



Rhode Island Paint Stewardship Program

Annual Report July 1, 2015 – June 30, 2016



SUBMITTED BY

Laura Honis
Rhode Island Program Manager
lhonis@paint.org
(203) 747-4494

SUBMITTED TO

Janet Coit, Director
Rhode Island Department of Environmental Management
235 Promenade Street
Providence, RI 02908

Executive Summary

RHODE ISLAND PAINT STEWARDSHIP LAW

PaintCare is the representative stewardship organization of the Rhode Island Architectural Paint Stewardship Program, codified in Chapter 24.12 of Title 23 (Health and Safety) of the Rhode Island General Law. The Rhode Island Paint Stewardship Law requires manufacturers of architectural paint to:

- ◆ Establish a cost-effective, convenient, statewide system for the collection, recycling and reuse of postconsumer paint;
- ◆ Develop a comprehensive strategy, with the cooperation of state entities, producers, and retailers, for the proper management of postconsumer paint in a safe and environmentally sound manner;
- ◆ Provide fiscal and regulatory consistency for all producers of paint that participate in the collection system; and
- ◆ Establish effective collection, recycling, management and education programs resulting in collection of amounts of unused paint consistent with the goals and targets of the statute and program.

HIGHLIGHTS

Sites, Events, and Service. PaintCare added an additional four drop-off sites in the reporting period – two paint retailer and two transfer stations, ending the reporting period with 34 year-round sites. Of the 34 permanent drop-off sites, 29 were retailers, representing approximately 41% of likely retail participants.

Unique to Rhode Island, a single entity, the Rhode Island Resource Recovery Corporation (RIRRC) provides all of the state's household hazardous waste (HHW) collection services through their Eco Depot. PaintCare managed paint from RIRRC's Eco Depots which included one year-round facility, open on 16 dates, and 31 drop-off events during the reporting period.

With PaintCare's 34 year-round drop-offs sites there was one site within 15-miles of 99.9% of Rhode Island residents. In addition, PaintCare provided eight direct large volume pick-ups from business and institutions that had accumulated more than 300 gallons of paint at their facilities.

Paint Collection Volume. The program processed 80,643 gallons of postconsumer paint during the reporting period, a 25% increase over the first reporting period. Disposition of the two paint streams is available; however, the split between latex paint and oil-based cannot be provided for this reporting period due to an operational error on the part of the program's transportation service provider as described in Section B2 on page 21. Of the latex paint collected made up 80% of the paint, of which, 83% was made into recycled-content paint and 17% was unrecyclable and sent to landfill. All the oil-based made up 20% of the paint. All

~~of it was~~ used as fuel. In addition, ~~53 tons of~~ metal and plastic paint containers were recycled whenever possible.

Expenses and Revenue. The program is funded through a fee on new paint sales: 35 cents on pints and quarts; 75 cents on 1-gallon containers; and \$1.60 on 5-gallon containers. Approximately 1.5 million gallons of architectural paints were sold in Rhode Island during the reporting period. The program collected \$955,299 in fees from these sales.

Expenses, including paint transportation and processing, outreach, staffing, and administrative costs were \$768,297. The program ended the reporting period with a net asset balance of \$379,279, or 49% of annual expenses.

The cost per gallon of the program in this reporting period is \$9.53, a 9% decrease from the first reporting period.

Paint Recovery Rate. The recovery rate, the volume of postconsumer paint collected divided by the volume of new paint sales in the same period, was 5.3%.

Outreach. In the reporting period, PaintCare's outreach efforts included print (newspaper advertising), television, outdoor (billboards), radio, fulfillment (distribution of brochures and other print-based materials), and digital/social media.

PROGRAM PLAN AND ANNUAL REPORT

The Rhode Island Paint Stewardship Law required the submission and approval of a Program Plan prior to the program's launch. The Rhode Island Department of Environmental Management approved PaintCare's Program Plan in the spring of 2014, and the Rhode Island program began on June 1, 2014.

The Rhode Island Paint Stewardship Law also requires the submission of an Annual Report to the Director of the Rhode Island Department of Environmental Management by October 15 each year, covering the period of July 1 – June 30.

Annual report shall include, but not be limited to:

- 1) A detailed description of the methods used to collect, transport and process postconsumer paint in this state;
- 2) The overall volume of postconsumer paint collected in this state;
- 3) The volume and type of postconsumer paint collected in this state by method of disposition, including reuse, recycling and other methods of processing or disposal;
- 4) The total cost of implementing the program, as determined by an independent financial audit, as performed by an independent auditor (and a copy of the independent audit);
- 5) An evaluation of the adequacy of the program's funding mechanism;

- 6) Samples of all educational materials provided to consumers of architectural paint and participating retailers; and
- 7) A detailed list of efforts undertaken and an evaluation of the methods used to disseminate such materials including recommendations, if any, for how the educational component of the program can be improved.

This second annual report covers the 12-month period from July 1, 2015 to June 30, 2016 (FY2016). The first reporting period ran from June 1, 2014 to June 30, 2015 (13 months) and is referred to as FY2015 in this report. The Rhode Island Program Plan and annual reports are available on PaintCare's website.

Section 2. Paint Collection Volume and Disposition Methods

Annual Report Statutory Citation

Title 23, Chapter 24.12. Proper Management of Unused Paint

23-24.12-3(m). On or before October 15, 2015, and annually thereafter, the representative organization shall submit a report to the director of the department of environmental management that details the paint stewardship program.

Such annual report shall include, but not be limited to:

(2) The overall volume of post-consumer paint collected in this state.

(3) The volume and type of post-consumer paint collected in this state by method of disposition, including reuse, recycling and other methods of processing or disposal.

A. PAINT SALES

Paint sales were 1,527,962 gallons in the reporting period.

B. PAINT COLLECTION AND MANAGEMENT

B1. Collection Volume and Recovery Rate

The program processed 80,643 gallons of paint during the reporting period. This equates to a 5.3% recovery rate (80,643 gallons processed divided by 1,527,962 gallons sold). As described in PaintCare Rhode Island Program Plan, for budgeting and planning purposes, PaintCare estimated an annual recovery rate of 6%, or approximately 96,000 gallons of leftover paint (6% of the originally projected 1.6 million gallons in sales).

Though the program has yet to reach a 6% recovery rate, collection volume increased significantly in the this reporting period as shown in the following table.

GALLONS SOLD AND PROCESSED

	YEAR 1 FY2015	YEAR 2 FY2016
Gallons Sold	1,558,820	1,527,962
Gallons Processed	64,525	80,643
Recovery Rate	4.1%	5.3%
Increase in Gallons Processed	N/A	25%

Further, as discussed in Program Plan, several factors make recovery rate goals and calculations problematic. Paint is designed to be fully consumed through application to walls, buildings, and other surfaces. Although the amount of postconsumer paint received through the program is measurable, it is very difficult to determine the precise quantity of postconsumer paint that is leftover and available for collection at any given time. The lag time between the purchase of paint and the decision that the leftover paint is unwanted, and the additional time before it is taken to a drop-off site can vary greatly. In addition, architectural paint products have a long shelf life, so consumers purchasing paint in one year may not decide that the unused paint is unwanted for several years. For these reasons, PaintCare did not establish volume-based collection goals in its Program Plan, but did commit to providing and examining recovery rate data for planning and budgeting purpose, and for comparison to baseline collection volumes as presented above.

B2. Latex vs. Oil-Based Paint

In the first version of this report, this subsection contained a breakdown of latex versus oil-based paint as provided by the program's transportation service provider. This section, section B3 below, and section C on the next page have been modified due to an operational error that was discovered at the end of 2016. This error occurred at the Clean Harbors facility in Cranston, RI, where paint from the Rhode Island, Maine, and Vermont PaintCare programs is received, sorted by type, and repacked for shipment to downstream processors. From the start of the Vermont program in June 2014 through October 2016, Clean Harbors combined paint from the Rhode Island and Vermont. When the Maine program started in October 2015, paint from all three states was combined. Although PaintCare is able to report the total weight (and estimated volume) of paint received from each state (because the bins were weighed before sorting), the breakdown by type (latex vs. oil-based) for each of the three states is not available for the period between May 2014 and October 2016. Of the 80,643 gallons of paint processed in this reporting period, 80% (64,668 gallons) was latex paint and 20% (15,975 gallons) was oil-based paint. There are several factors which contribute to the mix of processed paint – the paint type delivered to drop-off sites and events, the time it takes the haulers to deliver the material to the various processors, and the time it takes for the processors to process the paint (i.e., Clean Harbors and GDB have paint in inventory which was collected during the reported period that is not yet processed). While the mix of latex and oil-based paint in this reporting period is different from the first reporting period where it was 62% latex and 38% oil-based, it is consistent with the mix observed in other PaintCare programs. Additionally, as the RIRRC HHW program did not historically advertise acceptance of latex paint through their program, the change between the two reporting periods could be the result of program participants cleaning out accumulated latex paint as they became aware of the PaintCare program. Thus, the change in mix could have more to do with a change in behavior, bringing latex paint to a drop-off site or event versus storing or drying and disposing of it, rather a change in the actual mix of leftover paint in the state.

B3. Paint Management Methods

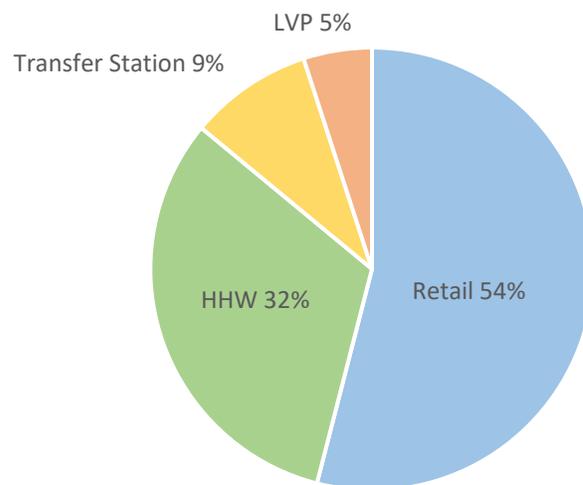
The following table shows the paint-management methods for and volumes in latex paint the first two reporting periods. Though we do not know the gallons of latex paint from the Rhode Island program, we know the latex processor's overall recycling rate each reporting period. We also know that all the oil-based paint was used as fuel.

SUMMARY OF PAINT MANAGEMENT

	YEAR 1 FY2015 GALLONS	YEAR 1 FY2015 %	YEAR 2 FY2016 GALLONS	YEAR 2 FY2016 %
LATEX PAINT DISPOSITION				
Recycled Paint	34,990	87	53,736	83
Disposal	5,313	13	10,932	17
Total	40,303	100	64,668	100
OIL-BASED PAINT DISPOSITION				
Fuel	24,223	100	15,975	100
Total	24,223	100	15,975	100

B4. Collection by Program Type

The following pie chart shows the breakdown of collection volume by program type.



C. CONTAINER RECYCLING

As described in Section 1 of this report, metal and plastic paint containers are recycled whenever possible. However, the exact tonnage of cans recycled during this reporting period cannot be determined due to the error described in Section B2 on the previous page. All latex paint containers were recycled by the downstream processor, GDB, and the metal cans in the portion of oil-based paint managed at the Smithfield, KY facility were recycled as well. However, as the breakdown of latex paint vs. oil-based paint and the breakdown of the oil-based managed at each of the downstream facilities is unavailable for Rhode Island, the exact tonnage of containers recycled cannot be determined.~~As described in Section 1 of this report, metal and plastic paint containers were recycled whenever possible. During the reporting period, the program recycled an estimated 53 tons of paint containers, bringing the total tons recycled since the start of the program to 80 tons.~~