



FOR OREGON PAINT RETAILERS

PaintCare Fees to Increase in 2018

UPDATED MAY 2018

PaintCare submitted to the Oregon Department of Environmental Quality (DEQ) a proposed increase of the PaintCare fees assessed on the sale of architectural coatings (e.g., paint, stain and varnish) in Oregon. The increase was approved by DEQ in May 2018. The newly approved fees take effect on October 1, 2018.

NOTIFY YOUR PAINTING CONTRACTOR CUSTOMERS

It is important for professional painting contractors to be aware of the fee increase as soon as possible. They may work on job quotes weeks or months before the increase takes effect and should include the new fee structure in their bids for projects beginning after October 1, 2018.

Reason for the increase

Since the start of the Oregon PaintCare program in 2010, the total volume of paint collected for recycling has increased significantly – the volume has grown by 72 percent from 2010 to 2017.

This increase can be attributed to Oregon's growing population, increasing paint sales, increased awareness about recycling leftover paint, and establishing additional paint drop-off locations to expand convenience.

To date, more than 4.7 million gallons of paint have been collected and processed. It is anticipated that the amount of paint collected will continue to increase in coming years.

How have the fees change in 2018?

The new fees include changes to (1) the fee amounts, as well as (2) the container sizes for the two larger categories. Under the new fee categories, there will no longer be a category for 1-gallon containers. Instead, there will be a category for containers ranging in size from 1 to 2 gallons. Also, the upper category of "Larger than 1 gallon up to 5 gallons" will be replaced with "Larger than 2 gallons up to 5 gallons." The new fee structure, by container size, is provided in the table below.

CONTAINER SIZE	CURRENT FEES	EFFECTIVE OCT. 1
Half pint or smaller	\$0.00	\$0.00
Larger than half pint up to smaller than 1 gallon	\$0.35	\$0.45
1 gallon	\$0.75	N/A
1 gallon up to 2 gallons	N/A	\$0.95
Larger than 1 gallon up to 5 gallons	\$1.60	N/A
Larger than 2 gallons up to 5 gallons	N/A	\$1.95

Inform your customers

It is especially important for your customers who are professional painters to be aware that the new fees take effect on October 1, 2018 because they may work on job quotes in the weeks or months leading up to the effective date.

To help inform your customers about the increase in the PaintCare fees, PaintCare has developed leaflets that can be handed out at the paint counter or checkout. We ask for your help by providing the leaflets to professional painters and other customers when they buy paint, enclosing them in monthly billing statements, and mentioning the fee increase in your customer communications, such as e-mails and newsletters.

PaintCare also makes available an in-store poster that presents information about the fees. Posters can be displayed in the paint aisle or near the paint counter or checkout.

Order fee change leaflets or posters

You can order leaflets or in-store posters at any time by sending an e-mail to info@paint.org. Please be sure to include: 1) a contact name, 2) business name, 3) mailing address, and 4) quantity of leaflets or posters desired. Electronic copies are also available for download and printing from the Oregon retailer tab of PaintCare's website at www.paintcare.org/OR.

Preparing for the increase

Before the new fees take effect on October 1, 2018, retailers are advised to prepare their point-of-sale and billing systems to accommodate the fee change. Retailers should also be prepared to see the increased fees on invoices from their paint suppliers once they are approved and take effect.

Updated materials about the PaintCare Program

Before the new fees take effect, PaintCare will mail to paint retailers updated program brochures, program posters, contractor fact sheet, and other point-of-sale (POS) materials that reflect the new fee structure. In the meantime, retailers and other organizations may continue distributing or using any materials that they currently have.

COMMON QUESTIONS ABOUT FEES

How are the fees calculated?

Fees are set to cover the cost of a fully operating program. PaintCare estimates the annual sales of architectural paint in each state, and divides the estimated annual expenses of the program by the estimated number of containers to be sold, adjusts for container size, and determines a fee per container size that will provide the revenue needed to fund the program.

PaintCare is a nonprofit organization and operates programs on a state-by-state basis, so fees are different from state to state and can be adjusted, as needed.

Is the fee a deposit to be returned to customers?

No, the fee is not a deposit. Fees are used entirely to cover the expenses of running the program and not given back as a deposit for the return of paint or empty paint cans – a common misunderstanding.

Must retailers show the fee on receipts?

No, but most stores do show the fee in order to explain the price increase. PaintCare encourages retailers to show the fee and list it as PaintCare Fee to aid in customer education and provide consistency across retailers.

Do retailers return the fee if a product is returned?

Yes, the fee should be returned because it is part of the purchase price.

Do paint retailers have to pass the fee onto customers?

Yes. The state's paint stewardship law requires that retailers and distributors apply the fee to the price of architectural paint they sell to maintain a level field across all retailers.

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