

December 11, 2017

Attention: CalRecycle Paint Team  
Department of Resources Recycling and Recovery  
1001 I Street  
PO Box 4025, MS 13A  
Sacramento, CA 95812

Submitted via email: [Paint@CalRecycle.ca.gov](mailto:Paint@CalRecycle.ca.gov)

**SUBJECT: CPSC COMMENTS ON PAINTCARE YEAR FIVE ANNUAL REPORT**

Dear CalRecycle Paint Team:

The California Product Stewardship Council (CPSC) is the preeminent California based organization dedicated to product stewardship research, development, education, and implementation. CPSC has the support of numerous cities, counties, local government associations and business partners in virtually every Senate and Assembly district in California, representing over 64% of the state's population. CPSC takes pride in coordinating closely with others to ensure that California policies maintain the integrity of the [Principles of Product Stewardship](#).

Five years have passed since the start of the PaintCare program, and we are pleased with the overall program, and in particular the following:

1. 803 public year-round drop-off sites have been established
2. 3.4 million gallons of post-consumer paint collected in 2016-2017
3. 98.5% of people in California are within 15 miles of a permanent drop off location
4. 313 large volume pick-ups completed
5. Reuse increased 20% by volume
6. 94% of paint collected was reused or recycled
7. Collection event partnership with Mattress Recycling Council
8. CPSC supports PaintCare's decision to not alter the current fee structure despite their large surplus of \$43,762,360. Decreasing the fee at this time would be premature which is what we suggested to the Mattress Recycling Council (MRC). But MRC reduced the fee against the will of the Mattress Advisory Committee so we really appreciate PaintCare not taking a similar stand.

With any program there is room for constant review and improvement and with that in mind, we have some suggested changes for the program as follows:

**Convenience Level:**

CPSC is concerned that rural populations are still not receiving the same access to collection locations as urban regions, as 22 of the 73 areas do not meet the density criteria (page 18). We believe there needs to be a goal of establishing all the planned locations this year, the 8<sup>th</sup> year since the bill passed, to ensure full roll out of the program and that all fee payers finally have reasonable access to the program benefits.

In California law, a “fee” is not a “tax” because fee payers benefit from the program, so it is critical that we ensure all California fee payers are benefitting as soon as possible.

Also, we strongly believe that the number of gallons collected per customer per day should increase from 5 gallons (page 15) to 10 gallons per visit to make it more convenient for the public cleaning out a garage, for example, so they do not need to make multiple trips.

### **Formation of Limited Liability Corporation**

Section 48701 of PRC states (h) “Stewardship organization” means a nonprofit organization created by the manufacturers to implement the architectural paint stewardship program described in Section 48703

PaintCare is a 501c3 nonprofit under the IRS code and was created by the American Coatings Association the primary trade association of the architectural paint and coatings industry. Without a lot of documentation or legal findings of how they are compliant with California law in regards to establishing a LLC under the 501c3 which limits transparency and government oversight, we do not support the formation of the LLC. While PaintCare has already formed limited liability companies (LLC) in Connecticut, Oregon and Rhode Island, CPSC is strongly opposed to PaintCare’s transition to a LLC in California without providing proof that is verified by CalRecycle’s legal team that it would not hinder California’s ability to have transparency and accountability in the program and meet the goals of the statute.

We are happy to continue working with CalRecycle and PaintCare to ensure that California’s paint stewardship program is a success.

Thank you for the opportunity to comment.

Sincerely,



Heidi Sanborn, Executive Director