service is determined by PaintCare.

Users of the LVP service will be asked to provide specific information about their volume of leftover paint, paint type (latex or oil-based), and container sizes. Once approved for pick-up, they will be put in direct contact with PaintCare's transporter to arrange an appointment.

Recurring Large Volume Pick-Up (RLVP) Service

The RLVP service is a free service offered to painting contractors and other businesses and organizations that generate large volumes of paint on an on-going basis. These sites will be set up and trained by PaintCare staff on operational requirements similar to public drop-off sites, but they will only use the program for paint from their own operations.

Users of the RLVP service are asked to provide information about the volume and type of paint they generate on a regular basis, and they must sign an agreement for service with PaintCare.

B6. Additional Activities

Paint drop-off sites permitted to conduct specific additional activities that are beneficial to the program can be compensated for their work. These activities include operating a reuse program, reprocessing latex paint, bulking oil-based paint, and providing local transportation services.

Reuse

Sites may operate reuse areas in which they place leftover paint brought to their site in good condition to be given away or sold "as-is" to their customers and local community. This paint management method represents the highest, best use of paint and typically reduces program costs and environmental impacts of transportation and processing. To support existing paint reuse programs and to provide incentives for reuse, PaintCare provides compensation based on the number of gallons given away or sold.

Latex Paint Reprocessing

Latex paint reprocessing involves color sorting, combining, and mixing leftover latex paint together to make recycled-content paint. The paint is usually mixed in batches, poured off into 5-gallon containers, and given away or sold to facility customers and the local community. As with reuse, local reprocessing typically reduces program costs and environmental impacts of transportation and processing. To support existing paint reprocessing programs and to provide an incentive for additional sites to reprocess paint, PaintCare negotiates a per-gallon rate to compensate the site for reprocessed paint that is given away or sold.

Oil-Based Paint Bulking

PaintCare makes paint management simple for paint drop-off sites by allowing them to place program products directly into paint collection bins. However, if a site chooses to bulk oil-based paint, it results in lower transportation costs for PaintCare. To support these sites, PaintCare negotiates compensation based on a per-drum rate.

Transportation

Sometimes it is more cost-effective for a paint drop-off site to transport paint from one of its locations to another, or to transport paint from an event back to its facility, rather than using PaintCare's contracted transporter. This is most commonly done by HHW programs. In these cases, PaintCare negotiates compensation for the service (e.g., on a per-event or per-bin basis).

C. CONVENIENCE CRITERIA

The law requires that the program provide:

- ◆ **One permanent site per every 30,000 residents of the state.** As of the submission of this plan, PaintCare has approximately one year-round site for every 22,000 residents (based on a 2020 population estimate published by Portland State University). PaintCare will continue to meet this criterion by continuing to support its existing program partners to ensure site retention.
- ◆ **95% of residents a permanent site within 15 miles.** PaintCare will annually conduct a geographic information analysis ("GIS") to ensure 95% of residents live within 15 miles of a year-round site. GIS analysis conducted in 2020 with the program's year-round sites shows that 97% of Oregon residents live within 15 miles of a year-round drop-off site, exceeding the 95% requirement. As of the submission of this plan, PaintCare uses US Census Bureau data that shows how population is distributed geographically to evaluate the distance of residents from the nearest year-round drop-off site.
- ◆ **For underserved areas – where the population is not within 15 miles of a permanent site – one or two paint drop-off events per year.** On an annual basis, PaintCare contacts each county to determine local paint collection needs for underserved areas. In sparsely populated areas where drop-off events may not be cost-effective due to participation, PaintCare will work closely with local contacts to determine alternate means of access for those seeking to use the program. PaintCare will seek concurrence from DEQ annually (typically, late winter into early spring) on the results of the good faith efforts to work with regional contacts, events planned for the current program year, and alternate means offered. This may include promoting awareness at the community level, such as a tailored direct mailing to advise of drop-off sites located in the nearest urban center where rural residents are likely to travel for shopping and other needs.

Program Maintenance and Growth

PaintCare will provide DEQ with an update to any changes in either year-round sites or changes to HHW and paint-only events within 30 days. Changes to information about sites will also be updated on PaintCare's site locator tool in a timely manner following the change. In addition to maintaining the current infrastructure, PaintCare will continue to recruit and encourage additional year-round sites in underserved areas of the state. PaintCare will evaluate potential new sites against program needs for site distribution and density. If the site is desired based on location, PaintCare will work with the site to determine if it is able to meet PaintCare's operational requirements.

Convenience criteria compliance is formally evaluated annually in conjunction with the annual report, as of the date of this plan, using data from the US Census Bureau and Portland State University's Population Research Center. The departure of any individual site is unlikely to impact coverage as there is typically overlap amongst sites. For example, the program exceeded the 95% of residents are within 15 miles of a year-round site criterion with only 120 sites in 2013. At the time of this submission, there were 180 sites. To maintain persistent awareness of compliance status, PaintCare's GIS database includes the unique population served by each site, providing advance understanding of the potential effect of site departures.

D. DROP-OFF SITE OPERATIONS

All PaintCare drop-off sites must have an agreement in place with PaintCare, follow PaintCare’s operational requirements, and operate in accordance with applicable federal, state and local environmental laws, regulations and permits. PaintCare’s core operational requirements are set forth in the site guidelines. A current version of the site guidelines is provided in Appendix E.

D1. Drop-Off Site Training

All drop-off sites and RLVP sites receive an in-person, on-site training and are provided a training binder that is reviewed during the training and includes a training log to be signed by all employees at the site who handle paint for the program. Training topics include:

- ◆ History and goals of paint stewardship programs
- ◆ Identification of program products
- ◆ Safe handling and storage of program products
- ◆ Spill clean-up and reporting
- ◆ Procedures for scheduling a paint pick-up
- ◆ Screening for generator status to determine if a business qualifies to use the program for oil-based paint
- ◆ Recordkeeping



D2. Collection Volumes

Drop-off sites may set their own limit for the amount of paint they will accept, as long as the limit is no less than five gallons per customer per day.

D3. Paint Storage Bins

Drop-off sites and RLVPs are provided with collection bins to store postconsumer paint received through the program. Collection bins include US DOT approved reusable or lined single-use cubic yard boxes, 55-gallon drums, and other approved bins.

All sites (including RLVPs) are required to keep collection bins in a secure location that does not have public access, has an impermeable surface, and is protected from the elements.



D4. Non-Program Products

Minimization of non-program products entering the program is critical and will be achieved through public education, signage at drop-off sites, and drop-off site training on product identifications. Sites are instructed to not accept any non-program products presented for drop-off. If a non-program product is discovered in the bin by drop-off site staff, they are instructed to leave the product in the bin.

PaintCare’s transporters and downstream processors will appropriately manage any incidental non-program products that they receive according to environmental management practices described in the Materials Management section. They will notify PaintCare of any incident and identify the specific drop-off site from where the non-program products

originated and the quantity and type that were found. Depending on the severity of the contamination, PaintCare may do one or more of the following: (1) contact the site to let them know about the incident, (2) provide additional/refresher site training on identification of program and non-program products, or (3) in extreme cases, remove the site from the program.

D5. Site Visits and Monitoring

Retail and reuse sites will receive site visits a minimum of twice per year. HHW facilities, solid waste facilities and RLVP sites will be visited a minimum of once per year. The purpose of these visits is to ensure compliance with site guidelines, address any needs or concerns the sites may have, check their supplies of outreach materials, and solicit their feedback on how to improve the program. PaintCare staff typically will offer retraining on site guidelines as a first step to correcting unwanted behaviors. At PaintCare's discretion, non-compliance with site guidelines may result in termination of the site's agreement and removal from the program.

D6. Contracts

As of the submission of this plan, retail, material reuse stores, and RLVPs each have one standard contract type. For municipal sites – whether HHW facilities, HHW events, or solid waste facilities – two main contracting approaches are used. If municipal employees operate the collection site or event, a contract is put in place directly between PaintCare and the municipality. If, however, the municipality has hired outside contractors to operate the collection site or event, PaintCare offers an indirect contract approach, whereby PaintCare contracts with the municipality's operator upon authorization from the municipality.

5. Materials Management

STATUTORY CITATION

Section 459A.827(2)(e) Undertake the responsibility of negotiating and executing contracts to collect, transport, recycle and process postconsumer architectural paint for end-of-product-life management that includes recycling, energy recovery and disposal; and

Section 459A.827(2)(f) Describe how the end-of-product-life management of postconsumer architectural paint that is collected under this program will use environmentally sound management practices that are consistent with ORS 459.015(2).

Section 459A.822 defines environmentally sound management practices as: policies and practices that are to be implemented by a stewardship organization, or by contractors working for a stewardship organization, to ensure compliance with all applicable laws related to the collection, storage, transportation, reuse, recycling and disposal of postconsumer architectural paint and that address:

(a) Adequate record keeping;

(b) The tracking and documentation of the fate of postconsumer architectural paint within this state and outside this state; and

(c) Adequate environmental liability coverage for professional services and for the operations of contractors working for a stewardship organization.

Section 459A.827(4)(c) Identify the processors that manage the postconsumer architectural paint that is collected under the program.

Section 459A.827(4)(d) Identify the transporters of postconsumer architectural paint that is collected under the program.

Section 459A.827(2)(c) Establish and provide for the development and implementation of goals to reduce the generation of post-consumer architectural paint, including goals for:

(B) Increasing the recycling rate for latex paint

SECTION OVERVIEW

- ◆ Environmental regulatory requirements
- ◆ Paint transportation and current transporters
- ◆ Paint processing and current processors
- ◆ Transportation and processing audit program
- ◆ Non-program products and empty containers
- ◆ Insurance and financial assurance
- ◆ Latex paint recycling rate

All descriptions in this section refer to current or typical activities as of the submission of this program plan. Any changes in PaintCare transporters, processors or processing methods described in this section will be shared with

DEQ within 30 days of the change. A full definition and examples of both program and non-program products are provided in Appendix B.

A. ENVIRONMENTAL REGULATORY REQUIREMENTS

PaintCare contracts for all transportation, processing and proper end-of-life management of postconsumer paint collected in the program. All contracted transporters, processors and their subcontractors are required by PaintCare as part of their contract to have processes in place to ensure compliance with applicable federal, state, and local environmental laws, regulations, and permits. Transporters and processors must immediately notify PaintCare of any violations or circumstance and occurrences that would require reporting to any government authority under applicable permits or laws. Under the contract terms, violations of law constitute a breach and can be grounds for immediate termination. Transporters and processors must require any subcontractors they use also comply with all applicable environmental regulations and other laws relating to the services provided by those subcontractors. The principal environmental regulatory requirements applicable to the program and its service providers are summarized in Appendix G.

B. PAINT TRANSPORTATION

An effective transportation system is required to ensure that the program's collection infrastructure operates efficiently. Transporters may include both private and public entities. To ensure accurate tracking of materials and recordkeeping, PaintCare has access to executed/signed shipping documents mandated by contract with all program service providers.

As needed, transporters drop off empty bins and supplies (e.g., spill kits) at PaintCare drop-off sites, events, and RLVPs and transport bins away from the locations when they are full. Transporters service drop-off sites in two ways – on-call or on a set schedule. For those sites with on-call pick-ups, PaintCare advises sites to call the transporter when they are nearing their storage capacity. For those sites with a set schedule, the transporter calls the drop-off sites prior to the next scheduled pickup to check on current storage capacity and to inquire if a pick-up is needed. RLVPs call when their bins are full, and events are coordinated in advance for pick-up at the end of the event.

B1. Current Transporters

Clean Earth (formerly Stericycle Environmental Solutions)

Clean Earth staff sort the contents of all bins after initial transport to their facility in Washougal, WA. Following sorting, Clean Earth transports:

- ◆ Oil-based paint to their facility in Kent, WA
- ◆ Latex paint to Metro's recycling facility in Portland, OR or GDB International in Las Vegas, NV

Clean Harbors Environmental Services

Clean Harbors segregates paint upon receipt and packages program products into two separate streams – latex paint and oil-based paint. All bins are first delivered to their facility in Clackamas, OR, for consolidation. Following consolidation, Clean Harbors transports:

- ◆ Oil-based paint to their facility in Grantsville, UT
- ◆ Latex paint to GDB International in Las Vegas, NV

ACTenviro

ACTenviro segregates paint upon receipt and packages program products into two separate streams – latex paint and oil-based paint. All bins are first delivered to their facility in Clackamas, OR, for consolidation. Following consolidation, ACTenviro transports:

- ◆ Oil-based paint to their facility in Albuquerque, NM
- ◆ Latex paint to GreenSheen in Kent, WA

Metro

Metro transports latex paint from their HHW facilities and collection events to their Portland paint recycling facility. Metro transports oil-based paint from collection events to their HHW facility. Following transport to the Metro HHW facility, oil-based paint is picked up by Clean Earth for transport and processing.

B2. Tracking and Documentation

All transporters record their activities using a bill of lading and/or a hazardous waste manifest and these documents are submitted to PaintCare with invoices. All shipping records are required by contract to be retained for a minimum of three years. PaintCare requires its transporters to be responsible for tracking, managing and reporting all associated data, including the date, type and weight of materials collected, and the fate of materials through each step of handling until final disposition.

C. PAINT PROCESSING

C1. Processing Hierarchy

PaintCare contracts for processing and proper end-of-life management of postconsumer paint collected in the program. The following hierarchy will be followed when prioritizing management of paint collected through the program. PaintCare requires in its contracts that all paint collected through the program is managed consistent with the following hierarchy, which conforms to Oregon's waste management hierarchy, ORS 459.015(2)(a):

Latex Paint

- ◆ Reuse
- ◆ Recycling back into paint or into another product
- ◆ Beneficial use
- ◆ Biodegradation
- ◆ Appropriate disposal

Oil-Based Paint

- ◆ Reuse
- ◆ Paint-to-paint recycling

- ◆ Energy recovery through fuel blending or fuel incineration

The condition in which postconsumer paint is received by the program may limit the available management options, particularly for latex paint. If containers are not properly sealed during storage, latex paint can harden due to evaporation and may no longer be usable or recyclable. The method of storage and the timing of the decision to recycle unwanted paint are determined by the owner. The program encourages the proper storage and the return of unwanted postconsumer paint in a timely manner in an effort to reduce the age and improve the condition of the paint. The following provides a more detailed description of the latex and oil-based paint management options listed above.

C2. Latex Paint Management

Reuse. PaintCare promotes paint reuse via its partnerships with reuse sites. These sites are required to document their reuse activities to receive compensation for the volume distributed and are encouraged to obtain a participant waiver acknowledging that the suitability of the product cannot be guaranteed.

Recycling Paint Back into Paint. Depending on its condition, latex paint may be used to make recycled-content latex paint. Once reprocessed, recycled-content paint is sold through domestic and international markets, either as an end-consumer paint product or as a raw material that is used in further paint manufacturing. The quality of the paint varies from high quality color-segregated and filtered paint to low-grade gray paint often used for graffiti abatement.

Recycling Paint into Another Product. Latex paint may be processed into a raw material, which is then sold to manufacturers that use it as an input in manufacturing other durable products, such as concrete barriers and garden pavers.

Beneficial Use. Latex paint may go to beneficial use – as approved by federal, state and local authority – including use in fuel substitute or as alternative daily cover (ADC).

Biodegradation. Latex paint may be used for landfill biodegradation, a process that uses non-hazardous liquids to accelerate waste biodegradation and stabilization under a research permit issued by the US EPA.

Appropriate Disposal. Use of a permitted landfill for disposal, including landfill disposal, is the least preferred management method for latex paint.

C3. Oil-Based Paint Management

Reuse. PaintCare promotes paint reuse via its partnerships with reuse sites. These sites are required to document their reuse activities to receive compensation for the volume distributed and are encouraged to obtain a participant waiver acknowledging that the suitability of the product cannot be guaranteed.

Paint-to-Paint Recycling. Oil-based paint may be used to make recycled-content oil-based paint. Commercial oil-based paint recyclers typically manufacture recycled-content oil-based paint in a variety of colors that is sold internationally. As of the submission of this program plan, this method is only available in certain geographic areas in the United States but is included to allow for future possibility for the Oregon program.

Fuel Blending. Some cement kilns use high BTU value industrial by-products and hazardous wastes, including oil-based paint, as an alternative fuel source. These kilns are fully permitted for the necessary federal, state, and local requirements for hazardous waste management and monitor air emissions and kiln ash for permit compliance. Burning hazardous waste offsets the amount of other fuel sources required by the kilns to manufacture cement.

Fuel Incineration. Permitted hazardous waste incinerators commonly process oil-based paint, flammable liquids, and other hazardous wastes and industrial by-products as a substitute fuel source because it is readily available and has a high BTU value. A high BTU value aids in the thermal destruction of other hazardous waste and validates its use in this capacity. These incinerators are fully permitted for the necessary federal, state, and local requirements for hazardous waste management and monitor air emissions and ash for permit compliance.

C4. Current Processors

Metro (Latex Paint)

Latex paint is reprocessed into recycled-content latex paint and marketed or donated by MetroPaint. As of the date of this plan, paint that Metro designates during the sorting process as not suitable for reprocessing is sent to:

- ◆ GDB International in Las Vegas, NV;
- ◆ Columbia Ridge Landfill in Arlington, OR. This solid waste landfill uses non-hazardous liquids to accelerate waste biodegradation and stabilization under a research permit issued by the US EPA.

Tillamook County (Latex Paint)

Tillamook County processes latex paint received through their HHW collection events and Manzanita Transfer Station. Latex paint is reprocessed into recycled-content paint and sold locally. As of the submission of this plan, the portion of the paint not able to be reprocessed locally is transported by Clean Earth and processed by Metro.

The quantity of paint reprocessed is recorded using a custom tracking form. Tillamook County provides PaintCare a certificate of recycling with each invoice it submits. All records tracked are required by contract to be retained for a minimum of three years.

GDB International (Latex Paint)

As of the submission of this plan, GDB is a subcontractor to Metro, Clean Earth and Clean Harbors who reprocesses paint into architectural paint products that are sold domestically and internationally.

GreenSheen Paint (Latex Paint)

As of the submission of this plan, GreenSheen is a subcontractor to ACTenviro who reprocesses paint into architectural paint products that are sold domestically and internationally.

Clean Earth (Oil-Based Paint)

Clean Earth currently manages oil-based paint at their Kent, WA, facility. After consolidation through a container shredding process, the paint is pumped into DOT approved containers and is hauled to Rineco in Haskell, AR, for distribution to cement kilns for use as a fuel. Cement kilns used include:

- ◆ Lonestar Industries, Cape Girardeau, MO;
- ◆ Green America Recycling, Hannibal, MO;
- ◆ Ash Grove Cement in Chanute, KS and Forman, AR;
- ◆ Giant Resource Recovery, Attala, AL; and,
- ◆ Systech, Fredonia, KS.

Consolidated fuels that do not meet blending parameters or exceed PCB limits are hauled to permitted fuel incinerators, including Clean Harbors' facility in Grantsville, UT.

PaintCare does not contract directly with cement kilns and incinerators. These entities are subcontractors or third-party vendors to Clean Earth. As stated above, PaintCare contracts mandate that processors are fully responsible for activities undertaken by subcontractors, including cement kilns and incinerators.

Clean Harbors Environmental Services (Oil-Based Paint)

Oil-based paint managed by Clean Harbors for the program is transported to and processed at the Clean Harbors owned and operated fuel incineration facility in Grantsville, UT. The paint, which has been separated from the containers by a shredder, is fed into the kiln for processing.

ACTenviro (Oil-Based Paint)

ACTenviro currently manages oil-based paint at their Albuquerque, NM, facility. After consolidation through a container shredding process, the paint is pumped into DOT approved containers and is hauled to Rineco in Haskell, AR, for distribution to cement kilns for use as a fuel.

C5. Tracking and Documentation

All transporters record their activities using a bill of lading and/or a hazardous waste manifest and these documents are submitted to PaintCare with invoices. All processing and shipping records are required by contract to be retained for a minimum of three years. PaintCare requires its transportation and processing contractors to be responsible for tracking, managing and reporting all associated data, including the date, type and weight of materials collected, and the fate of materials through each step of handling until final disposition.

D. NON-PROGRAM PRODUCTS AND EMPTY CONTAINERS

D1. Non-Program Products

Although drop-off sites will be trained and instructed to screen out non-program products, a small number of containers of non-program products may enter the program and be screened out during the sorting process by PaintCare's transporters and processors. Non-program products, including HHW non-program products, will be managed appropriately in accordance with applicable law by PaintCare's service providers rather than returned to a drop-off site.

D2. Empty Paint Containers

Whenever possible, empty metal and plastic paint containers will be recycled. PaintCare will work with its service providers to identify and utilize opportunities as markets permit. Unrecyclable containers are disposed of as solid waste.

E. TRANSPORTATION AND PROCESSING COMPLIANCE MONITORING PROGRAM

PaintCare has established procedures for monitoring both transporters and processors that manage materials in connection with the PaintCare program. If PaintCare's monitoring efforts identify potential problems or concerns, PaintCare will work with the relevant parties to address those issues. Each such situation will be addressed on a case-by-case basis depending on the nature of the issue and available solutions. These monitoring procedures have been devised to be objectively reasonable compared to industry standards.

PaintCare will monitor its transporters to help ensure they meet certain requirements. Current requirements include:

- ◆ The transporter must possess all permits and licenses required under applicable law for the services they will perform for PaintCare.
- ◆ The transporter must have a satisfactory carrier safety rating, as defined by the U.S. Department of Transportation.

- ◆ The transporter must have an emergency response plan in place for addressing spills and other emergencies that may occur in the course of performing services for PaintCare.

The transporter must carry appropriate liability insurance, including environmental insurance for any hauler that will transport hazardous materials in connection with the PaintCare program.

PaintCare requires its contracted transporters to verify that each processor they utilize to process materials in connection with the PaintCare program meets certain minimum eligibility criteria prior to use. Current criteria include:

All processors must possess valid permits for all activities to be performed by the processors in connection with the PaintCare program

- ◆ All processors must possess a safety program and emergency response procedures, provide appropriate staff training, and maintain records as mandated by OSHA or as otherwise required by applicable law.
- ◆ All processors must carry appropriate insurance, including environmental insurance for any processing facility that will process hazardous materials in connection with the PaintCare program.

PaintCare further requires that its contracted transporters ensure that each processor used to process materials in connection with the PaintCare program maintains compliance with PaintCare's eligibility criteria.

Finally, PaintCare has robust audit rights, mandated by contract, with regard to all transporters and processors. PaintCare will take reasonable steps to independently verify the criteria for transporters and processors are followed and the information reported to PaintCare by the transporters and processors.

F. INSURANCE AND FINANCIAL ASSURANCE

PaintCare requires all contractors – drop-off sites, transporters, processors, etc. – to carry insurance appropriate to the services provided for the PaintCare program. While the specific amount and terms may vary from contractor to contractor, they may include:

- ◆ Commercial General Liability Insurance
- ◆ Commercial Automobile Liability Insurance
- ◆ Workers' Compensation Insurance
- ◆ Environmental Pollution Liability Insurance
- ◆ Endorsements to name PaintCare as an additional insured on the required insurance coverage (other than Workers' Compensation)

Because contractors have widely different insurance policies (e.g., commercial insurance vs. self-insurance, etc.), PaintCare evaluates (often with the assistance of outside legal counsel) the insurance terms in each contract on a case-by-case basis to ensure that the contractor maintains insurance of the types and in the amounts PaintCare deems appropriate for the services the contractor provides to the PaintCare program. PaintCare itself also carries Pollution Liability, Commercial General Liability and Excess Umbrella Coverage to help protect the program from any liability PaintCare may incur.

Details of current insurance standards for contractors are provided in Appendix H.

G. LATEX PAINT RECYCLING RATE GOAL

PaintCare’s latex paint recycling goal is to maintain or exceed the 80% rate achieved in 2020.

Latex Paint Disposition Method	2018	2019	2020
Recycled	68%	67%	80%

6. Education and Outreach

STATUTORY CITATION

Section 459A.825(2)(a) A stewardship organization must provide retailers selling or offering for sale architectural paint with information on available collection opportunities for postconsumer architectural paint offered through the organization's architectural paint stewardship program.

Section 459A.827(2)(a) Specify educational and outreach activities and materials that promote the architectural paint stewardship program. Educational and outreach materials must include, but are not limited to, signage, written materials and templates of materials for reproduction by retailers to be provided to the consumer at the time of sale. The materials must:

- (A) Identify collection opportunities for postconsumer architectural paint;
- (B) Explain the architectural paint stewardship assessment described in this section; and
- (C) Promote:
 - (i) A reduction in the generation of postconsumer architectural paint; and
 - (ii) The reuse, recovery and recycling of postconsumer architectural paint.

Section 459A.827(2)(c) Establish and provide for the development and implementation of goals to reduce the generation of post-consumer architectural paint, including goals for:

- (A) Reducing the amount of post-consumer architectural paint that is generated in this state;
- (C) Increasing public awareness of the architectural paint stewardship program.

Section 459A.827(2)(d) Promote the reuse of post-consumer architectural paint.

SECTION OVERVIEW

This section discusses:

- ◆ Outreach methods
- ◆ Messages
- ◆ Target audiences
- ◆ PaintCare hotline
- ◆ Site locator tool
- ◆ Samples of outreach materials
- ◆ Postconsumer paint reduction goal
- ◆ Public awareness goal

A. METHODS

PaintCare is committed to continuing a robust and successful education and outreach strategy for the program using a variety of communication methods, including:

- ◆ Earned media (e.g., press releases/coverage)
- ◆ Traditional media (e.g., newspaper, radio, television)
- ◆ Print materials (e.g., brochures, fact sheets, site posters)
- ◆ Digital, online, and social media (e.g., webpage, banner ads, Facebook)
- ◆ Direct, face-to-face communications (e.g., retail site visits, presentations)

B. MESSAGES

B1. Reduce, Reuse, Recycle

The Three R's—"Reduce, Reuse, Recycle"—have been used by environmental organizations and waste management programs for many years. To reduce the amount of postconsumer paint and to inform consumers how and where to recycle their unwanted paint, PaintCare developed a more instructive and paint-specific version of the Three Rs. The three primary components of PaintCare's "Paint Smarter" message is "Buy Right, Use It Up, Recycle the Rest" to say (1) purchase the right amount of paint for a job, (2) try to use up leftover paint when you can, and (3) if you still have unwanted paint, bring it to PaintCare for recycling.

Secondary messages include "Store Right" and "Pass It On." "Store Right" emphasizes extending the life of paint to avoid drying, freezing, and spoilage to increase the likelihood that paint can be used up later or can be made available for reuse or recycling later. "Pass It On" encourages the public to share leftover paint with friends, neighbors, community groups, etc., to ensure that it gets used appropriately and safely, reducing waste without need for further intervention.

While all of PaintCare's key messages are of equal importance, "Recycle the Rest" is a clear call-to-action that is effective at getting the attention of paint consumers who find themselves with leftover paint. Therefore, it figures prominently in PaintCare's advertising and point-of-sale materials. Meanwhile "Buy Right" and "Use It Up" are especially effective for digital and online media, which are optimal channels for sharing DIY and home care tips. Nonetheless all three key messages can be used in any medium, and PaintCare continually seeks new ways to present them to its target audiences. "Buy Right," "Use It Up" and "Store Right" posters are in development for paint retail locations.

B2. Program Awareness

Additional messages are used to maintain and increase awareness of the program and answer these questions:

- ◆ What is PaintCare and why does the program exist?
- ◆ Why was the law passed (e.g., product stewardship, environmental benefits, cost savings to municipalities)?
- ◆ How much is the PaintCare fee and what is it for?
- ◆ Which products are accepted in the program and which products are not?

C. TARGET AUDIENCES

PaintCare's outreach and education strategies will focus appropriate messages to each of the following audiences:

- ◆ Households (residents)
- ◆ Businesses that generate paint (e.g., professional painters, contractors, property managers)
- ◆ Real estate agents
- ◆ Paint retailers
- ◆ HHW programs and solid waste facilities
- ◆ Non-English speakers

The following sections describe how the program may adjust the emphasis of messages in outreach materials based on target audience.

C1. Households

Buy right: Educate people on how to buy the right amount of paint by describing factors that determine the right amount of paint needed for a particular job other than by solely calculating the area (square footage) of the surface. Other factors that affect the amount of paint required for a job include surface texture, quality of paint and corresponding coverage rates, color, and whether a surface has been previously painted or primed. PaintCare promotes that consumers should consult with paint store staff rather than relying solely on calculations of square footage.

Use it up: In 2013, PaintCare hired a consulting firm to research ideas for using up leftover paint. The conclusion of this research was that there are five techniques to consider: (1) use it as primer or base coat, (2) paint something else, not just craft projects but anything, (3) paint an extra coat of paint even if it is not needed, (4) give it to someone else, and (5) tint paint to another color. Based on this conclusion, PaintCare promotes these five techniques as ways for households to use up leftover paint.

Recycle the rest: Emphasize how to find a drop-off site to recycle paint.

C2. Businesses that Generate Paint

- ◆ Promote reuse via donation to a local non-profit as a first option to consider before recycling.
- ◆ Emphasize "Recycle the Rest".
- ◆ Promote the LVP service to businesses with large volumes of leftover paint encouraging them to request a direct pick-up rather than transport their paint to drop-off sites a little at a time.

C3. Real Estate Agents

Many new home buyers find paint left behind by previous owners. To help those either buying or selling a home, PaintCare will consider real estate agents in its messaging and outreach. Although the agents usually don't generate leftover paint themselves, they are in an excellent position to help educate home buyers, sellers, as well as professional painters who help get the homes ready to sell.

C4. Retailers

PaintCare has developed print materials for use by all paint retailers to educate store staff and to educate the general public (regardless of whether or not they are drop-off sites). Retailers are provided the following materials at no charge. Examples include:

- ◆ Brochures and mini cards that help the public find drop-off sites and explain the program.
- ◆ Signage that promotes general awareness of the program, explains the PaintCare fee, and how to find a drop-off site.
- ◆ Fact sheets formatted for easy printing and designed for a variety of audiences and subjects (e.g., general information, how to become a paint drop-off site, how to request a large volume pick-up).

As required by statute, it is the responsibility of PaintCare to provide retailers of paint, including those operating online, outreach and education content and materials that include available collection opportunities for the public. Materials are provided as printed copies via direct mail. Materials are available for order at any time. Retailers may use PaintCare's order form and return it by email, or they may request materials by telephone or via local program staff. PaintCare staff fulfills orders year-round. Drop-off sites also receive materials from PaintCare staff during site visits. Finally, electronic files of materials are always available from PaintCare's website for retailers who wish to print their own materials.

PaintCare maintains annual contact with all paint retailers in Oregon via an annual mailer, distributed by mail or email as elected by the retailer. The annual mailer includes the following information:

- ◆ Reminder of statutory obligation to provide information on paint stewardship to all customers at point of sale.
- ◆ Reminder of how to request new print materials, and how to access them online.
- ◆ Updates and samples of new print materials.
- ◆ Reminder of key messages, such as recommending the public consult with retail staff when planning for a paint project to encourage buying the appropriate quantity needed and reducing waste.

C5. HHW Programs and Solid Waste Facilities

Fact sheets for HHW programs and solid waste facilities are posted to PaintCare's website and are updated annually. An interest form is included for those who are not already partnering with PaintCare.

C6. Non-English Speakers

PaintCare has translated some of its materials for non-English speakers, including households and painting professionals. As of the date of this program plan, the program brochure and fact sheets including Information for Painting Contractors, PaintCare Products, Information about the Large Volume Pickup Service, and About the PaintCare Fee are available in the following languages: Amharic, Arabic, Armenian, Chinese, Farsi, French, Hmong, Khmer, Korean, Lao, Polish, Portuguese, Russian, Spanish, Somali, Thai, Turkish, and Vietnamese. The mini card is currently available in Spanish, Russian, and Chinese.

These materials are all available for order at PaintCare's website: www.paintcare.org

In addition to print materials, PaintCare will explore advertising on Spanish-language stations, online streaming audio services, and other media channels. PaintCare's website is now entirely bilingual (Spanish). Visitors can select the Spanish or English button to toggle between languages on any page. PaintCare will explore the use of QR codes to direct readers of Spanish language outreach materials to the Spanish translation of www.paintcare.org.

D. PAINTCARE HOTLINE

PaintCare operates a weekday telephone hotline to assist the public with finding the nearest drop-off site and to answer questions about the program. Live Spanish translation by an interpreter is available on the hotline.

E. SITE LOCATOR TOOL

PaintCare is committed to providing accurate, up-to-date information regarding paint recycling options available to the public, which is provided by a nationwide database hosted on PaintCare's website and optimized for viewing on any screen including mobile devices. This site locator tool provides a unique, paint-specific, easy-to-use search tool for locating the nearest drop-off site to take leftover paint. Search results note if a site can take up to 5, 20, or 100 gallons, is also an HHW program that can accept other items, and if the site offers reuse. Site-specific information explains who is eligible to use a specific site and what limitations apply to the site (e.g., municipal transfer stations normally serve only that municipality's residents).

This tool is available on PaintCare's website at www.paintcare.org. In non-PaintCare states the tool lists municipal HHW programs as locations where the public can bring leftover paint. In Oregon and other PaintCare states, it lists only PaintCare drop-off sites (including HHW programs that partner with PaintCare).



Site Locator on PaintCare's Website

F. EXAMPLES OF OUTREACH MATERIALS

Examples of the following outreach materials are provided in Appendix F:

- ◆ Program brochure
- ◆ General poster
- ◆ Drop-off site poster
- ◆ Mini card
- ◆ Painting contractor fact sheet
- ◆ Large volume pick-up service fact sheet

G. POSTCONSUMER PAINT REDUCTION GOAL

PaintCare has set a goal to reduce postconsumer paint by increasing consumer awareness of 10 best practices for buying, using, and storing paint. The goal is to increase reported awareness of those factors by an average of 5% across all 10 practices within 10 years. This goal is based on a 2023 baseline measurement survey of 1,201 respondents in the state.

Implementation Plan

PaintCare will measure consumer awareness of the 10 best practices once each year to determine progress toward the goal via a paint consumer survey. The survey will include at least 800 survey respondents. PaintCare will seek to survey a balanced sample of the Oregon population with all areas of the state and historically underrepresented persons represented proportionally.

After evaluating the survey results each year, PaintCare will consider adjusting outreach campaigns to improve annual measurement outcomes. This may include adjusting type, content, and frequency of messaging, effectiveness of audience targeting, and other considerations. Such adjustments will be based on the judgment of PaintCare's communications professionals on how to best achieve the goals set forth in this section.

Annual measurement data will be compared against the 2023 baseline study of Oregon paint consumers which found the following:

- ◆ 47% took measurements before painting to plan the right amount.
- ◆ 31% consulted with a salesperson when buying paint to plan the right amount.
- ◆ 21% followed instructions on the label to plan the right amount.
- ◆ 20% searched online for advice on planning the right amount.
- ◆ 13% used a web-based paint calculator tool for planning the right amount.
- ◆ 61% were aware that using a rubber mallet when sealing paint can lids helps avoid damage to the can.
- ◆ 57% were aware that cleaning the container's rim helps ensure a more airtight seal.
- ◆ 57% were aware that keeping paint away from freezing temperatures may preserve it longer.
- ◆ 52% were aware that storing paint away from dampness may preserve it longer.
- ◆ 51% were aware that using a paint can key or opener tool may help avoid damage to the can rim and lid.

An average of the percent changes for the preceding measurements will be calculated and will determine whether the goal of 5% increase on average across all measurements has been met.

Detailed Timeline

Timing	Activity
2024 and Ongoing	<ul style="list-style-type: none"> ◆ PaintCare conducts annual outreach campaign, including public education about source reduction best practices after DEQ approves amendment. ◆ PaintCare conducts annual measurement survey and compares outcomes to baseline measurement. ◆ PaintCare reports on efforts to meet goal in quarterly updates to DEQ. ◆ PaintCare reports survey findings and outreach campaigns in annual report. ◆ PaintCare repeats annual measurement survey, adjusts annual outreach campaigns as needed, reports on survey findings and outreach campaigns in annual reports, and reports on efforts to meet goal in quarterly updates to DEQ.
10 Years After DEQ Approval Date	PaintCare reports to DEQ whether goal was reached.

In alignment with Senate Concurrent Resolution 17, audiences will include low-income, immigrant, Black, Native American, Indigenous, and People of Color communities that have been disparately impacted by environmental pollution and environmental justice hazards.

H. PUBLIC AWARENESS GOAL

PaintCare has set a goal to increase the proportion of Oregon paint consumers that are aware that paint can be recycled or reused, aware of the availability of paint drop-off opportunities in the state, and/or aware of PaintCare by an average of 10% across all three measurements within 10 years. The goal is based on a 2023 baseline awareness measurement survey of 1,201 respondents in the state.

Implementation Plan

PaintCare will measure public awareness levels once each year to determine progress toward the goal via a paint consumer survey. The survey will include at least 800 survey respondents. PaintCare will seek to survey a balanced sample of the Oregon population with all areas of the state and historically underrepresented persons represented proportionally.

After evaluating the survey results each year, PaintCare will consider adjusting outreach campaigns to improve annual measurement outcomes. This may include adjusting type, content, and frequency of messaging, effectiveness of audience targeting, and other considerations. Such adjustments will be based on the judgment of PaintCare’s communications professionals on how to best achieve the goals set forth in this section.

Annual measurement data will be compared against the 2023 baseline survey which found the following:

- ◆ 42% of paint consumers were aware that paint can be recycled.
- ◆ 51% of paint consumers were aware of paint drop-off opportunities in the state.
- ◆ 8% of paint consumers were aware of the organization named PaintCare that operates the paint stewardship program.

An average of the percent changes for the preceding measurements will be calculated and will determine whether the goal of 10% increase on average across all measurements has been met.

Detailed Timeline

Timing	Activity
2024 and Ongoing	<ul style="list-style-type: none"> ◆ PaintCare conducts annual outreach campaign, including public education intended to increase awareness of paint recycling in Oregon after DEQ approves the amendment. ◆ PaintCare conducts annual measurement survey and compares outcomes to baseline measurement. ◆ PaintCare reports on efforts to meet goal in quarterly updates to DEQ. ◆ PaintCare reports survey findings and outreach campaigns in annual report. ◆ PaintCare repeats awareness measurement, adjusts outreach campaigns as needed, reports on survey findings and outreach campaigns in annual report, and reports on efforts to meet goal in quarterly updates to DEQ.
10 Years After DEQ Approval Date	PaintCare reports to DEQ whether goal was reached.

In alignment with Senate Concurrent Resolution 17, audiences will include low-income, immigrant, Black, Native American, Indigenous, and People of Color communities that have been disparately impacted by environmental pollution and environmental justice hazards.

7. Budget and PaintCare Fee

STATUTORY CITATION

Oregon Law, 2017 Edition, Chapter 459A – Reuse and Recycling

Architectural Paint Stewardship Program

Section 459A.827(4)(e) Include an anticipated annual operating budget for the program for the next four calendar years, beginning with the year in which the plan is submitted to the director, as described in subsection (5) of this section.

Section 459A.827(4)(f) Include a funding mechanism whereby each architectural paint producer remits to the stewardship organization payment of an architectural paint stewardship assessment for each container of architectural paint the producer sells in this state. The architectural paint stewardship assessment must be added to the cost of all architectural paint sold to Oregon retailers and distributors, and each Oregon retailer or distributor shall add the assessment to the purchase price of all architectural paint sold in this state. The architectural paint stewardship assessment may not be described as an Oregon recycling fee at the point of retail, and a fee may not be charged to the consumer at the point of collection of postconsumer architectural paint. To ensure that the funding mechanism is equitable and sustainable, a uniform architectural paint stewardship assessment must be established for all architectural paint sold in this state. The architectural paint stewardship assessment must be approved by the director as part of the plan and must be sufficient to recover, but not exceed, the costs of the architectural paint stewardship program.

Section 459A.827(5) The budget required under subsection (4) of this section shall include, but not be limited to, budget line items relating to:

- (a) The development and implementation of the educational and outreach activities and materials required under subsection (2)(a) of this section and the provision of information to retailers required under ORS 459A.825;
- (b) The collection, transportation and processing of postconsumer architectural paint as part of the program;
- (c) The administrative costs of the program to the stewardship program;
- (d) The anticipated amount of moneys that the stewardship organization will hold in unallocated reserve funds for the program;
- (e) The administrative fees paid the Department of Environmental Quality under ORS 459A.852; and
- (f) Any additional budgetary information requested by the director that is necessary for the director to approve the plan.

SECTION OVERVIEW

- ◆ This section discusses:
- ◆ Funding mechanism
- ◆ Paint sales and Fee revenue
- ◆ Paint collection volume
- ◆ Budget discussion
- ◆ PaintCare fee structure
- ◆ PaintCare fee collection process
- ◆ Program cost effectiveness

A. FUNDING MECHANISM

As the representative stewardship organization, PaintCare manages all aspects of the Oregon program for participating manufacturers. Funding for program implementation comes from registered manufacturers to PaintCare in the form of the PaintCare fee. The following steps describe the application of the PaintCare fee:

- 1) Manufacturers add the PaintCare fee to containers of architectural paint sold in Oregon directly or through dealers (retailers and distributors).
- 5) Retailers and distributors pass the PaintCare fee described in step 1 to their customers by including it in the price of architectural paint they sell in Oregon.
- 6) When consumers buy architectural paint in Oregon, the PaintCare fee is included in the purchase price. This is how retailers (and distributors) recoup the PaintCare fee they paid when purchasing architectural paint from their suppliers. (If a customer returns paint, the fee is also returned since it is part of the purchase price.)
- 7) Within a designated timeframe (e.g., monthly, quarterly), manufacturers report sales and remit the PaintCare fees to PaintCare for architectural paint they sold in Oregon in the preceding reporting period. Manufacturers recoup the PaintCare fees they are paying to PaintCare because the fees were included in the price of their architectural paint when they sold it to their dealers.

B. PAINT SALES AND FEE REVENUE

	2017	2018	2019	2020
Gallons Sold	9,198,600	9,212,146	8,933,181	9,707,796
Fee Revenue	\$4,744,944	\$4,901,931	\$5,669,810	\$6,391,504

C. PAINT COLLECTION VOLUME

While paint collection activities were impacted by the COVID-19 pandemic in 2020, based on the stable nature of the collection infrastructure, PaintCare believes that volumes have will track closely to the four-year average of approximately 770,000 gallons. Costs related to collection, transportation and processing are likely to rise due to anticipated rate increases for these services.

	Paint Collected (gallons)			
	2017	2018	2019	2020
Latex	624,543	636,727	616,425	550,292
Oil-Based	186,201	159,059	150,663	155,978
Total	810,744	795,786	767,088	706,270

D. BUDGET DISCUSSION

Based on anticipated collection volumes and paint sales as discussed above, PaintCare has developed a budget projection for years 2021-2025. The primary elements of the budget are discussed here.

D1. Revenue

Revenue calculations utilize the revised PaintCare fee structure that took effect on October 1, 2018. Based on reported sales in 2019, this new fee structure generates approximately \$1 million in additional revenue annually.

An annual increase in sales is expected to follow the yearly change in state population, as estimated by Portland State University. State population growth has proven to be strongly correlated to paint sales growth in Oregon and other states. An exception to this observed trend is likely to occur in 2021 when year-over-year sales are forecast to decline, but only after having increased by nearly 13% in 2020 as a result of an influx of home improvement purchases during the COVID-19 pandemic.

Changes to paint sales volumes would alter actual revenue available when compared to the program budget and forecast provided.

D2. Expenses

Paint collection, transportation and processing (CTP). CTP activities are the most significant expenses of the program. Transportation costs include money paid to pick up bins of program products from drop-off sites and deliver them for processing. Processing costs include sorting; incentive payments for reuse; and paint processing, recycling, and proper disposal. Collection support is a smaller sub-category that includes paint collection bins, training materials for sites, site securement (e.g., fencing), and spill kits.

Changes to forecast paint collection volume and pricing related to CTP would alter actual expenses when compared to the program budget provided.

Communications. These expenses include advertising and promotional materials to increase awareness of the program, as well as information provided to retailers as required by statute. Communications is budgeted at \$150,000 in 2021 and is forecast to increase in future years to allow for work on measuring and influencing program goals.

State agency administrative fees. This expense is paid by PaintCare to DEQ for oversight of the paint stewardship program.

Personnel, professional services, and other.* These expenses include the cost of staff working directly to implement the Oregon program; legal costs for regulatory review and developing contracts; and other logistical, professional support, and office expenses.

Corporate Expenses.* Corporate expenses are those that are not specific to Oregon but support all current and future PaintCare programs. These costs include but are not limited to corporate staffing (e.g., PaintCare's president, director of operations, communications team); back-office support (e.g., information technology, legal, government affairs, and accounting); company-wide auditing, insurance, outside counsel, and other professional services; software licenses and maintenance of data management systems; occupancy; general communications; and other supplies and services that support all PaintCare programs.

Corporate expenses are allocated among all PaintCare programs based on their relative populations in the most recent census and begin to be assessed about six months before program start. At the time of plan submission, Oregon represents 5.9% of the combined population of the PaintCare programs. This allocation will decrease in late 2021 to approximately 4.7% as a result of the inclusion of PaintCare's new program in New York. In future years,

PaintCare may update the corporate allocation based on the population estimates published annually by the US Census Bureau.

(* These expense categories are referred to collectively as "Administrative costs" in the Oregon law)

D3. Unallocated Reserve Funds

As of December 31, 2020, the Oregon program's balance was \$1,798,093.

Unallocated reserve funds will be used to: maintain a reserve balance with a target not to exceed 35 percent of the total annual budget [per ORS 459A.835(1)], and fund efforts to achieve the program's statutorily mandated goals for latex recycling, source reduction, and program awareness.

D4. Anticipated Program Budget

The projected budget for January 1, 2021 – December 31, 2025 is summarized in the following table.

Revenue	2021	2022	2023	2024	2025
Assessment Fees	\$6,327,589	\$6,390,865	\$6,454,774	\$6,519,321	\$6,584,515
Total Revenue	\$6,327,589	\$6,390,865	\$6,454,774	\$6,519,321	\$6,584,515
Expenses					
Paint collection, transportation and processing (CTP)	\$4,474,389	\$4,633,351	\$4,924,043	\$4,986,857	\$5,049,677
Communications	\$150,000	\$400,000	\$400,000	\$400,000	\$400,000
Personnel, Professional Services, Other	\$221,552	\$268,300	\$273,750	\$279,349	\$285,100
State Agency Administrative Fees	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Allocation of Corporate Activity	\$314,892	\$285,031	\$303,558	\$323,289	\$344,303
Total Expenses	\$5,200,833	\$5,626,682	\$5,941,351	\$6,029,494	\$6,119,080
Unallocated Reserve Funds	\$1,126,756	\$764,183	\$513,422	\$498,827	\$465,435
Net Assets - Beginning of Year	\$1,798,093	\$2,924,849	\$3,689,032	\$4,202,454	\$4,692,281
Net Assets - End of Year	\$2,924,849	\$3,689,032	\$4,202,454	\$4,692,281	\$5,157,716

D5. Budgeting Practices

By December 31 each year, PaintCare will provide DEQ the budget approved by PaintCare’s Board of Directors for the next calendar year and a supplemental budget detail that will provide DEQ advance insight on program finances and planned activities.

On a quarterly basis, or other frequency agreed to by PaintCare and DEQ, the financial staff of PaintCare and DEQ will review year-to-date program finances.

No less than every two years, PaintCare will evaluate the fee structure using the best and most current relevant data and methods to update projections for revenue and expenditures. The evaluation will determine whether the new fee structure is generating sufficient, but not excessive revenue, and report the results to DEQ with its annual budget. If the fee structure is not achieving the desired goal, PaintCare will timely propose a fee change to DEQ. The fee evaluation and any proposed fee changes will include the information used and description of the methods used to project both revenue and expenses.

E. PAINTCARE FEE

An updated PaintCare fee structure, as approved by DEQ, was implemented on October 1, 2018:

Container Size	Fee
Half pint or smaller	\$ 0.00
Larger than half pint up to smaller than 1 gallon	\$ 0.45
1-2 gallon	\$ 0.95
Larger than 2 gallon up to 5 gallons	\$ 1.95

F. PAINTCARE FEE COLLECTION PROCESS

The Manufacturer Registration Coordinator will review the account record of reporting companies showing unfiled sales reports along with their related remitter agreements. The coordinator will then contact the individual(s) responsible for filing sales reports and/or update the contact information as necessary. Automated workflows within the reporting system enable PaintCare to remind companies to timely file sales reports. To address compliance, Finance & Accounting presently issues reminders at 30-day intervals, which have proven sufficient to date. Should such reminders prove unsuccessful, Finance & Accounting will ask senior leadership within PaintCare to address a non-responsive reporting company.

Reporting companies registered with PaintCare are required to provide complete and accurate sales reports. PaintCare will undertake reasonable steps to help ensure that reported amounts are accurate and appropriate based on the requirements of the paint stewardship law. If PaintCare identifies a potential discrepancy when reviewing reported amounts, it follows up with the reporting entity to resolve that discrepancy.

G. PROGRAM COST EFFECTIVENESS

As a measurement of the program’s cost effectiveness. PaintCare, in addition to providing the cost per gallon, will also provide in its annual report the cost per gallon of paint collected by site type (i.e., retail/HHW program) and site location (i.e., urban/rural). PaintCare may use these metrics to discern which service types are most cost effective, track changes to them over time, and inform future program decisions.

8. Annual Reports and Financial Audit

STATUTORY CITATION

Oregon Law, 2017 Edition, Chapter 459A – Reuse and Recycling

Architectural Paint Stewardship Program

Section 459A.842(1) No later than April 1 of each year, a stewardship organization must submit an annual report to the Director of the Department of Environmental Quality describing the operation during the prior calendar year of an architectural paint stewardship program approved by the director under ORS 459A.832.

SECTION OVERVIEW

This section discusses:

- ◆ Content of the required annual report
- ◆ Content and process for the required annual financial audit
- ◆ Oregon’s Material Recovery and Waste Generation Survey

A. ANNUAL REPORT

PaintCare will submit an annual report to DEQ by April 1 for the previous calendar year. Each annual report will include, at a minimum, the elements listed in ORS 459A.842(1).

Specifically as it relates to collection events, PaintCare will provide the areas, frequency, and the specific dates of the paint collection events conducted in the underserved areas and:

The names of locations where PaintCare made good faith efforts and was able to coordinate with the appropriate local government, collection service franchise holder, or other entities that provide waste/recycling collection to promote and pay for a collection event;

The names of locations where PaintCare was unable to coordinate with the appropriate local government, collection service franchise holder, or other entities that provide waste/recycling collection to promote and pay for a collection event and where PaintCare promoted and paid for a paint-only collection event; and

The names of locations where local representatives and/or PaintCare determined that holding a paint collection event would not be practicable or effective and an explanation of why and where DEQ agreed with PaintCare’s explanation for why the events in these areas were waived.

B. FINANCIAL AUDIT

PaintCare undergoes an annual, independent financial audit of the organization as a whole. American Coatings Association conducts a competitive selection for the auditing firm and PaintCare hires the auditor to conduct an independent audit.

The independent audit is conducted in accordance with auditing standards generally accepted in the United States of America. Those standards require that the auditing firm plan and perform the audit to obtain reasonable assurance that financial statements are free of material misstatement. The audit also includes examination, on a test basis, of

evidence supporting the amounts and disclosures in the financial statements; evaluation of the accounting principles used, and any significant estimates made by management; and appraisal of the overall financial statement presentation. PaintCare will include the audited financial statements as part of the annual report.

C. OREGON'S MATERIAL RECOVERY AND WASTE GENERATION SURVEY

DEQ conducts an annual survey of all collection service providers and private recycling companies to gather data on postconsumer recycling. The program will provide DEQ with data from the PaintCare program and will coordinate with program service providers (including local government collection sites) to avoid duplication of reported data.