



PSI PAINT PRODUCT STEWARDSHIP INITIATIVE (PPSI) – PROSPECTUS

STATUS OF THE ISSUE

What Is the Problem?

Leftover paint is a product stewardship priority based on its high volume in the waste stream; potential to impact human health and the environment; cost to manage; and the potential for increased reduction, recovery, reuse, and recycling.

- Over 634 million gallons of paint are sold each year in the U.S. (about 2.3 gallons per person).
- 10% of paint sold, or 64 million gallons¹ become leftover, or "surplus," paint that has to be managed through special collection programs.
- Consumers have leftover paint because it is cheaper in larger quantities, can be saved for touch ups, and they would rather have more paint needed for a project than not enough.
- The cost to manage leftover paint from collection through recycling or disposal averages roughly \$8 per gallon, or about **a half BILLION dollars per year** in the U.S.
- Paint is collected in high volumes (representing up to 60% of all household hazardous wastes), an amount that is expected to rise owing to increasing public demand for service. It represents the largest cost for local governments to collect and manage.

What Are PPSI's Goals?

Overriding goal: To ensure that leftover paint and empty containers will be managed in a manner that is protective of human health and the environment.

Primary goals:

- Reduced paint waste
- Efficient collection, reuse, and recycling of leftover paint
- Increased markets for products made from leftover paint
- A sustainable financing system to cover end-of-life management costs for all products

What is the Paint Dialogue Current Status?

Paint stewardship legislation that is supported by paint manufacturers, retailers, and government officials has been introduced during the 2009 sessions in Minnesota and Oregon. Legislation has also been introduced in California. These legislative initiatives are an outgrowth of the PSI-mediated *2nd Paint Memorandum of Understanding*, which was finalized in October 2007 and signed by over 50 stakeholders and supporters. PSI is facilitating a Demonstration Committee (to implement the project in an initial state) and an Evaluation Committee (to outline project data needs, project goals, and other measures needed to evaluate the project). Paint manufacturers have begun to develop the stewardship organization that will fund the management of leftover paint.

PRODUCT STEWARDSHIP

Product stewardship efforts aim to encourage manufacturers and retailers to take increasing responsibility to reduce the life-cycle impacts of a product and its packaging – energy and materials consumption, air and water emissions, the amount of toxics in the product, worker safety, and waste disposal – in product design and in the end-of-life management of the products they produce.

PSI

The Product Stewardship Institute (PSI) is a national non-profit environmental institute with membership from 45 states, over 100 local governments, and over 50 businesses, environmental groups, and organizations that establishes cooperative agreements to reduce the health and environmental impacts from consumer products. We work with state and local government agencies to partner with waste firms, manufacturers, retailers, environmental groups, federal agencies, and other key stakeholders. The mission of PSI is to pursue initiatives to ensure that all those involved in the lifecycle of a product share responsibility for reducing its health and environmental impacts, with producers bearing responsibility for financing collection and recycling, or safe disposal.

¹ PPSI Infrastructure Report, available on the PSI website: http://productstewardship.us/associations/6596/files/Paint_Infrastructure_Report-FINAL.doc.

What Has the PPSI Accomplished?		
March 2004	Background Report	The Background Report is one of the most comprehensive technical documents written on paint management, and includes sections on paint composition, environmental hazards of paint, paint production, leftover paint management, recycled paint markets, regulatory barriers, product stewardship examples, and major market players.
March 2004	Action Plan	The Paint Product Stewardship Action Plan set the stage for four face-to-face stakeholder meetings by identifying the problem, project goals, key issues, and potential solutions for the development of a nationally coordinated leftover paint management system.
Dec. 2003 – Sept. 2004	4 Meetings	PSI designed and facilitated four stakeholder meetings to develop and prioritize solutions. Participants represented local, state, and federal governments; paint manufacturers; recycled paint producers; retailers; painting contractors; and other participants.
April 2005	1st Paint MOU (Memorandum of Understanding)	The 1st Paint MOU was signed or endorsed by over 60 entities, which agreed to work for two years on 9 projects that developed a greater understanding of the problem and the solutions needed to solve it. PSI assisted in raising over \$1.2 million to complete these projects.
April 2005 – present	9 Projects	PSI facilitated the development of 9 key projects that cover paint reduction, reuse, and recycling; recycled paint certification and markets; lifecycle assessment/cost benefit analysis (LCA/CBA); regulatory issues; and other critical topics. (See page 3 for more details.)
Sept. 2005 – April 2007	4 Additional Meetings	PSI facilitated these meetings to share information and data from the 9 projects, which formed the basis for the nationally coordinated paint management system. These meetings also led to the development of the 2nd Paint MOU.
October 2007	2nd Paint MOU and Financing System	In March 2007, the National Paint and Coatings Association's Board of Directors issued a historic Resolution committing to work with other stakeholders toward a national solution for the management of leftover paint. PSI assisted the PPSI dialogue to mediate a 2nd Paint MOU that outlined a timeline for establishing an industry-funded stewardship organization that will fund a demonstration project in Minnesota or Oregon. The system will be rolled out to other states, with priority given to Washington, Vermont, California, Iowa, Florida, North Carolina, and Connecticut. PSI held briefings for retailers to educate them about paint management financing systems in the Canadian provinces, and helped manufacturers and retailers reach agreement on a general outline of a financing system.
Current	Project Design/Evaluation and Legislative Developments	Over the past year and a half, PSI has convened calls with government and industry stakeholders to develop a detailed work plan to prepare for the implementation and evaluation of the state demonstration project. In June 2008, to the surprise of PPSI participants, Minnesota Governor Tim Pawlenty vetoed consensus legislation based largely on state political issues. Since then, PSI has coordinated the national dialogue group to follow legislative developments in Minnesota and other states, and to prepare once again for the start of the demonstration project. Consensus paint legislation is currently being debated in the Minnesota and Oregon legislatures. Paint legislation has also been introduced in California.

What Funding Is Still Needed?

Funding is being sought so that PSI can continue to facilitate meetings and conference calls needed to implement and evaluate the Demonstration Project (most likely to be in Minnesota or Oregon), incorporate input from dialogue group members, communicate with the full stakeholder group, and start to plan for the roll-out to other states. The new financing system is expected to be established during 2009, at which time project funding will be derived through a producer financed system. Funding for PSI activities is needed through 2010 to convene the Demonstration and Evaluation Committees associated with the Demonstration Project, and to extend the nationally-coordinated system to all other states. PSI will continue to serve as a clearinghouse of information by using its web site, a list serve, a contact database, e-mail lists, and communication channels of other organizations.

To contribute funding to this project, please contact Scott Cassel at scott@productstewardship.us, or 617-236-4822.

CONTACT INFORMATION

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9 Paint Projects and Initiatives

- **Consumer Guidance:** Leftover paint management guidance for consumers is entitled, *Be Paint Wise: Buy the Right Size*.
- **Source Reduction Survey:** This survey identified and ranked the reasons that people over-purchase paint. The resulting report recommended that retailers selling paint provide an in-store kiosk that would allow consumers to estimate the amount of paint they need at the point of sale without retail clerk assistance.
- **Paint Reuse Guidance Manual:** This comprehensive manual on paint reuse is geared for state and municipal agencies, non-profit and/or other materials reuse organizations, and other businesses and consumers.
- **National Leftover Paint Infrastructure Model and Cost Analysis:** This extensive analysis identified the range of paint collection rates around the country, the relative number of collection points, consolidation points, and processing facilities needed for a national system, and the estimated costs for managing leftover paint.
- **Recycled Paint Market Development Strategy:** This strategy lays the foundation for promoting the purchase of recycled content paint.
- **Recycled Paint Standard:** PSI, Green Seal, and the Master Painters Institute developed a national environmental and performance standard for recycled-content latex paint that assures consumers that recycled paint, in addition to being environmentally beneficial, can perform as well as virgin paint.
- **Health, Safety, Environmental & Regulatory Issues:** This document details the health, safety, and environmental regulations to which paint manufacturers must comply, and identifies regulatory barriers to the manufacturer of rebled or recycled post-consumer content latex and solvent-based paint.
- **Financing System Research:** Conducted research on financing models, particularly those in Canada, and evaluated their potential application to the leftover paint financing discussions.
- **Lifecycle Balance of Costs and Benefits:** This lifecycle assessment and cost benefit analysis is scientifically evaluating the environmental and other lifecycle costs and benefits of managing leftover paint through six specific management scenarios, ranging from simple drying/solid waste disposal to reuse and recycling.

For more detailed information on all of these projects, please see: www.ProductStewardship.us/PaintProjectsandInitiatives.