

SB 239: PAINT STEWARDSHIP FAQs

Below are answers to frequently asked questions about SB 239, a paint stewardship bill introduced in Missouri by Sen. Burger.

Q: How is the fee structure for funding the program determined?

A: Once SB 239 is passed, the industry nonprofit PaintCare* estimates the total expenses to run the program in Missouri as well as the estimated annual paint sales in each state for each container size. Then, they divide the estimated total expenses of the program by the number of containers to be sold in the state, considering each size container, to determine the fee. The fee structure varies from state to state, but generally resembles the following:

- **Half pint or smaller:** \$0.00
- **Larger than half pint up to one gallon:** \$0.35
- **1 gallon up to 2 gallons:** \$0.75
- **Larger than 2 gallons up to 5 gallons:** \$1.60



Q: How is this different from Missouri's current tire and lead-acid battery fee?

A: Missouri's tire and lead-acid battery fee is a fifty-cent (\$0.50) fee added at the point of sale to the price of most tires and all lead-acid batteries sold in the state. The funds from this fee are used by the state to clean-up illegal dumps and educate consumers on proper disposal. The paint stewardship program is also funded through a small fee added to the purchase price of each can of paint. However, the funds are then managed by the paint industry via PaintCare, not the state. Retailers are not burdened by having to handle fee transactions because the assessment is included when retailers purchase inventory and then reimbursed by consumers. The assessment funds the entire paint stewardship program, ensuring convenient collection, processing and recycling paint, educating retailers and consumers, and government oversight.

Q: Why is the fee added to the purchase price of paint rather than at the point of collection?

A: The funding mechanism for paint stewardship programs was established through a four-year national stakeholder process which culminated in two formal memorandums of understanding in 2005 and 2007 signed by over 30 key stakeholders, including the U.S. paint industry (represented by the American Coatings Association, or ACA), the U.S. Environmental Protection Agency, multiple state and local government agencies, recycled paint manufacturers, and others. The model fairly apportions costs between producers, protects consumers from unnecessary costs, and covers all program costs through any market fluctuations.

Currently, Missouri taxpayers in some counties fund the collection of paint through HHW programs, but these are inadequate (see "*What does collection convenience in rural areas look like under this program?*", below). Charging a fee when paint is collected disincentivizes residents to return their unused paint, leading to paint being dumped down drains or left in basements where it spoils. Paying the fee when paint is purchased instead ensures that funding is available to cover the collection, transportation, and recycling of leftover paint.

Q: Is the paint stewardship assessment a tax? Will it be applied before sales tax?

A: The assessment is **not** a tax for two reasons: first, because the funds are not directed to the state but instead managed by PaintCare, and second, because the assessment is incorporated directly into the purchase price of paint. Each individual retailer chooses whether to show the assessment separately on customers' receipts. Most states apply the assessment prior to sales tax, generating state revenue; whether this will happen in Missouri is yet to be determined.

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Q: What does collection convenience in rural areas look like under this program?

A: The PaintCare must ensure that 95% of residents live within 15 miles of a collection site, a figure they have exceeded in every state with a program. This is greatly needed in Missouri, as 26 Missouri counties lack paint disposal services while 76 only accept oil-based paint (which makes up just 20% of all paint). PaintCare coordinates collection sites and events in urban and rural communities and creates a searchable database** to assist residents in dropping off paint.

Q: Is it mandatory for residents to bring paint back to collection sites?

A: No, residents are never required to bring their unused paint to any collection site or event. While returning paint is not mandatory, however, PaintCare does significantly increase convenience so that opportunities to drop off leftover paint are more accessible. Consumers are also educated by PaintCare on buying the correct amount of paint***, thereby reducing the amount of unused paint they generate.

Q: How is PaintCare incentivized to recycle, rather than dispose, paint collected under this program?

A: PaintCare follows a waste hierarchy for managing paint of reuse, recycling, energy recovery, and disposal. They establish contracts with transporters, processors, and recycled paint manufacturers to manage paint and ensure that as much latex paint as possible is recycled back into recycled paint – which is then resold to consumers as a paint product – or into other materials, such as garden stones. More than 72% of all latex paint collected by PaintCare since the first paint stewardship programs began in Oregon in 2010 – or nearly 30 million gallons – has been reused or recycled.

Oil-based paint is more costly and difficult to recycle than latex paint primarily due to increased permitting requirements to handle this hazardous waste. As a result, only one major paint recycler in North America recycles oil based paint. Instead, it is either reused or incinerated and used for energy recovery in place of other fuels – but oil based paint is never landfilled.

Q: Why is the paint industry running this program instead of MDNR?

A: The model on which SB 239 is based was developed as part of the stakeholder dialogue process discussed under “Why is the paint stewardship assessment added to the purchase price of paint and not charged at the point of collection?”, above. This model has been implemented in 10 states and the District of Columbia, resulting in the collection of over 51 million gallons of latex and oil-based paint and the establishment of more than 2,000 collection sites (over 75% of which are voluntary retailers) since the first law was implemented in Oregon in 2010.

PaintCare has a decade of experience and the connections with key stakeholders in the paint supply chain – like retailers, transporters, and recyclers – that MDNR does not. Since ACA is closely involved with PaintCare, it is easier for them to obtain the sales data needed to run this program than it would be for MDNR. PaintCare is transparent about their operations, with annual audits, and MDNR provides oversight – with their costs reimbursed by PaintCare.

For more information on paint stewardship in Missouri, check out the Missouri Product Stewardship Council’s paint webpage by visiting www.missouripsc.org/initiatives/paint or scanning the QR code:



*<https://www.paintcare.org/fee>

**<https://www.paintcare.org/drop-off-sites>

***<https://www.paintcare.org/paint-smarter>

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