

California Paint Stewardship Program Evaluation

FINAL REPORT

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29 Stanhope Street
Boston, MA 02116
617.236.4855

www.productstewardship.us

Prepared by the Product Stewardship Institute, Inc.

The Product Stewardship Institute, Inc.

The Product Stewardship Institute (PSI) is a national, membership-based nonprofit committed to reducing the health, safety, and environmental impacts of consumer products across their lifecycle with a strong focus on sustainable end-of-life management. Headquartered in Boston, Mass., we take a unique product stewardship approach to solving waste management problems by encouraging product design changes and mediating stakeholder dialogues. With 47 state environmental agency members, hundreds of local government members, and over 110 corporate, business, academic, non-U.S. government, and organizational partners, we work to design, implement, evaluate, strengthen, and promote both legislative and voluntary product stewardship initiatives across North America.

Acknowledgements

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Project Contact

For more information, please contact Scott Cassel, PSI Chief Executive Officer and Founder, at scott@productstewardship.us, or (617) 236-4822.

Table of Contents

Executive Summary	2
Introduction.....	5
Overview of California Paint Stewardship Program	6
Survey Design	11
HHW Program Managers.....	12
Key Findings	12
Details of Survey Responses	12
Retailers.....	17
Key Findings	17
Details of Survey Responses	17
Painting Contractors.....	28
Key Findings	28
Details of Survey Responses	28
Program Successes & Challenges	32
Recommendations.....	33
Appendix A: Supplementary Tables	35
Appendix B: Additional Information.....	38

EXECUTIVE SUMMARY

California residents purchase over 65 million gallons of architectural paint each year (i.e., paint used in the interior and exterior of structures). Studies on paint use have shown that approximately 10% of paint is unused, resulting in up to 6.5 million gallons of leftover paint per year in California. Leftover paint is one of the largest components of household hazardous waste (HHW) collection programs and is a financial burden for overextended municipal budgets.

Prior to 2012, leftover architectural paint in California was managed nearly exclusively by municipal HHW programs and waste management authorities at a high cost to local governments. However, in 2010, the California Legislature passed the nation's second paint stewardship law, requiring architectural paint manufacturers to establish a system and cover the costs for collecting and managing leftover ("post-consumer") paint. The California Paint Stewardship Program, managed by the industry-run nonprofit organization, PaintCare, was launched in October 2012.

At the request of PaintCare, the Product Stewardship Institute (PSI) evaluated the performance of the first two years of the PaintCare program in California. This report summarizes PSI's findings, based upon surveys conducted with four stakeholder groups – HHW and waste management coordinators, paint retailers serving as collection points for unused paint, additional paint retailers in the state, and painting contractors. These surveys were supplemented with review of PaintCare's 2013, 2014, and 2015 Annual Reports submitted to the California Department of Resources Recycling and Recovery (CalRecycle) and CalRecycle Form 303 data from 2011 through 2014, compiled annually from permanent municipal waste collection sites.¹

Program Successes

Based on PSI's evaluation, key program successes include the following:

- **Increased reuse, recycling, and beneficial use of leftover paint:** In the first three reporting periods of the California paint stewardship program,² PaintCare processed 5,383,795 gallons of leftover paint. From 2011 (pre-implementation) to 2015 (Year 3 of the PaintCare program) paint recovery in California increased by approximately 20%.
- **Cost savings for California local governments:** The majority of local governments surveyed (82%) saved money on paint management through the PaintCare program. HHW programs reported cost savings ranging between \$2,750 and \$800,000 per year, with an average savings of \$151,905 annually among 27 programs.
- **More convenient options for paint collection:** Prior to implementation of the PaintCare program in October 2012, there were 144 paint drop-off sites in California. By the end of the October 2015, there were 733 drop-off sites, including 583 retail drop-off sites. In 2015, 98.4% of California residents lived within 15 miles of a paint drop-off site.
- **High approval rating:** The majority of respondents in each stakeholder group surveyed indicated that they were satisfied or very satisfied with the PaintCare program.

¹ In California, HHW programs are required to submit data to CalRecycle on an annual basis via the agency's Form 303.

² Due to the program implementation timeline, PaintCare's first annual report for California covered an 8.5 month time period, rather than a full year.

- **Ease of participation for retailers and consumers:** Most retail drop-off sites (88%) indicated that it was easy or very easy to participate in the PaintCare program. Ninety-three percent of retailers indicated that it was easy or very easy for customers to participate in the program.
- **Increased foot traffic and customer loyalty for retailers:** More than half of the retail drop-off sites (53%) indicated that foot traffic in their stores increased on account of participation in the PaintCare program, and 44% indicated that customer loyalty increased.
- **Customer understanding of the program.** Most retailers (85%) indicated that customers understood that the Paint Stewardship Fee, which is added to paint purchases, pays for a recycling program.

Program Challenges

Some program challenges noted in PSI's evaluation include:

- **Costly local government contracting process.** 64% of the HHW programs incurred legal expenses for contracting with PaintCare during program implementation. While 96% of these programs anticipated some legal costs, these costs were greater than expected for 55% of the programs.
- **Limited number of drop-off sites in some communities.** In the general comments section of the survey, six HHW program managers (18%) indicated that they would like PaintCare to add retail drop-off sites in their communities to help manage increased paint volumes. While many jurisdictions had a large number of retail drop-off sites, other jurisdictions had one or zero retail sites, increasing the burden on some local HHW programs and limiting convenience for consumers. (It is possible that additional sites have been added in these communities since this survey was conducted.)
- **Influx of paint to retail drop-off sites.** When asked to provide additional comments on the effects of the PaintCare program on their stores, 12 of the 233 retail drop-off sites surveyed indicated that their stores frequently received more paint than they could handle, making it necessary to turn away customers.
- **Contractor education and awareness.** PaintCare currently works with the California chapter of Painting and Decorating Contractors of America to conduct contractor outreach, and has developed numerous print materials for contractors. While 79% of contractors surveyed were aware of the PaintCare program, many mentioned only the fee. Twenty-one percent of respondents did not know anything about the PaintCare program.

Based upon PSI's findings, we recommend:

- **Increase retail drop-off sites and paint-only collection events in underserved areas.** In much of the state of California, PaintCare has increased consumer convenience and reduced costs for HHW facilities by adding retail drop-off sites and paint-only collection events. In some communities, however the limited number of drop-off sites coupled with increased paint collection strains local government and retail drop-off sites.
- **Identify opportunities to simplify and streamline the contracting process.** 64% of HHW program respondents incurred some form of legal expenses as part of negotiating an agreement to participate in the PaintCare program. Mechanisms to simplify the contracting process may reduce costs for some programs.

- **Conduct additional contractor outreach and education.** Despite PaintCare’s current outreach efforts, lack of information may contribute to limited program use by painting contractors. Additional efforts to ensure contractors are aware of both large volume pickup and drop-off services may increase program use and contractor satisfaction.
- **Ensure that retail drop-off sites have information about how to request additional bins and pickups.** Based on the results of retail drop-off site surveys, PaintCare may increase retailer satisfaction and overall program effectiveness by ensuring that all retail sites have easy access to information on requesting additional bins and scheduling pickups and ensuring transportation contractors arrive on-time for scheduled pick-ups.
- **Reevaluate as the program matures.** In 2015, the California paint stewardship program was still in a period of growth and development. In their responses to the survey, many HHW programs focused on the contracting process, while retailers focused on program training and start-up. A repetition of this study after two to three years will provide greater insight into the effects of PaintCare on key stakeholder groups as the program gains experience and becomes more established in the state.

I. INTRODUCTION

The U.S. Environmental Protection Agency (EPA) estimates that about 10% of all paint purchased in the country—approximately 64 million gallons³—goes unused each year. That’s enough paint to fill more than 101 Olympic-sized swimming pools. The price of managing leftover consumer paint is Olympic-sized, too, reaching upwards of \$8 per liquid gallon.⁴ Leftover paint can be collected for reuse, recycling, alternative beneficial use, and energy recovery. However, doing so requires sustainable funding and a convenient and effective infrastructure—something that often eludes state and local governments.

Knowing that such a problem could not be addressed without participation and input from the paint industry, PSI brought the issue to the attention of the American Coatings Association (ACA), the primary trade association of paint manufacturers, which—in turn—agreed to take part in a national dialogue of paint stakeholders. To relieve cash-strapped governments of the financial burden of leftover paint management, more than 200 stakeholders, including paint manufacturers, state and local government officials, recyclers, and nonprofit organizations, signed a Memorandum of Understanding in 2007 supporting the establishment of an industry-funded paint stewardship program.⁵

Through this agreement, stakeholders established a sustainable financing system for the management of leftover paint, including a plan for the passage of state legislation to create statewide paint product stewardship programs. ACA created PaintCare, an industry-run non-profit paint stewardship organization, to develop and implement these programs. In July 2009, Oregon passed the nation’s first paint stewardship law; and in 2010, California became the second state to pass paint stewardship legislation. Between September 2010 and March 2015, seven additional states and the District of Columbia passed paint stewardship legislation (see Table 1).

Table 1: Paint Stewardship Laws in the U.S.		
State	Law Passed	Program Implemented
Oregon	June 2009	July 2010
California	September 2010	October 2012
Connecticut	June 2011	July 2013
Rhode Island	June 2012	July 2014
Vermont	May 2013	May 2014
Minnesota	May 2013	November 2014
Maine	July 2013	October 2015
Colorado	June 2014	July 2015
Washington, D.C.	March 2015	September 2016

³ "US Architectural Coatings Forecast to 2015." Decision Metrics, October 2012.

⁴ "A Background Report for the National Dialogue on Paint Product Stewardship." The Product Stewardship Institute, March 2004. http://productstewardship.us/associations/6596/files/Background_Report_for_the_National_Dialogue_on_Paint.pdf

⁵ Paint Product Stewardship Initiative Memorandum of Understanding, October 6, 2004. http://productstewardship.us/associations/6596/files/Final_Paint_MOU.doc

In the absence of paint stewardship legislation, leftover paint is predominantly managed by municipal HHW programs funded by taxpayer dollars. Under paint stewardship laws, leftover latex and oil-based paint collected by participating sites is managed by PaintCare from the point of collection through final disposition, including covering associated collections bins, transportation and processing costs. In addition to managing paint collected by HHW programs, PaintCare establishes retail and other paint collection locations throughout the state, increasing convenience for consumers and relieving local governments of much of the financial burden of managing large volumes of paint. To inform residents, businesses, and others of paint collection opportunities, PaintCare conducts extensive public outreach campaigns via television, radio, newspaper, and other media channels, and also provides brochures, posters, and other outreach materials to retailers to provide to their customers and display in their stores.

The Product Stewardship Institute (PSI) conducted this study on behalf of PaintCare to evaluate the performance of the PaintCare program in California. The results in this report quantify the effects of the program on local government HHW programs, paint retailers, and painting contractors from program start in October 2012 through the survey period of May 2015. It assesses the program’s successes and challenges, and provides recommendations for PaintCare’s California program and other PaintCare jurisdictions.

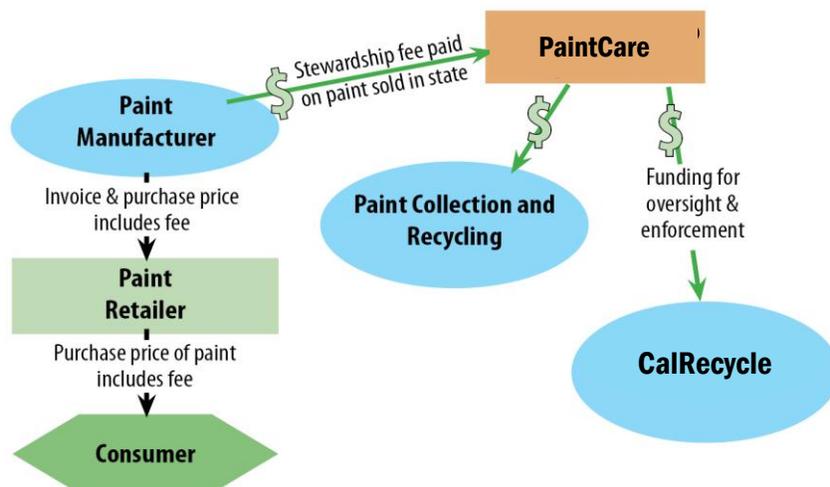
II. OVERVIEW OF CALIFORNIA PAINT STEWARDSHIP PROGRAM

A. Program Financing

The financing of the PaintCare program works as follows: paint manufacturers pay a per-unit assessment (“PaintCare fee”) to PaintCare on each unit of paint sold in California, which is used for program implementation (see Table 2). The law requires that the manufacturers pass the fee on to their dealers (distributor and retailer), who must then pass it along to consumers (see Figure 1). The law leaves it up to the discretion of the retailer as to whether or not to show the fee on the consumer’s receipt.

Paint Container Size	PaintCare Fee
Half pint or smaller	No Charge
Larger than half pint to smaller than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
Larger than 1 gallon up to 5 gallons	\$ 1.60

Figure 1: The Flow of Funds through the CA Paint Stewardship System



B. Paint Collection Infrastructure

Consumers can return leftover architectural paint to participating collection locations, which include household hazardous waste (HHW) facilities and events, paint and hardware stores, transfer stations, paint-only collection events, ReStores, latex paint recyclers, and other appropriate sites. PaintCare contracts with transporters and recyclers to pick up the unused paint from the various collection centers, as well as directly from painting contractors, hotels, universities and other commercial or institutional locations sites that have accumulated (or regularly produce) large quantities of leftover paint.

In California, two vendors provide the majority of PaintCare’s transportation services: Clean Harbors Environmental Services and Stericycle Environmental Services. Additional transporters including Veolia Environmental Services, Waste Management, and several local governments (“internal transport”) also provide transportation services. Latex paint processors include Acrylatex Coatings & Recycling, Amazon Environmental, Coatings Group, GDB International, Visions Paint Recycling, and Waste Management. Oil-based paint is processed by Burlington Environmental, Chemicals Reclamation Services, Clean Harbors Environmental Services, Rineco, and Systech.

The implementation of the paint stewardship program in California dramatically expanded collection infrastructure. With the addition of nearly 600 retail collection locations, permanent paint drop-off sites in California increased by over 400% between 2011 and 2015.

In 2011, 55 jurisdictions reported collecting paint through 144 permanent facilities in the state;⁶ in 2015, there were 733 permanent collection locations collecting paint through the PaintCare program (see Table 4). At the end of the program’s third year, in June 2015, 98.4% of residents lived within 15 miles of a permanent drop-off site, and 99.2% lived within 15 miles of a drop-off site or event.⁷

⁶ CalRecycle Form303 Data, 2011

⁷ “California Paint Stewardship Program Year 3 Annual Report.” PaintCare, November 1, 2015. <http://www.paintcare.org/wp-content/uploads/docs/ca-annual-report-2015.pdf>

Table 4. Collection Infrastructure: Prior and Post-PaintCare Implementation			
	Prior to PaintCare Implementation (2011)	After PaintCare Implementation (2015)*	Percent Increase
Permanent Collection Sites	144 ⁸	733	409%

* In Year 3, PaintCare collected paint from 733 permanent sites, 201 collection events, 16 door-to-door programs, and 184 direct large volume pickups. CalRecycle estimates that an additional 26 permanent HHW facilities collected paint outside of the PaintCare program, further contributing to paint collection infrastructure in the state.⁹

C. Program Revenue and Expenses

The program revenue collected from paint stewardship fees is used to cover program expenses. The average cost of managing California’s PaintCare program was \$14.72 per gallon during the first reporting period (October 19, 2012 – June 30, 2013; “Year 1”) (including pre-program start-up costs), \$8.62 per gallon during the second reporting period (July 1, 2013 – June 30, 2014; “Year 2”), and \$9.66 per gallon during the third reporting period (July 1, 2015 – June 30, 2015; “Year 3”) (see Table 3). This cost includes paint transportation and processing; payment to municipalities for “additional services” including paint reuse, latex reprocessing, oil-based paint bulking, and internal transportation; outreach and education; staffing and other program costs. PaintCare does not compensate sites for overhead and labor costs, estimated to be \$2-3 per gallon.¹⁰ Therefore, this potential additional paint management cost is not included in PaintCare program costs.

All three reporting periods showed positive net assets. PaintCare maintains reserve funds to allow the program to operate through periods of lower paint sales, and has anticipated increasing volumes and costs as the program continues to grow.

Table 3. PaintCare Program Revenue and Expenses¹¹			
	Year 1 (Oct 2012- June 2013)	Year 2 (July 2013- June 2014)	Year 3 (July 2014- June 2015)
Revenue from fees	\$20,066,570	\$35,237,602	33,834,028
Program expenses	\$9,314,296	\$17,667,538	26,244,982
Change in net assets	\$10,752,274	\$17,570,064	7,651,424
Net assets, end of reporting period	\$9,892,568	\$27,462,632	\$ 35,114,056
Average cost per gallon	\$14.72	\$8.62	\$9.66

⁸ Does not account for approximately 50 paint retailers that collected latex paint from households prior to program implementation.

⁹ “California Paint Stewardship Program Year 3 Annual Report.” PaintCare, November 3, 2015 and CalRecycle Form 303 Data

¹⁰ SCS Engineers and Cascadia Consulting Group, “Paint Product Stewardship Initiative Infrastructure Project,” March 2007.

http://www.productstewardship.us/associations/6596/files/Paint_Infrastructure_Report-FINAL.doc. This report estimates collection costs at \$1.98 per gallon. Cascadia Consulting Group and DSM Environmental, “Management of Unwanted Architectural Paint in Washington,” January 2013. <http://productstewardship.net/sites/default/files/Docs/paint/paint-mgmt-in-wa-2013.pdf>. This report estimates collection costs ranging from \$2.26 per gallon to \$3.22 per gallon.

¹¹ California Paint Stewardship Program Annual Reports. PaintCare, 2013-2015. <http://www.paintcare.org/paintcare-states/california/#/official-docs>

D. Paint Recovery & Disposition

The amount of paint processed in the California PaintCare program's first complete year (Year 2) totaled 2,033,836 gallons.¹² By Year 3, this number increased to 2,717,303 gallons. In both years, approximately 75% of latex paint collected was reused or recycled into recycled-content paint (see Table 5). Oil-based paint was reused or used for energy recovery/incineration (see Figure 2). Comparisons between 2011 Form 303 baseline data and total paint collected by PaintCare and municipalities during Year 2 indicates a 19% increase in total paint processed and 51.5% increase in quantity of paint reused, recycled, or used for total beneficial use (see Table 6).¹³ Unfortunately, the accuracy of comparisons between Form 303 and PaintCare program disposition data is limited on account of differences in reporting conventions.¹⁴

Table 5. PaintCare Paint Disposition (gallons)¹⁵			
Disposition Method	Year 1 (Oct 2012- June 2013)	Year 2 (July 2013- June 2014)	Year 3 (July 2014- June 2015)
Reuse (% of total)	10,103 (1.6%)	55,552 (2.8%)	66,991 (2.5%)
Recycled Paint (% of total)	442,588 (69.9%)	1,171,568 (58.1%)	1,634,113 (60.1%)
Alternative Product or Beneficial Use (% of total) ¹⁶	79,416 (12.5%)	365,313 (18.1%)	453,049 (16.7%)
Incineration/Oil-Based Paint Energy Recovery (% of total)	75,977 (12.0%)	351,951 (17.5%)	448,508 (16.5%)
Landfill (% of total)	24,569 (3.9%)	71,313 (3.5%)	114,646 (4.2%)
TOTAL (gallons)	632,652	2,033,836	2,717,307
Percent of <u>latex</u> paint reused or recycled	81.3%	73.6%	74.8%

Table 6. Paint Disposition: Before and After PaintCare				
	Prior to Implementation (2011)¹⁷	After Implementation: PaintCare (2014)¹⁸	After Implementation: Non-PaintCare Sites (2014)¹⁹	After Implementation: TOTAL (2014)
Total Paint Processed (gal)	2,750,415	2,033,836	1,242,659	3,277,207
Total Paint Reused, Recycled, or Beneficially Used (% of total)	1,598,405 (58%)	1,610,572 (79.2%)	811,216 (65.4%)	2,430,598 (73.8%)

¹² Data from the program's first year only accounted for 8 months; therefore, Year 2 was PaintCare's first complete year.

"California Paint Stewardship Program Year 2 Annual Report." PaintCare, November 1, 2014.

¹³ CalRecycle Form 303 Data, 2011/2012 and 2013/2014; PaintCare, 2014

¹⁴ PaintCare calculates volumes in terms of net weight (i.e., weight of cans is not included), whereas most California jurisdictions reported paint volumes in terms of gross weight (i.e., weight of cans is included).

¹⁵ California Paint Stewardship Program Annual Reports. PaintCare, 2013-2015

¹⁶ In the California Architectural Paint Stewardship Program Plan (June 4, 2012) PaintCare defines beneficial use as follows: "Latex paint may go to beneficial use – as permissible by state and local authority – including use in alternative daily cover (ADC), road base, fuel substitute, and landfill biodegradation."

¹⁷ CalRecycle Form 303, 2011/2012

¹⁸ "California Paint Stewardship Program Year 2 Annual Report." PaintCare, November 1, 2014.

¹⁹ CalRecycle Form 303, 2013/2014

Figure 2. Disposition Methods by Percent of Latex and Oil-Based Paint Collected: PaintCare Year 3²⁰

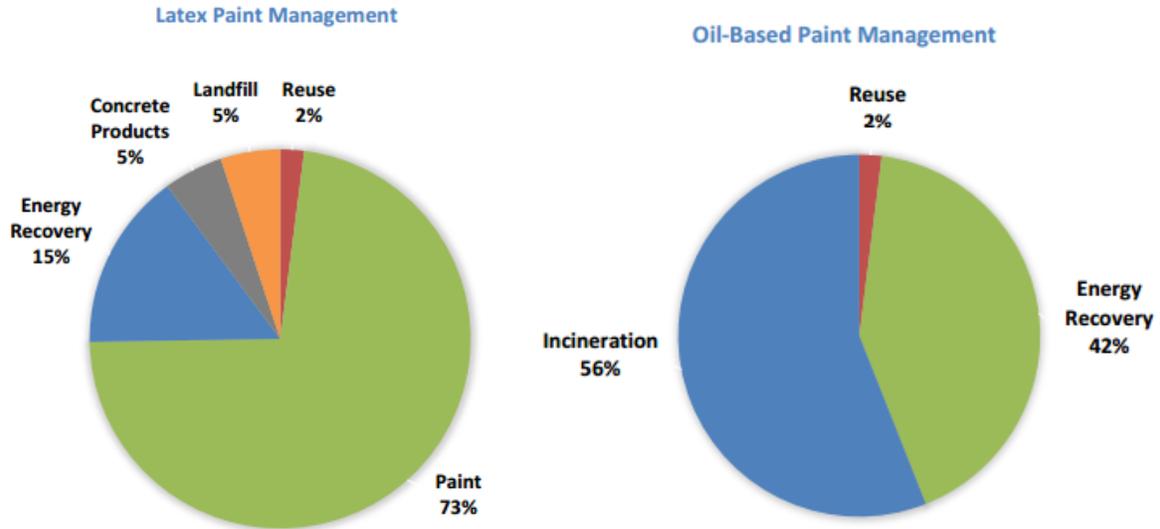
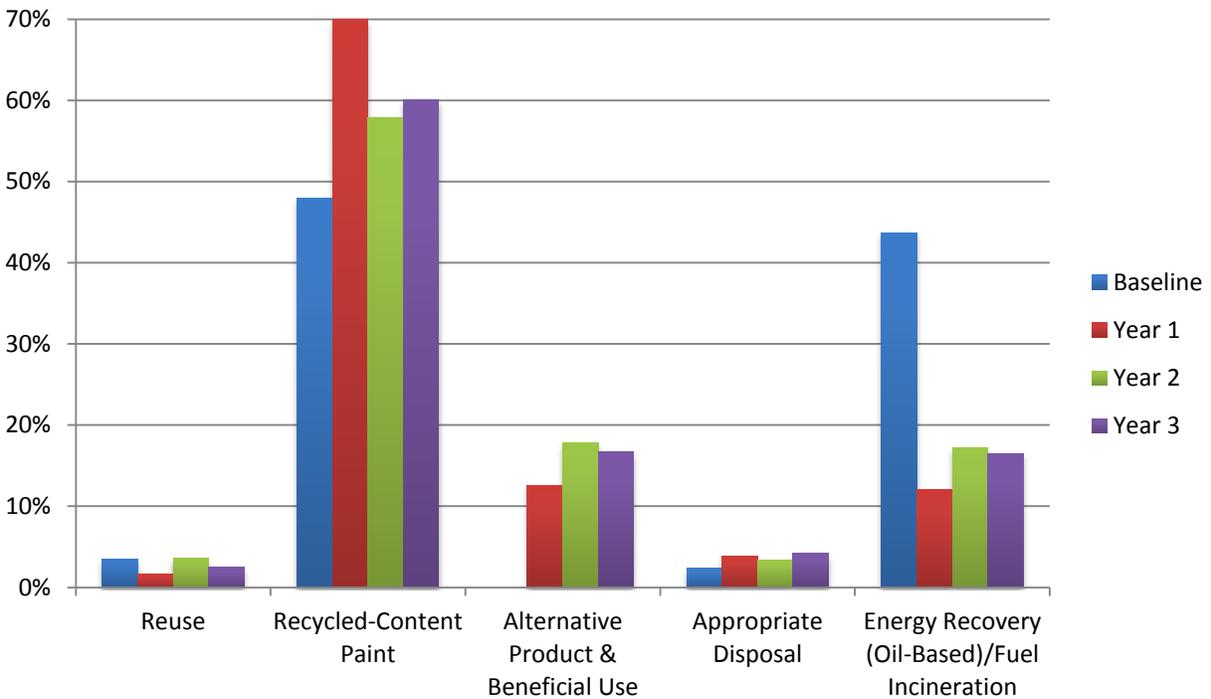


Figure 3. Disposition Methods by Percent of Total Paint Collected: Pre-Program Baseline (2011), PaintCare Years 1 through 3 (2012-2015).



²⁰ "California Paint Stewardship Program Year 3 Annual Report." PaintCare, November 3, 2015.

III. PSI SURVEY DESIGN

Target Audience & Distribution

To further assess the results of the PaintCare program, PSI conducted a survey of three stakeholder groups:²¹

1. HHW Program Managers
2. Retailers
3. Painting Contractors

PSI distributed the online HHW Program Manager survey to a list of all HHW programs in California, provided by PaintCare staff. PSI conducted follow up phone calls to programs that did not respond to repeated email requests. PSI distributed the survey for retailers to all PaintCare retail drop-off sites via email, and conducted surveys by phone for a randomly selected sample of both retail drop-off sites and non drop-off sites. The California chapter of Painting and Decorating Contractors of America (PDCA) distributed the online survey for painting contractors to its membership base. Contractor surveys were also conducted in person by PaintCare staff during site retail store visits.

Survey Tool

Participants completed the survey using the online tool SurveyGizmo or by phone.

Response Rate

PSI collected responses from 62 HHW programs, 48 contractors, 232 retail drop-off sites, and 40 retailers that were not drop-off sites (see Table 7). The response rates for the surveys are as follows:

Table 7. Survey Response Rates			
	Total Contacted	Total Responses	Response Rate
HHW Programs	92	62	67%
Retail Drop-Off Sites	575	232	40%
Retailers, Non Drop-Off Sites	147	40	27%
Contractors	Unknown	48	N/A

²¹Responses to both phone and online surveys were recorded using SurveyGizmo. Links to the full surveys are as follows:
HHW Managers: <http://www.surveymzmo.com/s3/2056549/Survey-about-the-California-Paint-Stewardship-Program-for-HHW-Program-Mangers>.
Contractors: <http://www.surveymzmo.com/s3/2055523/California-Paint-Evaluation-Contractors>.
Retailers: <http://www.surveymzmo.com/s3/2056440/California-Paint-Evaluation-Retailers>.

IV. HHW PROGRAM MANAGERS

Key Findings

PSI received survey responses from 62 California HHW programs, 49 of which were participating in the PaintCare program. Survey results yielded the following key findings on the effects of PaintCare program on their operations.

- **Most HHW programs are satisfied with the PaintCare program.** 70% of respondents participating in the PaintCare program indicated that they were satisfied or very satisfied with the PaintCare program.
- **Most HHW programs saved money through the PaintCare program.** 82% of respondents participating in the PaintCare program indicated their paint-related program costs decreased through the PaintCare program, and 69% indicated that overall program costs decreased. HHW programs reported cost savings ranging between \$2,750 and \$800,000 per year, with an average savings of \$151,905 annually. Respondents most frequently applied cost savings from the PaintCare program to offset costs of managing other products.
- **HHW programs are more likely to experience an increase or no change in program participation than a decrease.** 45% of respondents participating in the PaintCare program indicated that participation (i.e., number of residents dropping off HHW) had increased and 38% reported no change in participation.
- **HHW programs may be more likely to experience an increase in the volume of paint collected per year than a decrease.** 53% of respondents participating in the PaintCare program indicated that volume had increased, while 28% reported a decrease. It should be noted that this survey finding contradicts California Form 303 data, which indicates an overall average of a one percent decrease in volume collected across all permanent municipal collection programs.
- **Many HHW programs not participating in the PaintCare programs encountered challenges during the contracting process.** 61% of the respondents that did not have an active contract with PaintCare cited contracting challenges. Half of these programs were engaged in negotiations with PaintCare at the time of the survey and three finalized a contract in 2015.
- **Many HHW programs would like to see more retail drop-off sites in their jurisdictions.** Seven respondents independently commented that they would like more retail drop-off sites in the area served by their HHW program.

Details of Survey Responses

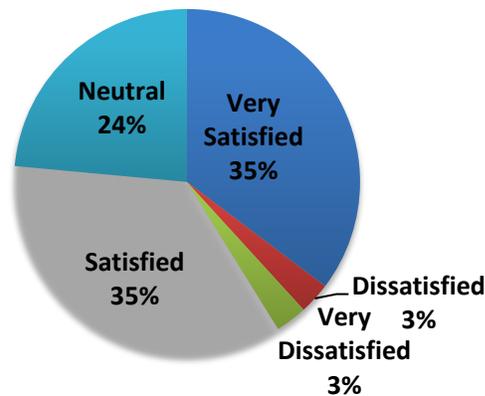
Program Satisfaction

Seventy percent of HHW managers participating in the PaintCare program were satisfied or very satisfied with the PaintCare program. Six percent indicated that they were dissatisfied or very dissatisfied, and 24% indicated that they were neutral (see Figure 4).

When asked to suggest changes to improve the program overall, respondents most frequently described increases in the number of retail drop-off sites (6), efforts to simplify the contracting process (6), and collection cost reimbursement (4).

Figure 4. PaintCare Program Satisfaction: HHW Programs

How satisfied are you with the PaintCare program overall? (Sample Size (N)=34)



Program Costs

Eighty-two percent of HHW managers participating in the PaintCare program indicated that their paint-related program costs decreased through the PaintCare program. Only one respondent reported an increase in paint-related program costs, citing increased labor costs for higher numbers of participants and an increase in paint collections. Sixty-nine percent indicated that overall program costs decreased (see Figures 5 and 6). See Appendices A and B for additional data.

Figure 5. Changes to Paint-Related HHW Program Costs

Since you began participating in PaintCare, which of the following best describes changes, if any, to your paint-related costs? (N=45)

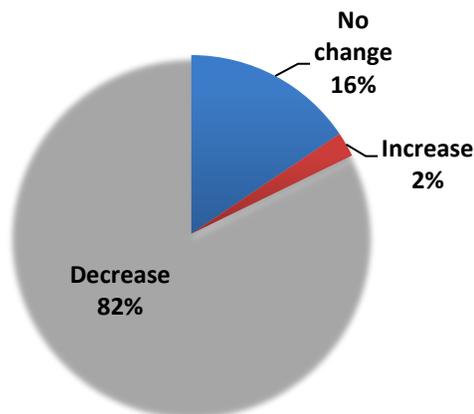
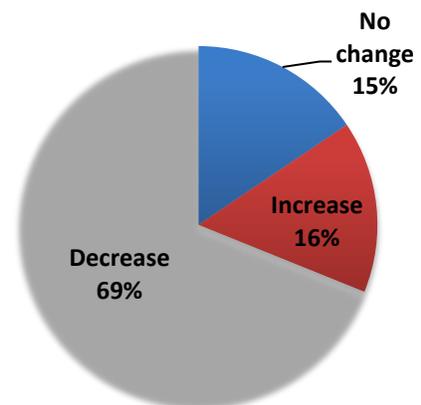


Figure 6. Changes to Overall HHW Program Costs

Since you began participating in PaintCare, which of the following best describes changes, if any, to your overall HHW program costs? (N=45)



Programs with decreased costs reported an average cost savings of \$151,905 per year. This average was lower in smaller jurisdictions of less than 25,000 people (\$19,083/year) and higher in larger jurisdictions of greater than 25,000 people (\$162,570/year) (see Table 8).

Table 8. Annual Cost Savings to California HHW Programs Through the PaintCare Program (N=27)	
Average cost savings (overall for 27 programs):	\$ 151,905
Average cost savings (population less than 25,000):	\$ 19,083
Average cost savings (population greater than 25,000):	\$ 162,570
Average cost savings (larger population, rural):	\$ 40,678
Average cost savings (larger population, mixed urban/suburban and rural or primarily urban/suburban)	\$ 194,074

The PaintCare program covers paint transportation and processing costs for all contracted HHW programs. Many HHW programs also reduced costs through payments from PaintCare for various value-added services, including reuse programs, latex paint reprocessing, and oil-based paint bulking. Most respondents indicated that they used cost savings to offset the costs of managing other HHW products (see Figure 7).

Figure 7. HHW Programs' Use of Cost Savings

If your HHW program costs have decreased since participating in the PaintCare program, how do you currently or plan to use the savings? (Select all that apply) (N=30)

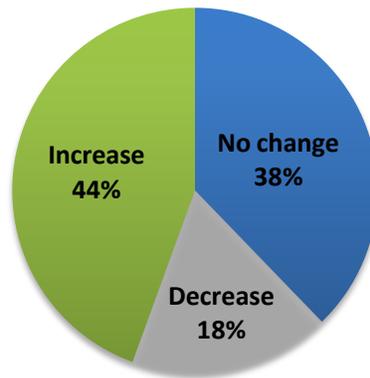


Program Participation

Forty-four percent of HHW managers participating in the PaintCare program indicated that participation in their HHW program increased as a result of the PaintCare program, while 18% indicated that participation decreases and 38% indicated that there was no change (see Figure 8). These results indicate that even as retail drop-off sites provide additional outlets for leftover paint, HHW programs were still more likely to experience an increase or no change in program participation following PaintCare program implementation. PaintCare includes all participating HHW sites in their site locator tool on their website. This additional promotion may be causally linked to the increased participation.

Figure 8. Changes to HHW Program Participation

Change in average number of households per year that dropped off paint with the program (N=45)²²

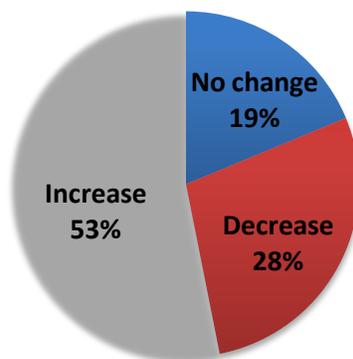


Quantity of Paint Collected

Fifty-three percent of HHW managers participating in the PaintCare program indicated that the amount of paint their program collected increased following implementation of the PaintCare program (see Figure 9). Twenty-eight percent indicated that they collected less paint and 19% indicated that there was no change. Analysis of CalRecycle Form 303 data from the survey respondents indicated an average one percent decrease in volume collected, while three programs reported increased volumes by greater than 100%.

Figure 9. Change in Quantity of Paint Collected by HHW Programs

Change in total volume of paint collected since participating in PaintCare program (N=32)



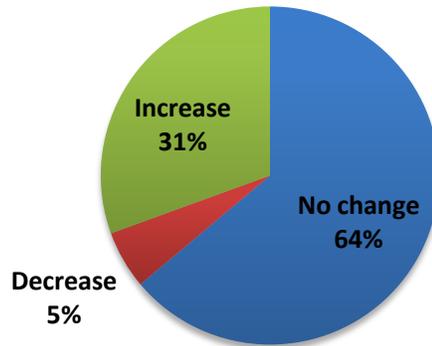
Quantity of Non-Paint HHW Collected

Sixty-four percent of HHW managers participating in the PaintCare program indicated that the volume of non-paint HHW collected did not change on account of the PaintCare program. Thirty-one percent indicated that non-paint HHW volumes increased and six percent indicated that they decreased (see Figure 10).

²² See Appendix A for additional survey data

Figure 10. Change in Quantity of Non-Paint HHW Collected by HHW Programs

Overall, has your HHW program seen an increase or decrease in total non-paint HHW collected since participating in the PaintCare program? (N=36)

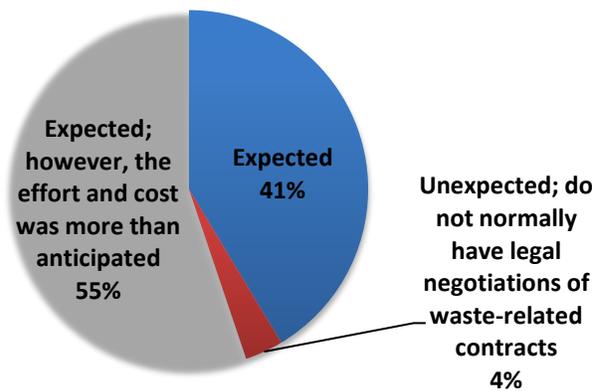


Contracting Costs

In addition to overhead costs related to managing an HHW program and collecting paint, legal expenses incurred for contracting with PaintCare presented an additional cost to 64% of respondents during program implementation. While 96% of these programs anticipated some legal costs, these costs were greater than expected for 59% of the programs (see Figure 11).

Figure 11. HHW Program Expectations Regarding Legal Expenses

Which of the following best describes your expectations regarding legal expenses for participation in the PaintCare program? (N=29)



Reasons for Not Contracting With PaintCare

Thirteen of the HHW program survey respondents (21%) were not participating in the PaintCare program (i.e., contracting with PaintCare) at the time of the survey. Of these programs, five were engaged in contract negotiations, two were “considering” contracting with PaintCare, two indicated they would only consider a contract if they switched to a permanent facility, and one was asked not to collect paint by a nearby retail drop-off site (so as not to compete for foot traffic). Three of these HHW programs were added to the PaintCare program in 2015.

V. RETAILERS

PSI collected survey responses from 232 retail drop-off sites and 40 retail stores that sold paint but were not drop-off sites. The results of this survey yielded the following key findings on the effects of PaintCare program on retail stores.

Key Findings

- **Most retailers that are PaintCare drop-off sites are satisfied with the PaintCare program.** 85% of retail drop-off site respondents indicated that they were satisfied or very satisfied with the PaintCare program. 88% indicated that they would recommend that paint retailers in other states participate in a similar recycling/take-back program.
- **Most retailers find it easy to participate as a paint drop-off site.** 88% of drop-off site respondents indicated that it was easy or very easy for their store to collect leftover paint for PaintCare.
- **Collecting leftover paint may increase customer foot traffic or loyalty.** 53% of drop-off site respondents indicated that foot traffic increased on account of participation in the PaintCare program, and 44% indicated that customer loyalty increased.
- **Most retailers would like other stores in their area to become drop-off sites.** 89% of drop-off site respondents indicated that they would like other retailers in their communities to take back leftover paint. This may be attributable to high volumes of paint regularly dropped-off at many retail sites.
- **Retailers that did not choose to become drop-off sites frequently did not have enough space or were concerned about regulations.** 48% of drop-off site respondents indicated that they did not become drop-off sites for one of these two reasons.
- **Most retailers surveyed provided information about PaintCare to their customers, but many provided verbal information rather than print materials.** 96% of retail drop-off sites and 70% of non drop-off sites informed customers about the PaintCare program. 94% of drop-off sites and 40% of non drop-off sites had print materials readily available for customers, while others communicated about the program via word of mouth.
- **Most retailers believe that their customers understand the purpose of the fee, and recognize that it is neither a tax nor a deposit.** 85% of respondents agreed that customers understood the fee's purpose and 63% agreed that customers understood it was not a tax.

Details of Survey Responses

Program Satisfaction

The majority (85%) of drop-off site retailers indicated that they were satisfied or very satisfied with the PaintCare program (see Figure 12). The rate of satisfaction was highest among self-identified small/independent stores; 94% of these stores reported that they were satisfied or very satisfied with the program, as compared with 88% of cooperatives and 83% of large and manufacturer stores (see Figures 13, 14, and 15).²³ Eighty-eight percent of respondents indicated that they would recommend that paint retailers in other states participate in a similar recycling/take-back program (see Figure 16).

²³ "Cooperatives" is used to refer to stores that are independently owned and members of a purchasing group.

Figure 12. PaintCare Program Satisfaction: Retail Drop-Off Sites

How satisfied are you with the PaintCare program overall? (N=228)

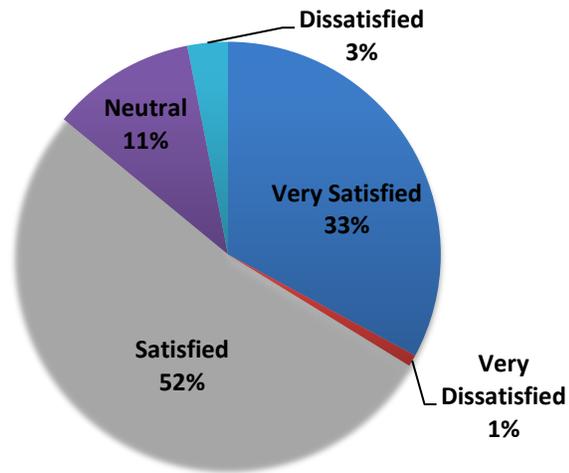


Figure 13. Small/Independent Stores: *How satisfied are you with the PaintCare program overall? (N=33)*

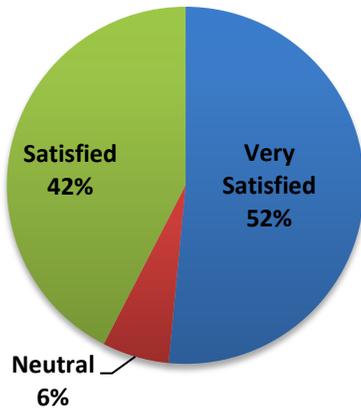


Figure 14. Cooperatives: *How satisfied are you with the PaintCare program overall? (N=17)*

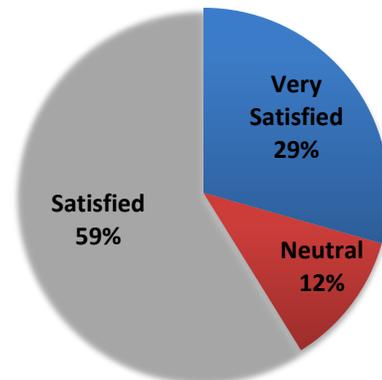


Figure 15. Large & Manufacturer Stores: *How satisfied are you with the PaintCare program overall? (N=177)*

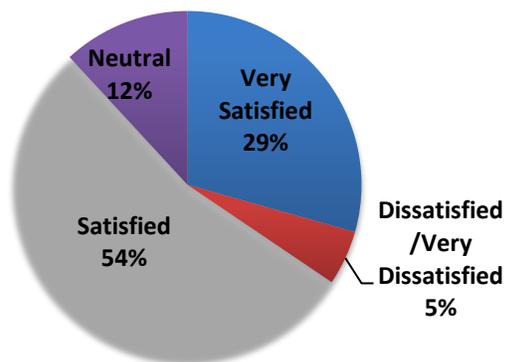
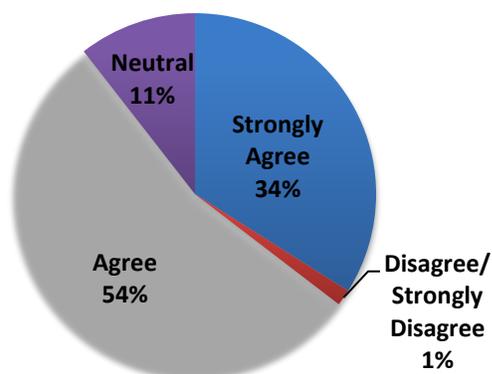


Figure 16. Recommendations for Other Retailers

Do you agree or disagree with the following: I would recommend that paint retailers in other states participate in a similar recycling/take-back program? (N=209)



Drop-Off Sites: Comments on the PaintCare Program

"PaintCare is a good program and our mission means that it's crucial that we participate."

"1. Illegal dumping has almost ceased. 2. I get hugged a lot...seriously hugged!"

"It's helped us generate more retail business, because people are satisfied that we take back paint."

"The program provides a valuable community service. The [staff] we've worked with have been very helpful and easy to work with. It is a win-win situation for us."

"We appreciate the program, especially when it makes our communities cleaner and safe. There are times when we cannot assist customers with their paint because of business and small staffing."

"I wish the other sites would take more paint. It's for the greater good and it's not that hard to do!"

Reasons for Participation

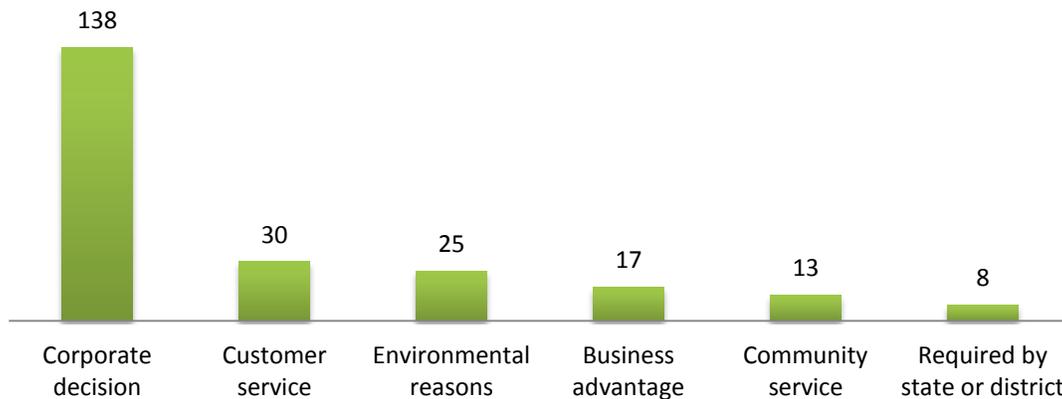
The majority of drop-off site retailers (62%) indicated that their store's participation in the PaintCare program as a paint drop-off site was a corporate decision (see Figure 17). Corporate executives representing 96% of respondents indicated that corporate reasons for participating in the PaintCare program included customer service (60%), environmental reasons (60%), business advantage (40%), community service (20%), and support for PaintCare as ACA members (20%).²⁴ Retail store managers and employees also listed customer service (13%), environmental reasons (11%), business advantages (8%), and community service (6%) as fundamental to their store's decision to participate.

Serving as a PaintCare drop-off site is entirely voluntary for retailers; however, eight respondents indicated that their store participated to fulfill a state or district requirement. This indicates that some retail employees may be misinformed about aspects of the paint stewardship program.

²⁴ Store identification was available for 75% of the 138 respondents that indicated that participation was a "corporate decision."

Figure 17. Reasons for Becoming a Drop-Off Location²⁵

Why did your store decide to become a PaintCare drop-off location? (Open response – categorized by key words) (N=223)



Ease of Participation

Most drop-off site retailers (88%) indicated that it easy or very easy to participate in the PaintCare program as a retail paint collection location, while few (4%) indicated that participation was difficult (see Figure 18). Retailers in stores that received less paint per month (under 100 gallons per month) were more likely to find program participation to be easy (91% indicated that it was easy or very easy). However, even among stores that had more than 100 customers that dropped off paint each month, 77% of retailers indicated that program participation was easy or very easy (see Figures 20, 21, and 22). Most respondents (93%) also agreed that the PaintCare program was easy or very easy for their customers to use (see Figure 19). Customers other than painting contractors were not surveyed directly as part of this study.

Figure 18. Ease of Paint Drop-Off for Retailers

How easy or difficult is it for your store employees to use the program? (N=228)

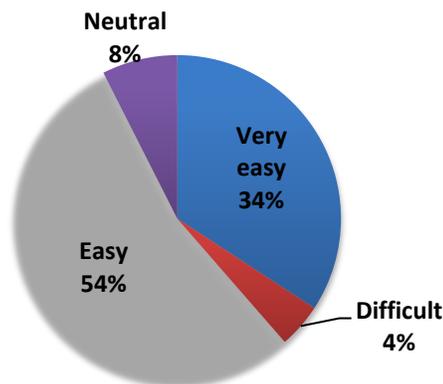
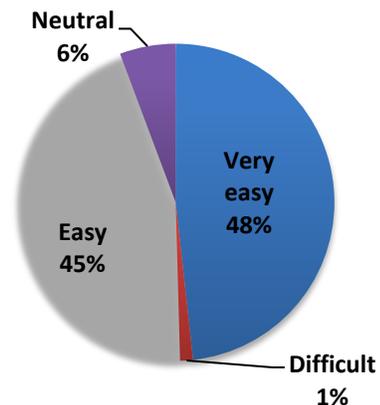


Figure 19. Ease of Paint Drop-Off for Customers

How easy or difficult is it for your customers to use the program? (N=228)



²⁵ Top responses listed. See Appendix B for full list of responses for multiple choice and open response questions.

Figure 20. Less than 30 drop-offs/month: How easy or difficult is it for your store employees to use the program? (N=129)

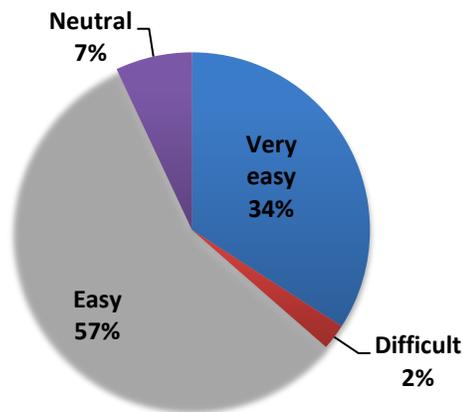


Figure 21. 31-99 drop-offs/month: How easy or difficult is it for your store employees to use the program? (N=55)

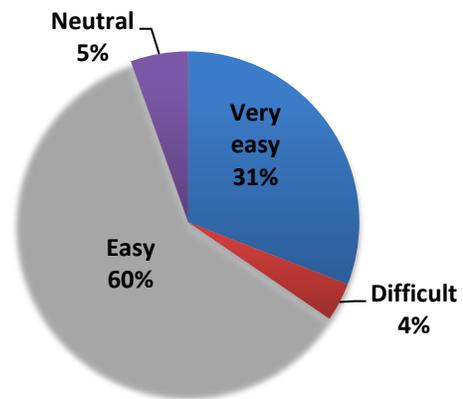
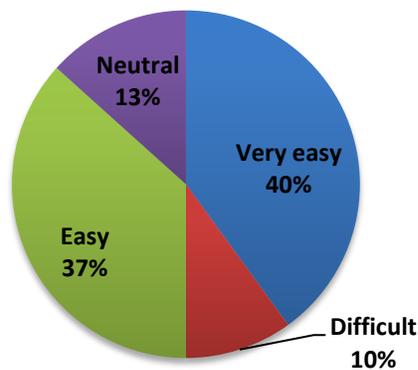


Figure 22. 100 or more drop-offs/month: How easy or difficult is it for store employees to use the program? (N=30)



Benefits to Retailers

Becoming a paint drop-off site offers a number of potential benefits to retailers, including increased foot traffic and customer loyalty, and an enhanced public image. More than half of the drop-off site retailers surveyed (53%) experienced an increase in foot traffic on account of becoming a drop-off site. Over 25% of respondents indicated that at least 10% of customers returning paint made purchases during the visit. In addition, 44% of retailers reported an increase in customer loyalty as a result of the PaintCare program (see Figures 23 and 24). This effect was slightly more pronounced among small/independent stores than among larger or paint manufacturer-owned stores (see Figures 25 and 26).

Figure 23. Customer Purchasing Patterns

Approximately what percentage of customers who bring in leftover paint for collection make purchases in your store during the same visit? (N=231)

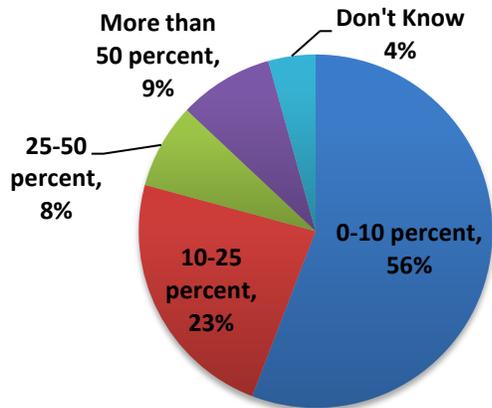


Figure 24. Customer Loyalty

Do you agree or disagree with the following statement? Collecting leftover paint for PaintCare has improved customer loyalty. (N=231)

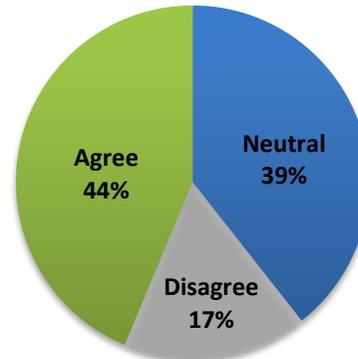


Figure 25. Customer Loyalty: Independent/Small Stores: *Do you agree or disagree with the following statement? Collecting leftover paint for PaintCare has improved customer loyalty. (N=33)*

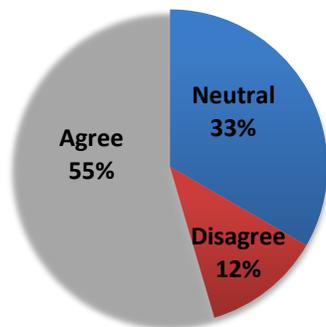
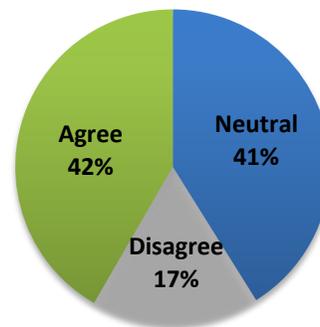


Figure 26. Customer Loyalty: Large/Manufacturer Stores: *Do you agree or disagree with the following statement? Collecting leftover paint for PaintCare has improved customer loyalty. (N=180)*



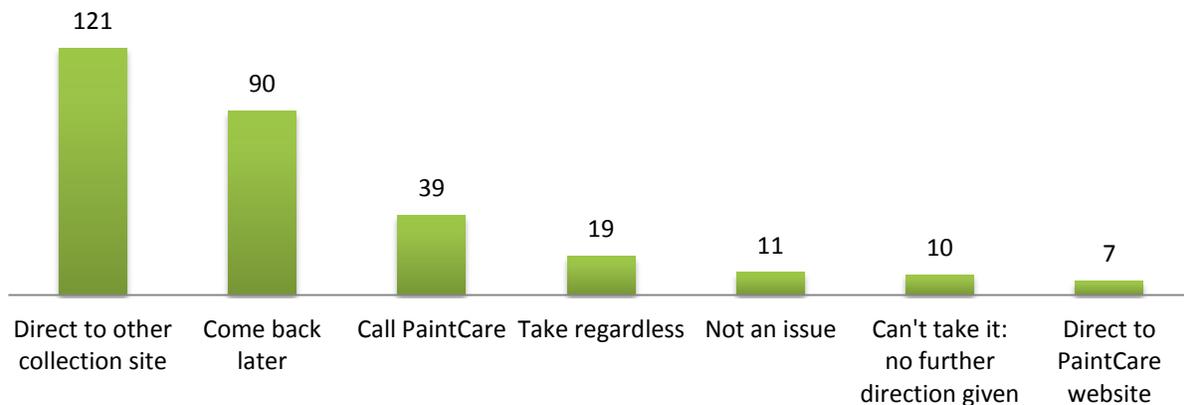
Drop-Off Site Promotion & Excess Paint

Retailers may reach capacity for accepting leftover paint before transporters arrive to pick-up the collected paint.²⁶ Most drop-off site retailers (53%) indicated that they direct customers with excess paint to other drop-off sites; others (39%) instructed them to come back to the store at a later time (see Figure 27).

²⁶ Twelve retailers discussed exceeding capacity for leftover paint in the “General Comments” section of the survey. Four encountered challenges with customers leaving this excess paint outside of their stores.

Figure 27. Managing Excess Paint

If someone has more paint than you can handle, what do you tell them? (Open response – categorized by key words) (N=228)



Most drop-off site retailers (89%) indicated that they would like other retailers in their communities to take back leftover paint to reduce the burden of managing the large volumes of paint coming into their stores (see Figure 28). Forty percent of retailers said that they would like PaintCare to more widely promote their site as a drop-off location, while 21% indicated that PaintCare already did enough to promote their store (see Figure 29).

Figure 28. Other Retailers

Do you agree or disagree with the following? I wish all or more paint retailers in our area would take back paint (N=209)

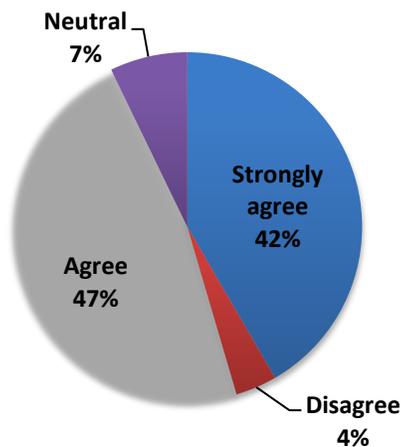
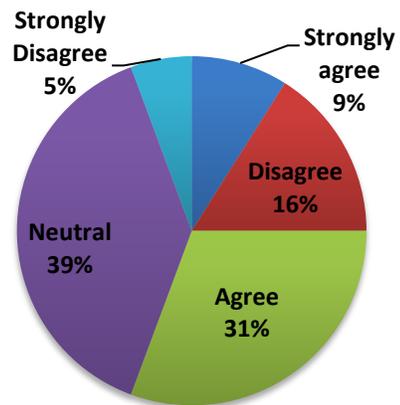


Figure 29. Promotion of Drop-Off Site

Do you agree or disagree with the following? I wish PaintCare would do more promotion of our store as a drop-off site (N=209)

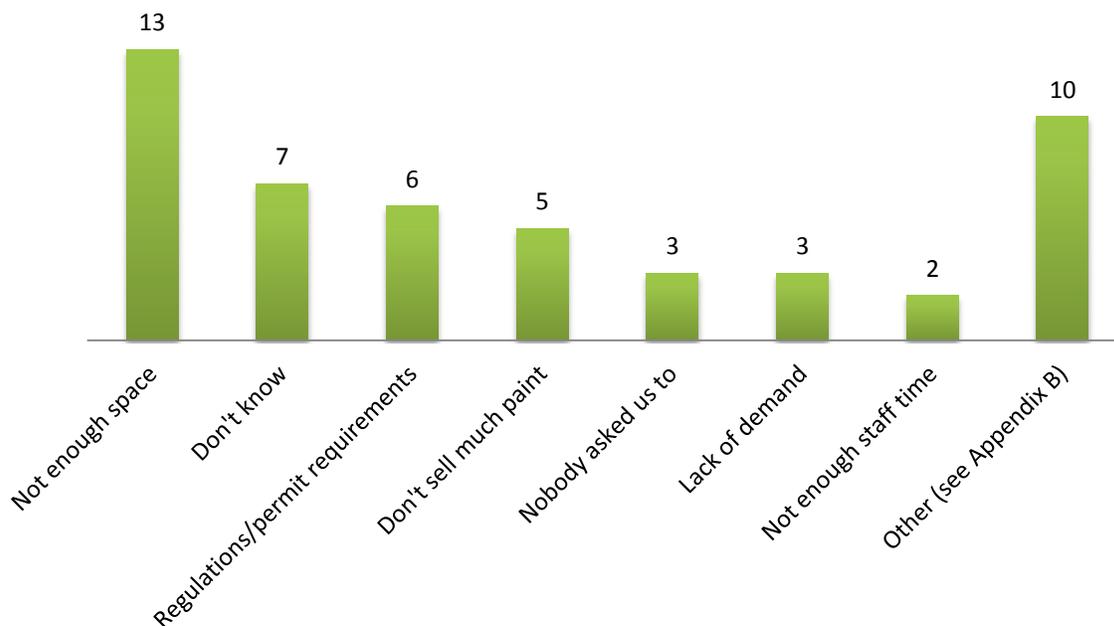


Reason for Not Becoming a Drop-Off Site

Retailers that did not become a PaintCare drop-off site frequently cited lack of space (33%) and regulatory requirements (e.g., that they believed they were not legally allowed to collect paint) (15%) as reason for not collecting paint, while 18% did not know their store’s rationale (see Figure 30). Two respondents had previously collected paint for PaintCare; one claimed that collection services at their store “mysteriously stopped,” while the other was waiting for a replacement lid for their collection bin.

Figure 30. Reasons for not becoming a Drop-Off Location

Why don't you collect paint for PaintCare? (Select all that apply) (N=39)



Customer Education

Ninety-six percent of retail drop-off sites and 70% of non drop-off sites provided education (print materials or word of mouth information) to customers about the PaintCare program (see Figures 31 and 32). The vast majority of drop-off sites (94%) had print materials available in their stores (e.g., posters, mini-cards, brochures). Among non drop-off sites, 40% of respondents had print materials in their stores, while 30% provided information by word of mouth only.

Figure 31. Drop-Off Sites: Customer Education about PaintCare: Do you provide information about PaintCare to your customers? (N=242)

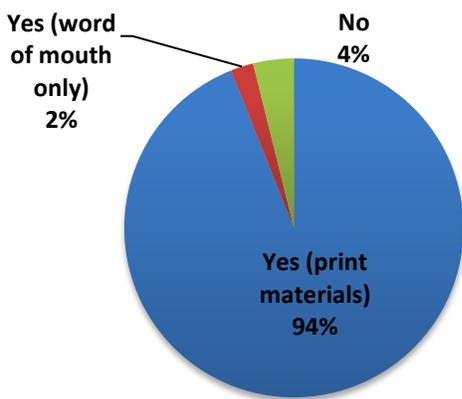
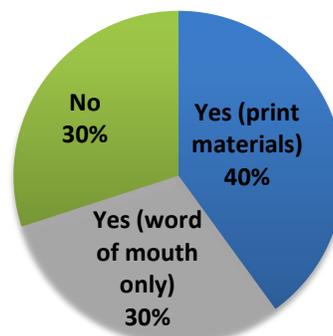


Figure 32. Non Drop-Off Sites: Customer Education about PaintCare: Do you provide information about PaintCare to your customers? (N=40)

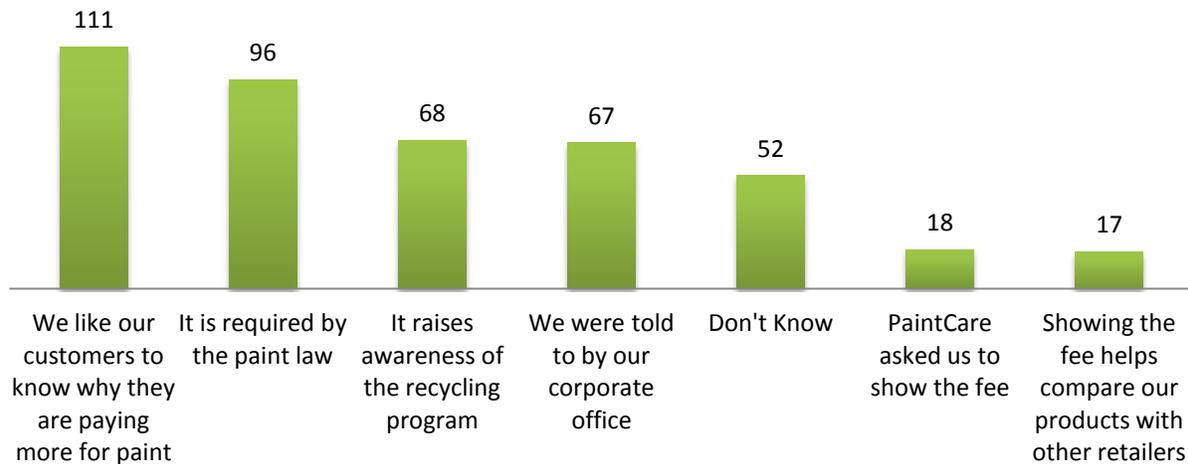


Customer Response

Retailers were asked to gauge the response of their customers to the PaintCare program, including the assessment fee added to the purchase price of paint. Ninety percent of retailers disclosed the fee on customers' receipts. Retailers most frequently indicated that they disclosed the fee on receipts to explain to customers why they were paying more for paint (42%) or to fulfill a state requirement (36%) (see Figure 33). It should be noted that "to fulfill a state requirement" represents a misunderstanding by retailers as none of the paint stewardship laws in the US, including California's, require the fee to be visible on the receipt.

Figure 33. Reasons for Disclosing Paint Stewardship Fee to Customers

Why do you disclose the fee? (Select all that apply) (N=265)



Of retailers that disclosed the fee on customer receipts, 58% indicated that customers asked about the fee only on an infrequent basis, while 32% indicated that they inquire frequently (see Figure 34). Thirty-three percent of respondents indicated that customers did not really care about the fee, whereas 36% indicated that customers did care about the fee (see Figure 35). Fifty-eight percent of respondents agreed that customers noticed the fee only at the start of the program, while 16% indicated that customers still noticed the fee (see Figure 36). Most retailers indicated that customers understood that the fee pays for a recycling program (85%) and that it is not a state tax (63%) (see Figures 37 and 38).

Figure 34. Questions about the Fee

How often do customers comment or have questions about the fee? (N=244)

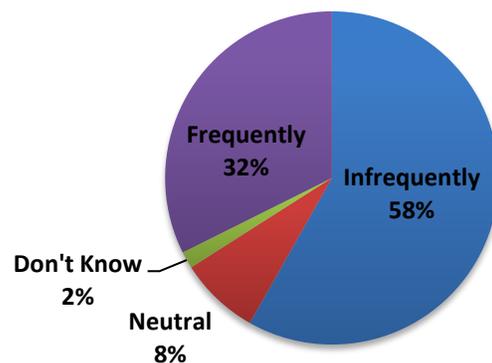


Figure 35. Customer Response to PaintCare Fee
Do you agree or disagree with the following?
Customers don't really care about the fee (N=242)

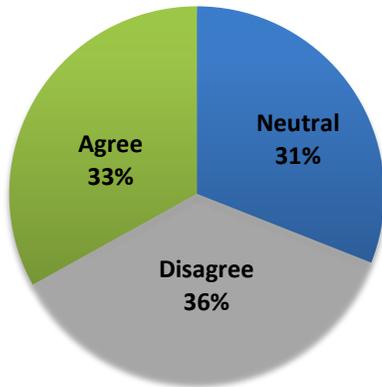


Figure 36. Customer Response to PaintCare Fee
Do you agree or disagree with the following?
Customers noticed the fee at the start of the program, but not anymore (N=241)

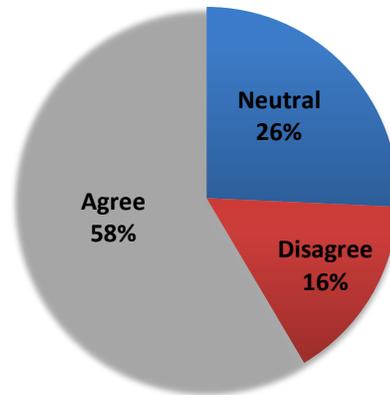


Figure 37. Customer Understanding of Fee
Do you agree or disagree with the following?
Customers understand that the fee pays for a recycling program (N=242)

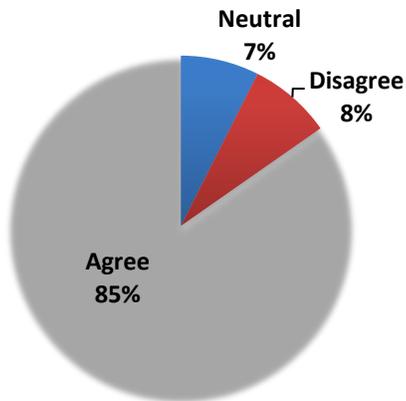
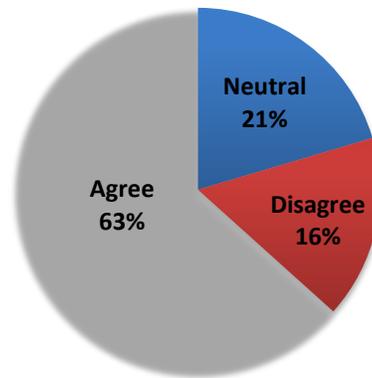


Figure 38. Customer Understanding of Fee
Do you agree or disagree with the following?
Customers understand that the fee is not a state tax (N=240)



Retailers (Non Drop-Off Sites): Comments on the PaintCare Program

“Customers only ask about 3-4 times per year. We don't know much about the program and would like to learn more.”

“[The program] started at same time as lumber fee program, so there were some ruffled feathers, but now everyone understands that it is just part of living in California. We did a lot of work to educate customers initially, so now they know and don't ask about it-- we don't even bother mentioning the fee anymore.”

“I would love to participate in the program, but the containers are huge and heavy and I am worried about my wood floors and how to transport the heavy containers over my wood and carpet floors without damaging them. It's a shame because it's an important program and I'd like to be involved. I tell customers about it because it's important for them to know that this recycling program is available. My regular customers are much more familiar with the program now because I educate them about it, so they don't ask much. Only new customers ask when they see the paint fee.”

The table below compares responses of retailers that were and were not employed at PaintCare drop-off sites to questions about customer response to the paint stewardship program (see Table 9). Compared to drop-off sites, retailers that were not drop-off sites were more likely to indicate that customers don't really care about the fee (60% non drop-off, 29% drop-off), but less likely to indicate that customers understood that the fee pays for a recycling program (87% non drop-off, 67% drop-off).

Table 9. Customer Response to the PaintCare Program: Retail Drop-Off Sites versus Non Drop-Off Sites		
	Drop-Off Sites: “Agree or Strongly Agree” (%)	Non Drop-Off Sites: “Agree or Strongly Agree” (%)
Customers don't really care about the fee	29%	60%
Customers noticed the fee at the start of the program, but not anymore	59%	50%
Customers understand that the fee pays for a recycling program	87%	67%
Customers understand that the fee is not a state tax	64%	59%

VI. PAINTING CONTRACTORS

Key Findings

- **Most contractors surveyed were aware of the PaintCare program.** 79% of respondents were able to provide information about the PaintCare program. Contractors were most likely to highlight that the program provides paint recycling (47%), is responsible for a fee on paint purchases (36%), and includes pick-up and/or drop-off services (31%).
- **More than half of the contractors surveyed were satisfied with the PaintCare program.** 60% of respondents indicated that the program was either excellent or good. Contractors indicated that they liked the program because it provides an outlet for leftover paint and is good for business and the environment.
- **Most contractors surveyed had used the PaintCare program to recycle paint.** 81% had used the PaintCare program for paint drop-off only, 8% for large volume pickup (LVP), 12% for both LVP and drop-off. Contractors that had not used the program cited lack of information or misinformation, not having much leftover paint, and program limitations.
- **More than half of the contractors surveyed found the fees too high.** 60% of respondents indicated that fees were too high, while 31% claimed that they were fair.

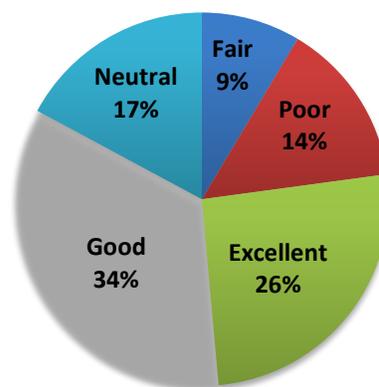
Details of Survey Responses

Program Satisfaction

More than half of the contractors surveyed (60%) indicated that the PaintCare program was either excellent or good, while 17% indicated that it was neutral, nine percent indicated that it was fair, and 14% indicated that it was poor (see Figure 39). Contractors indicated that they like the program because it provides an outlet for leftover paint (5) and is good for business (1) and the environment (2). Respondents indicated that they would like to see the program changed to increase the number of locations accepting paint (2), include solvents in program products (2), and remove limits on gallons per visit (4). Other contractors expressed frustration with the fee (see “Response to Fees”).

Figure 39. PaintCare Program Satisfaction: Contractors

Overall, what do you think of PaintCare? (N=35)

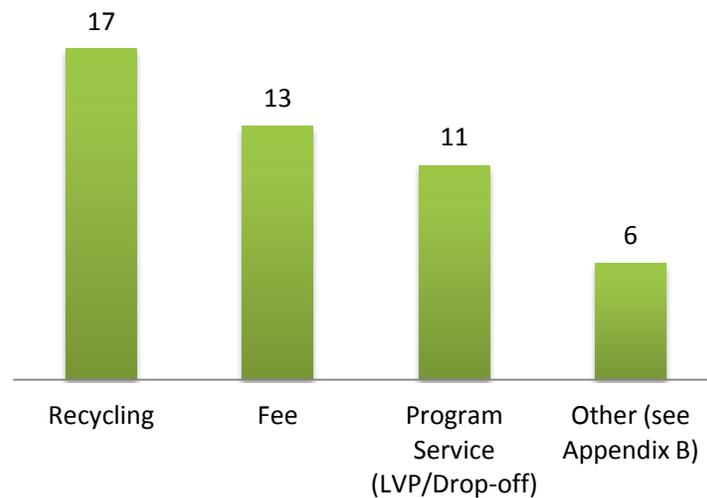


Program Awareness

Most contractors surveyed (79%) were aware of the PaintCare program.²⁷ Contractors were predominately aware that the program provides paint recycling (47%), is responsible for a fee on paint purchases (36%), and includes pick-up and/or drop-off services (31%) (see Figure 40). Contractors more frequently indicated that they were aware of PaintCare’s drop-off service (73%), than the large volume pick-up service (27%).

Figure 40. PaintCare Program Awareness

What do you know about the PaintCare program? (Open response – categorized by key words) (N=36)

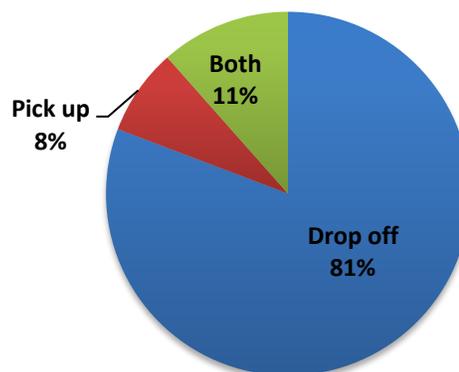


Use of the PaintCare Program

Most contractors surveyed (68%) had used the PaintCare program. The majority of these respondents (81%) had used the program for paint drop-off only, whereas 8% used the program for large volume pickups, and 12% used both drop-offs and large volume pickups (see Figure 41).

Figure 41. Use of PaintCare Program

If you use the PaintCare program, do you use it for drop off, pick up, or both? (N=26)



²⁷ Response bias likely. Contractors that are aware of the PaintCare program may have been more inclined to complete a voluntary survey.

Most contractors indicated that they use the program because they pay for it in their paint purchases (77%), because they think that it is the right thing to do (62%), because it is easy (58%), or because it is good for the environment (58%) (see Figure 42).

Figure 42. Reasons for Recycling Paint

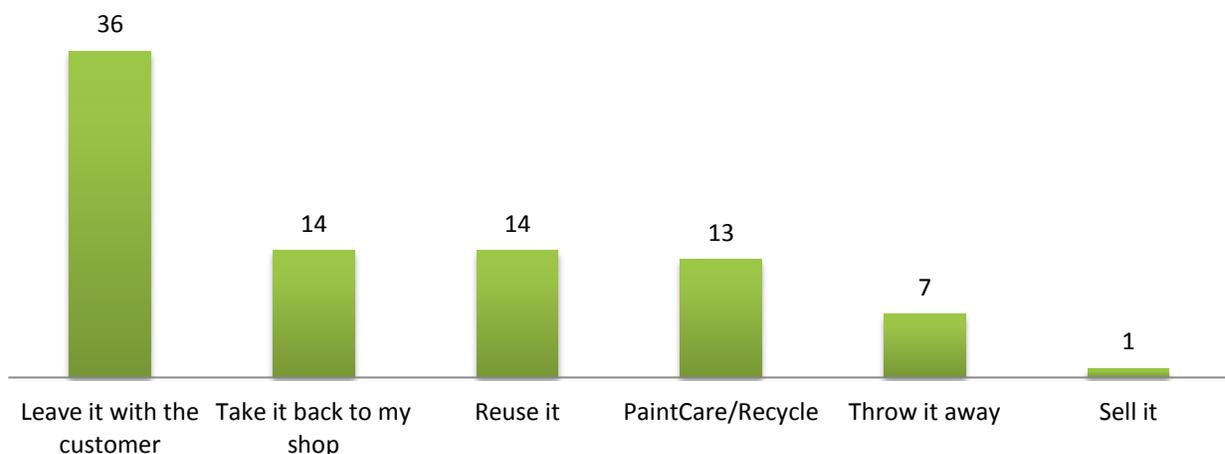
Why do you bring leftover paint to a PaintCare drop-off site? (Select all that apply) (N=26)



Contractors that had not used the program (32% of respondents) cited lack of information (3), misinformation (2), not having much leftover paint (2), and program limitations [stores are full (1) or don't accept all products (1)] as the reasons. Contractors that had not used the program were most likely to leave leftover paint with customers (67%), take it back to their shop (25%), or dispose of it (25%). Most contractors surveyed (75%), including those who used the PaintCare program left at least some leftover paint with their customers (see Figure 43).

Figure 43. Use of Leftover Paint

When you finish a job and have extra paint, what do you do with it? (Open response – categorized by key words) (N=48)

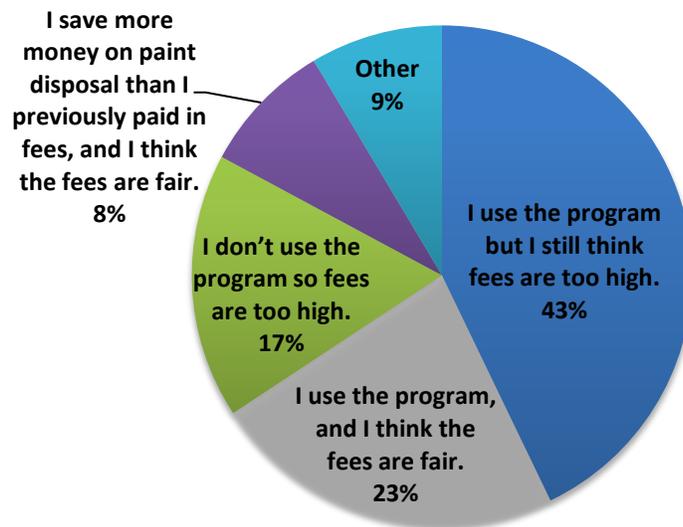


Response to Fee

Most contractors surveyed (60%) indicated that the fees were too high, 31% indicated that they were fair. Many contractors (43%) indicated that they used the program but thought fees were too high, 23% said they used the program and thought fees were fair, and 9% saved more money on disposal than they paid in fees (see Figure 44).

Figure 44. Contractor Responses Regarding Fees

What is your opinion of the fees? (N=35)



Paint Contractor Comments

"I like that there is finally something easy for us to get rid of old paint. My clients like that I am able to take their old cans away for them."

"I think it is a good thing but I think the charge is arbitrary and too high considering most gallons get used and not recycled. I might buy thirty gallons of paint which costs 22.50 and then return only one gallon. That's really high for one gallon. I used to dispose of it in 55 gallon drums for about 4.50 per gallon. I do like that I can tell my customers that they can finally get their old paint cans out of their garages for free."

"I think there should be drop-offs in every store where you pay the fee."

VII. PROGRAM SUCCESSES & CHALLENGES

This section summarizes PSI’s assessment of the successes and challenges of the California paint stewardship program as derived from PSI’s stakeholder surveys, PaintCare’s annual program reports, and CalRecycle Form 303 data.

Successes

- **Increased reuse, recycling, and beneficial use of leftover paint.** In the first 2.7 years of the California paint stewardship program, PaintCare processed 5,383,796 gallons of leftover paint. From 2011 (pre-implementation) to 2014 (Year 2 of the PaintCare program) paint recovery in California increased by approximately 20%.
- **Cost savings for California local governments.** The majority of HHW programs participating in the PaintCare program (82%) saved money on paint management through the PaintCare program. The average cost savings among 27 programs was \$151,905 per year. The one program that experienced an increase in paint management costs indicated that labor costs increased due to amplified paint volumes and participation in their HHW program.
- **More convenient options for paint drop-off.** Prior to the implementation of the PaintCare program in October 2012, there were 144 paint drop-off sites in California. By the end of the October 2015, there were 733 drop-off sites, including 583 retail collection sites. In 2015, 98.4% of California residents lived within 15 miles of a paint drop-off site.
- **High approval rating.** The majority of respondents in each stakeholder group surveyed indicated that they were satisfied or very satisfied with the PaintCare program.

Stakeholder Group	Percent Satisfied or Very Satisfied with the PaintCare Program²⁸
HHW Program Managers	71%
Retail Drop-Off Sites	85%
Contractors	60%

- **Ease of participation for retailers and consumers.** Most retail drop-off sites (88%) indicated that it was easy or very easy to participate in the PaintCare program. Ninety-three percent of retailers indicated that it was easy or very easy for customers to participate in the program.
- **Customer understanding of the program.** Most retailers (85%) indicated that customers understood that the PaintCare fee, which is added to paint purchases, pays for a recycling program. Survey results indicated that customers have expressed mixed responses to the fees; about a third of retailers (33%) agreed that customers did not really care about the fee, while 36% indicated that customers did care about it. Fifty-eight percent of respondents indicated that customers noticed the fee only at the start of the program.

²⁸ To account for variations in survey design, “satisfied” and “very satisfied” were equated to the responses “good” and “excellent” on the contractor survey.

Challenges

- **Costly local government contracting process.** Sixty-four percent of the HHW programs incurred legal expenses for contracting with PaintCare during program implementation. While 96% of these programs anticipated some legal costs, these costs were greater than expected for 55% of the programs. Additionally, six of the HHW programs that were not contracted with PaintCare had not yet done so on account of challenges with finalizing a contract.
- **Limited number of drop-off sites in some communities.** In the general comments section of the survey, six HHW program managers (18%) indicated that they would like PaintCare to add retail drop-off sites in areas without existing sites to help manage increased paint volumes. While many jurisdictions had a large number of retail drop-off sites, other jurisdictions had one or zero retail sites, increasing the burden on some local HHW programs and limiting convenience for consumers.
- **Influx of paint to retail drop-off sites.** When asked to provide additional comments on the effects of the PaintCare program on their stores, 5% (12 of the 233) retail drop-off sites surveyed indicated that their stores frequently received more paint than they could handle, making it necessary to turn away customers. These customers often expressed disappointment with the store, and occasionally dumped paint outside the store, which created an additional challenge for retailers.
- **Contractor education and awareness.** PaintCare currently works with the California chapter of Painting and Decorating Contractors of America to conduct contractor outreach, and has developed numerous print materials for contractors. While 79% of contractors surveyed were aware of the PaintCare program, many mentioned only the fee or drop-off services. Furthermore, comments from several contractors indicated misinformation; for example, one contractor stated that they had not used the PaintCare program at all because s/he did not have the space to store 300 gallons of paint. Twenty-one percent of respondents did not know anything about the PaintCare program, and two additional respondents stated that they did not use the program because they did not know enough to do so.

VIII. RECOMMENDATIONS

The recommendations provided below are based on information gleaned from PSI's stakeholder surveys, as well as information reported in PaintCare's annual program reports.

1. **Increase retail drop-off sites and paint-only collection events in underserved areas.** In much of the state of California, PaintCare has increased consumer convenience and reduced costs for HHW facilities by adding retail drop-off sites and paint-only collection events. In some communities, however, a limited number of drop-off sites coupled with increased paint collection strains local government and retail drop-off sites. Seven HHW program managers indicated that they would like PaintCare to add retail drop-off sites in their communities to help manage the influx of paint. Additionally, 89% of retailers indicated that they would like more retailers in their communities to serve as drop-off sites, and two of the contractors surveyed requested more retail drop-off locations.
2. **Identify opportunities to simplify and streamline the contracting process.** Sixty-four percent of respondents incurred some form of legal expenses as part of negotiating an agreement to

participate in the PaintCare program. Of these, 55% stated that some legal costs were expected, but the actual effort and costs were more than expected. Mechanisms to simplify the contracting process may reduce costs for some programs.

- 3. Conduct additional contractor outreach and education.** Results of the survey indicated that many contractors were unaware of key elements of the PaintCare program. Despite PaintCare's current outreach efforts, lack of information may contribute to limited program use by painting contractors. Additional efforts to ensure contractors are aware of both large volume pickup and drop-off services may increase program use and contractor satisfaction.
- 4. Work closely with retail drop-off sites to develop bin pickup schedules.** Twelve retail drop-off sites indicated that they often receive more paint than they can store, while two sites described challenges with arranging bin pickups. PaintCare can increase retailer satisfaction and overall program effectiveness by working closely with retailers to develop pickup schedules that meet their needs, including more frequent regularly scheduled pickups for stores that collect the greatest quantities of paint.
- 5. Reevaluate as the program matures.** In 2015, the California paint stewardship program was still in a period of growth and development. In their responses to the survey, many HHW programs focused on the relatively recent contracting process, while retailers focused on program training and start-up. Furthermore, as the program becomes more established in the state, public awareness is likely to grow, potentially contributing to changes in participation rates and understanding of the fee. A repetition of this study after two to three years will provide greater insight into the effects of PaintCare on key stakeholder groups as the program gains experience and becomes established in the state.

IX. APPENDIX A: SUPPLEMENTARY TABLES

The following data tables provide greater detail on the survey results discussed throughout this report.

HHW Programs

Table 10. Since you began participating in PaintCare, which of the following best describes changes, if any, to your program costs? (N=45)

	Overall HHW program costs		Paint-Related Costs	
	Percent	Count	Percent	Count
Total increase	15%	7	2%	1
Increase of more than 10%	11%	5	2%	1
Increase of 1-10%	4%	2	0%	0
Total decrease	69%	31	82%	37
Decrease of more than 10%	33%	15	62%	28
Decrease of 1-10%	36%	16	20%	9
No change	16%	7	16%	7

Table 11. Change in average number of households per year that dropped off paint with the program (N=45)

	Percent	Count
Total increase	44%	20
Increase of more than 10%	9%	4
Increase of 1-10%	36%	16
Total decrease	18%	8
Decrease of more than 10%	9%	4
Decrease of 1-10%	9%	4
No change	38%	17

Table 12. Change in total volume of paint collected since participating in PaintCare program (N=32)

	Percent	Count
Total increase	53%	17
Increase of more than 10%	34%	11
Increase of 1-10%	19%	6
Total decrease	28%	9
Decrease of more than 10%	19%	6
Decrease of 1-10%	9%	3
No change	19%	6

Table 13. Overall, has your HHW program seen an increase or decrease in total non-paint HHW collected since participating in the PaintCare program? (N=36)

	Percent	Count
Total increase	31%	11
Increase of more than 10%	17%	6
Increase of 1-10%	14%	5

Total decrease	6%	2
Decrease of more than 10%	6%	0
Decrease of 1-10%	0%	2

**due to rounding, data may not add up to 100%*

Retail Drop-Off Sites

Table 14. Do you agree or disagree with the following statements?

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count
Customers understand the fee pays for a recycling program	15%	32	73%	153	7%	15	5%	10	1%	2
Customers understand that the fee is not a deposit (they won't get their money back for bringing in paint or an empty can)	19%	40	71%	150	6%	13	4%	9	0%	0
Customers understand that the fee is not a state tax	12%	25	52%	111	21%	45	13%	28	2%	4
Customers have no idea what the fee is for	2%	4	14%	28	26%	53	48%	98	11%	23
Customers don't really care about the fee	1%	3	28%	59	34%	72	31%	65	6%	13
Customers noticed the fee at the start of the program, but not anymore	8%	16	52%	110	26%	55	13%	28	1%	2

Retail Non Drop-Off Sites

Table 15. Do you agree or disagree with the following statements?

	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count
Customers understand the fee pays for a recycling program	13%	4	53%	16	10%	3	23%	7	0%	0
Customers understand that the fee is not a deposit (they won't get their money back for bringing in paint or an empty can)	17%	5	67%	20	7%	2	10%	3	0%	0
Customers understand that the fee is not a state tax	14%	4	45%	13	17%	5	21%	6	3%	1
Customers have no idea what the fee is for	3%	1	33%	10	10%	3	50%	15	3%	1
Customers don't really care about the fee	7%	2	53%	16	10%	3	27%	8	3%	1
Customers noticed the fee at the start of the program, but not anymore	10%	3	40%	12	23%	7	27%	8	0%	0

X. APPENDIX B: ADDITIONAL INFORMATION

The following lists provide responses to survey questions allowing an open-ended “Other” response.

HHW Programs:

1. *If your total HHW or paint-related program costs have decreased since participating in the PaintCare program, which of the following describe the reason(s) for the decrease? (Select all that apply) (N=39)*

Responses:

- PaintCare covers transportation and processing costs (36)
- Payments for paint reuse program (8)
- Payments for paint bulking (8)
- Payments for latex paint reprocessing (6)
- Payments for sorting latex from oil-based paint (3)
- Payments for internal transportation (2)
- Decrease in administrative costs on account of PaintCare (1)
- Decrease in the number of people using our program (3)
- Other (2):
 - We were also reimbursed by PaintCare for a portion of advertising for the HHW collection events.
 - Savings in labor costs because don't bulk at permanent sites anymore

2. *If your HHW program costs have decreased since participating in the PaintCare program, how do you currently or plan to use the savings? (Select all that apply) (N=30)*

Responses:

- Offset costs of managing other HHW products (18)
- Reduce our total budget (7)
- Increase the convenience of HHW collections for residents (4)
- Have not decided yet (4)
- Expand the number of products accepted by the program (2)
- Other (1)
 - Started sending all alkaline batteries off for recycling rather than disposal

3. *If your HHW program costs have increased since you started with PaintCare, which of the following best describe the reason for the increase? (Select all that apply) (N=5)*

Responses:

- Disposal costs for non-paint HHW (2)
- Labor for increased number of participants (1)
- Labor for increased paint volume (1)
- Other (2)
 - New facility – new costs

Retailers:

4. *Why did your store decide to become a PaintCare drop-off location? (Open response – categorized by key word) (N=223)*

Responses:

- Corporate decision (138)
- Customer service (30)
- Environmental reasons (25)
- Business advantage (17)
- Community service (13)
- Required by state or district (8)
- Don't know (7)
- People asked for it (4)
- Had space (3)
- Already participating a stewardship program(s) or collecting paint (3)
- PaintCare asked (2)
- Because of the fee (2)
- Other (7)
 - It is a good plan and it works
 - Good idea and eliminates night drops
 - Convenience. Our county already had its own program.
 - It's not just us – just about every paint store in our municipality is doing it (or is supposed to be)
 - Size of market supplied
 - Not sure – lots of people in the area find our location convenient
 - We wanted to participate
 - To partake in the program

5. *If someone has more paint than you can handle, what do you tell them? Open response – categorized by key word) (N=228)*

Responses:

- Direct to other collection site (121)
- Come back later (90)
- Call PaintCare (39)
- Take it regardless (19)
- Not an issue (11)
- Can't take it: no further direction given (10)
- Direct to PaintCare's website (7)
- Take to landfill (3)
- Don't know (2)
- Other (5)

- Contact PSC Environmental to arrange a pick up at their business.
- It depends on how much more paint they have and how full our bin is. 5 gallons per day is usually what we say, but we make exceptions
- We give them several different options for their handling needs
- Refer contractors to get their own bins

6. Why don't you collect paint for PaintCare? (N=40)

Responses:

- Not enough space (13)
- Don't know (7)
- Regulations/permit requirements (6)
- Nobody asked us to (3)
- Don't sell much paint (5)
- Lack of demand from customers (3)
- Not enough staff time (2)
- Other (10)
 - Don't know what it is
 - We collect and resell at a discount
 - We have two other retailers in town doing it. We do hold cans if delivered
 - Charge too much
 - On overload with everything else we collect (lamps, mercury coils, batteries)
 - Logistics – very small town
 - Don't want to be bothered
 - Used to recycle paint, but someone took the lid and PaintCare never sent us a new one
 - Wood floors- afraid of the weight- also carpet, things don't roll well on it, just too big
 - Had people collect first Saturday of every month, then it mysteriously stopped

Contractors:

7. What do you know about the PaintCare program? (Open response – categorized by key words) (N=36)

Responses:

- Paint recycling (17)
- Fee (13)
- Program service (LVP/Drop-off) (11)
- Other (6)
 - Paint buckets need to be dried for disposal
 - Everything about it. They presented a program at our painter's convention a couple of months ago.
 - Not much-very little
 - I am very familiar with their service
 - Meeting
 - Not much, green shirt

8. Why do you bring leftover paint to a PaintCare drop-off site? (Select all that apply) (N=26)

Responses:

- I am paying for it when I buy paint (20)
- It's the right thing to do (16)
- Easy (15)
- Good for the environment (15)
- I don't want to pay someone to take it away (12)
- It's free (12)
- Good for my reputation (6)
- My customers asked (6)
- There's no other service (4)
- My boss asked (3)
- It keeps my shop clean (1)