# Architectural Paint Stewardship Informal Regulatory Concept Workshop

Architectural Paint Recovery Program Regulations

August 26, 2024

Department of Resources Recycling and Recovery
Product Stewardship Section; Jurisdiction, Product and
Enforcement Section; Regulations Unit; Legal Affairs
Office

# **Topics Covered:**

Definitions, Plan and Annual Report Submittals and Requirements, Other Regulation Concepts, Procedure for Imposing Administrative Civil Penalties, Economic Analysis

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# Overview and Purpose of Workshop

The Department of Resources Recycling and Recovery (CalRecycle) has scheduled a workshop on August 26, 2024, from 9:00 AM to 12:00 PM, in the Byron Sher Auditorium, located on 2nd Floor, 1001 I Street, Sacramento, CA 95814. The purpose of the workshop is to consult with the public, the regulated community, and other interested parties to solicit feedback on regulation concepts related to some of the requirements outlined in California Architectural Paint Recovery Program (Public Resources Code sections 48700 to 48707) as amended by Assembly Bill (AB) 1526 (Committee on Natural Resources, Chapter 848, Statutes of 2023). Changes to the existing Architectural Paint Recovery Program regulations (Title 14, California Code of Regulations section 18950 to 18958) are necessary to clarify AB 1526 and address the program's evolution since the initial rulemaking process in 2012.

The regulatory topics that this workshop covers include definitions, plan and annual report submittals, plan and annual report requirements, and other regulation concepts. Additionally, CalRecycle will request data and information from interested parties to support CalRecycle's evaluation of the economic and fiscal impact of the proposed regulations.

This workshop is split into two parts:

- Part 1 will be an interactive discussion, where CalRecycle will present regulation concepts and solicit public feedback to help CalRecycle prepare draft regulation text.
- Part 2 will be an overview of the economic analysis process and CalRecycle will request data and information to support its evaluation of the economic and fiscal impact of the proposed regulations.

The purpose of this document is to provide interested parties, in advance of the workshop, with an outline of the information that will be presented at the workshop and provide guidance on the type of feedback CalRecycle plans to solicit. All specific requests for feedback are included in gray textboxes.

Further information on this and future informal regulatory workshops will be posted on <u>CalRecycle's Paint Stewardship Rulemaking page</u>.

# Part I. Proposed Regulation Concepts

CalRecycle is informally seeking feedback on potential regulatory concepts for consideration when drafting proposed regulations to implement, interpret, or make specific provisions of the Architectural Paint Recovery Program. CalRecycle will specify through regulations definitions for terms that are used within statute and regulations, plan and annual report submittals, plan and annual report requirements, and other regulation concepts. The regulation concepts to be discussed in this workshop include:

#### Topic 1 – Definitions

- Clarify "aerosol coating product" and related definitions, including graffiti remover, ground traffic or marking application, paint remover, paint thinner, pigment, propellant, and resin
- 2) Clarify "manufacturer"
- 3) Define "nonprofit organization"
- 4) Modify "significant or material change"

#### Topic 2 – Plan and Annual Report Submittals

- 1) Remove hard copy submittal requirement
- 2) Remove requirement to follow a specific outline
- 3) Remove completeness review requirement
- 4) Require submittals to be web accessible
- 5) Require cover letter for confidential information

### Topic 3 – Plan and Annual Report Requirements

- 1) Amend goal methodology requirement
- 2) Clarify types of architectural paint described
- 3) Clarify reporting requirement for architectural paint recovery
- 4) Include disposition reporting requirement for containers
- 5) Amend HHW coordination requirement for consistency

#### • Topic 4 – Compliance Oversight and Enforcement

1) Amend existing language to be consistent with other similar EPR programs' processes regarding compliance oversight, enforcement and processes for the imposition of penalties.

#### • Topic 5 - Other Regulatory Concepts

- 1) Remove unnecessary billing language
- 2) Update plan and annual report section titles
- 3) Remove section symbol
- 4) Spelling and grammar amendments

The purpose of this and future workshops is to provide necessary information on regulation development to the public and to obtain feedback from interested parties throughout the regulation development process. CalRecycle welcomes verbal feedback at the workshop, as well as written feedback on all regulation concepts specified in the sections below. Guidance for providing written feedback is specified on page 17.

The sections below provide citations and excerpts of select provisions in the Architectural Paint Recovery Program statute and regulations that provide context for the regulation concepts that follow.

# **Topic 1 – Definitions**

Statute Section: Public Resources Code (PRC) section 48701

Regulation Section: Title 14, California Code of Regulations (CCR), section 18951

#### "Aerosol Coating Product":

<u>PRC section 48701(a)(1)</u> "Aerosol coating product" means a pressurized coating product containing **pigments** or **resins** dispensed by means of a **propellant** and packaged and sold in a disposable aerosol container for handheld application, or for use in specialized equipment for **ground traffic or marking applications**.

(2) "Aerosol coating product" does not include **paint thinner**, **paint remover**, **graffiti remover**, caulking compounds that contain no appreciable level of opaque fillers or **pigments**, products subject to Article 1 (commencing with Section 94500) or Article 2 (commencing with Section 94507) of Subchapter 8.5 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations, or other nonaerosol coating products not regulated under Article 3 (commencing with Section 94520) of Subchapter 8.5 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations.

#### Regulation Concept:

CalRecycle proposes clarifying "aerosol coating product" and related definitions. The proposed definitions below are based on the California Air Resources Board's Regulation for Reducing the Ozone Formed from Aerosol Coating Product Emissions (Article 3 (commencing with Section 94520) of Subchapter 8.5 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations), as cited in PRC section 48701(a)(2).

- "Graffiti Remover" means a product labeled to remove spray paint, ink, marker, crayon, lipstick, nail polish, or shoe polish, from a variety of noncloth or nonfabric substrates.
- "Ground Traffic or Marking Application" means an "aerosol coating product" designed and labeled exclusively to be used in specialized equipment and applied to dirt, gravel, grass, concrete, asphalt, warehouse floors, or parking lots. Aerosol coatings products used for ground traffic or marking applications must be in a container equipped with a valve and spray head designed to direct the spray toward the surface when the can is held in an inverted vertical position.
- "Paint Remover" means any product designed to strip or remove paints or other related coatings, by chemical action, from a substrate without markedly affecting the substrate.
- "Paint Thinner" means any product that is designed or labeled to reduce the
  viscosity of coating compositions or components, or a product that prominently
  displays terms such as "Paint Thinner," "Lacquer Thinner," "Thinner," or "Reducer"
  on the label.
- "Pigment" means any nonvolatile ingredient of either natural or synthetic insoluble material added to a coating to provide color, opacity, or corrosion inhibition to a coating film.
- "Propellant" means a liquefied or compressed gas that is used in whole or in part to expel a liquid or any other material from the same self-pressurized container or

- from a separate container.
- "Resin" means any nonvolatile ingredient that comprises film-forming ingredients. Examples of resin ingredients include acrylic, alkyd, enamel, epoxy, lacquer, polyurethane, polyvinyl chloride, shellac, silicone, and polystyrene.

#### "Manufacturer":

PRC section 48701(f) "Manufacturer" means a manufacturer of architectural paint.

#### **Regulation Concept:**

Clarify the definition of "manufacturer" using a tiered definition. The following is an example of Tiered Manufacturer Definition from the Pharmaceutical and Sharps Waste Stewardship Program (PRC section 42030(f)):

- (1) (A) "Covered entity" means the manufacturer of covered products that are sold in or into the state.
- (B) If no entity that meets the definition in subparagraph (A) is in the state, "covered entity" means the distributor of covered products that are sold in or into the state that is licensed as a wholesaler, as defined in Section 4043 of the Business and Professions Code, but does not include a warehouse of a retail pharmacy chain that is licensed as a wholesaler if it engages only in intracompany transfers between any division, affiliate, subsidiary, parent, or other entity under complete common ownership and control.
- (C) If no entity that meets the definition in subparagraph (A) or (B) is in the state, "covered entity" means a repackager, as defined in Section 4044 of the Business and Professions Code, of covered products that are sold in or into the state.
- (D) If no entity that meets the definition in subparagraph (A), (B), or (C) is in the state, "covered entity" means the owner or licensee of a trademark or brand under which covered products are sold in or into the state, regardless of whether the trademark is registered.
- (E) If no entity that meets the definition in subparagraph (A), (B), (C), or (D) is in the state, "covered entity" means the importer of the covered products that are sold in or into the state.

#### "Nonprofit Organization":

PRC section 48701(i) "Stewardship organization" means a nonprofit organization created by the manufacturers to implement the architectural paint stewardship program described in Section 48703.

#### Regulation Concept:

CalRecycle proposes defining "nonprofit organization" as a 501(c)(3) organization.

### "Significant or Material Change":

<u>14 CCR section 18951(i)</u> "Significant or material change" means any modification of the architectural paint stewardship assessment previously approved by the department.

Related regulatory citation, <u>14 CCR section 18952(b)(4)</u>: The stewardship plan must be submitted for re-approval upon any significant or material change, as defined. The department shall review the revised stewardship plan within 90 days of receipt and make a determination whether or not to approve the plan.

#### Regulation Concept:

CalRecycle is considering whether other changes should require submittal of an updated plan, for example, changes to program goals.

#### Request for Feedback on Definitions

CalRecycle is requesting the following feedback on the proposed definitions:

- 1) How might the proposed terms be more appropriately defined?
- 2) Are there any other terms that should be defined?
- 3) Are there any other specifications that should be considered for the "nonprofit organization" definition besides a 501(c)(3) requirement (e.g., where it is incorporated, etc.)?
- 4) What other changes, besides changes to program goals and modifications to the assessment, should be included in the definition of "significant or material change"?

## **Topic 2 – Plan and Annual Report Submittals**

Statute Sections: PRC sections <u>48702</u>, <u>48703</u>, <u>48704</u>, and <u>48705</u>

Regulation Sections: 14 CCR section 18952

#### **Hard Copy Submittal Requirement:**

14 CCR section 18952(b) The stewardship plan may be submitted electronically according to instructions provided by the department. A hard copy, signed by a corporate officer of a manufacturer or stewardship organization, must be submitted to the department.

14 CCR section 18952(c) The annual report shall be submitted by a corporate officer acting on behalf of a manufacturer or stewardship organization that is operating an architectural paint stewardship program under a department-approved stewardship plan. A hard copy, signed by a corporate officer of a manufacturer or stewardship organization must be submitted.

#### Regulation Concept:

CalRecycle proposes removing the requirements to submit hard copies of plans and annual reports.

#### Plan and Annual Report Outline Requirements:

14 CCR section 18952(b)(1) The information submitted in a stewardship plan shall address the criteria for approval in section 18953 and be organized according to this standard outline:

- (A) Contact Information
- (B) Program Goals and Activities
- (C) Collection Systems
- (D) Financing Mechanism
- (E) Education and Outreach
- (F) Stakeholder Consultation

14 CCR section 18952(c)(1) The information submitted in an annual report shall address the criteria for a finding of compliance per section 18954 **and be organized according to this standard outline:** 

- (A) Contact Information
- (B) Executive Summary
- (C) Program Outline
- (D) Description of Goals and Activities Based on the Stewardship Plan
- (E) Financing Mechanism
- (F) Education and Outreach
- (G) Audits

#### Regulation Concept:

CalRecycle proposes removing the requirement for plans and annual reports to follow a specific outline.

#### **Completeness Review Requirement:**

14 CCR section 18952(b)(2) The department shall determine if the plan is complete and notify the submitting manufacturer or stewardship organization within 30 days. If the department finds that the stewardship plan is complete, the department's 90-day review period for consideration of approval of the stewardship plan, set forth in Public Resources Code section 48704, will commence upon the original date of receipt. If the stewardship plan is incomplete, the department shall identify what additional information must be submitted to make it complete and the plan shall be resubmitted within 30 days. If the department determines upon resubmittal that the plan is complete, the department's 90-day review period for consideration of approval of the stewardship plan will commence upon the original date of receipt of the resubmittal.

14 CCR section 18952(c)(2) The department shall determine if the report is complete and notify the submitting manufacturer or stewardship organization within 30 days. If the department finds that the annual report is complete, the department's 90-day review period for the annual report, set forth in Public Resources Code section 48705, will commence upon the original date of receipt. If the annual report is incomplete, the department shall identify what additional information must be submitted to make it complete and the report shall be resubmitted within 30 days. If the department determines upon resubmittal that the report is complete, the department's 90-day review period of the report will commence upon the original date of receipt of the resubmittal.

#### **Regulation Concept:**

CalRecycle proposes removing the requirement for CalRecycle to determine whether a plan or annual report is complete prior to reviewing for compliance.

#### Web Accessibility:

<u>14 CCR section 18952(b)</u> The stewardship plan may be **submitted electronically according to instructions provided by the department**. A hard copy, signed by a corporate officer of a manufacturer or stewardship organization, must be submitted to the department.

<u>14 CCR section 18952(c)</u> The annual report **shall be submitted** by a corporate officer acting on behalf of a manufacturer or stewardship organization that is operating an architectural paint stewardship program under a department-approved stewardship plan.

#### Regulation Concept:

CalRecycle proposes requiring plan and annual report submittals to be web accessible. The following language provides an example of similar language included in regulations for the Pharmaceutical and Sharps Waste Stewardship Program:

Example language from the Pharmaceutical and Sharps Waste Stewardship Program (14 CCR section 18973):

(a) The document is required to be in compliance with section 7405 of the Government Code, and the Web Content Accessibility Guidelines 2.0 published in 2008 by the Web

Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria to allow for posting on the department's website. The entirety of the Web Content Accessibility Guidelines 2.0 (published in 2008) are incorporated herein by reference.

#### **Cover Letter for Confidential Information:**

PRC section 48704(b)(1) The approved plan shall be a public record, except that financial, production, or sales data reported to the department by a manufacturer or the stewardship organization is not a public record under the California Public Records Act, as described in Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code and shall not be open to public inspection.

14 CCR section 18952(b)(5) The approved stewardship plan shall be a public record, except that financial, production, or sales data reported to the department by a manufacturer or stewardship organization is not a public record under the California Public Records Act, as described in Chapter 3.5 (commencing with § 6250) of Division 7 of Title 1 of the Government Code and shall not be open to public inspection. The department may release financial, production, or sales data in summary form only that cannot be attributable to a specific manufacturer.

#### Regulation Concept:

CalRecycle proposes requiring the manufacturer or stewardship organization to provide a cover letter with submittals that describes any confidential information submitted to the CalRecycle. If no cover letter is provided, CalRecycle would consider all information provided to be public.

#### Request for Feedback on Plan and Annual Report Submittals

CalRecycle is requesting the following feedback on the proposed concepts:

- 1) Are the proposed concepts sufficient to implement statute?
- 2) Are there any other concepts that CalRecycle should interpret or clarify related to plan and annual report submittals?

# **Topic 3 – Plan and Annual Report Requirements**

Statute Sections: PRC sections <u>48702</u>, <u>48703</u>, and <u>48705</u> Regulation Sections: 14 CCR sections <u>18953</u> and <u>18954</u>

### **Goal Methodology:**

14 CCR section 18953(a)(2) Program Goals and Activities. Include program goals that are specific to and appropriate for California. Factors to consider when determining program goals may include the current and future recycling infrastructure and capacity and changes in market conditions in California. Description of goals must include a baseline, to be provided by the manufacturer or stewardship organization, from which the goals will be

measured and reported in the manufacturer or stewardship organization's annual reports. The baseline should indicate the status of household hazardous waste management in California at the time of plan submission. Describe how the goals will be measured, including a description of the **methodology used for estimating the amount of leftover paint available for collection in California**.

#### **Regulation Concept:**

CalRecycle proposes amending 14 CCR section 18953(a)(2) to replace the existing goal methodology requirement, which is specific to the amount of paint available for collection, with a more applicable requirement. The amount of paint available for collection is not the best indicator of program success since paint is intended to be fully consumed. Instead, the manufacturer or stewardship organization should be required to describe the methodology and metrics of the goals that it sets.

### "Types" of Architectural Paint

14 CCR section 18953(a)(3) Describe the system that will be used to collect and properly manage postconsumer architectural paint to demonstrate how there will be sufficient funding for the program and how it will be implemented in an environmentally sound fashion. This description must include the following:

- (A) Collection methods used for architectural paint, by type.
- (B) Destination for reuse activities, processing (including recycling) and/or disposal for architectural paint, **by type**.

<u>14 CCR section 18954(a)(3)</u> Describe the paint stewardship program, including information on the following topics:

(A) A description of the methods used to collect, transport, and process postconsumer architectural paint, **by type**, in California.

#### Regulation Concept:

CalRecycle proposes clarifying that "types" of architectural paint includes latex paint, oil-based paint, and aerosol coating products.

#### **Architectural Paint Recovery Reporting Requirement:**

14 CCR section 18954(4)(B): The total volume of postconsumer architectural paint recovered, by type, in the state during the preceding reporting period.

#### Regulation Concept:

CalRecycle proposes clarifying that annual reports must report the total volume of latex paint and oil-based paint recovered and the amount of leftover aerosol coating products and leftover propellant, if this information is available. CalRecycle also proposes clarifying that annual reports must report on aerosol coating product recovery starting with the report submitted in 2028.

#### **Container Disposition Reporting Requirements:**

14 CCR section 18953(2)(D) Manage paint containers and undertake market development activities, if a manufacturer or stewardship organization chooses to engage in

these activities.

#### Regulation Concept:

CalRecycle proposes requiring plans to include a description of how architectural paint containers will be managed, including recycling. CalRecycle also proposes adding a disposition reporting requirement for containers for all architectural paint products.

#### Household Hazardous Waste Facility and Retailer Coordination Requirement:

- 14 CCR section 18953(a)(3) Collection Systems. Describe the system that will be used to collect and properly manage postconsumer architectural paint to demonstrate how there will be sufficient funding for the program and how it will be implemented in an environmentally sound fashion. This description must include the following:
  - (E) Address the coordination of the architectural paint stewardship program with existing local household hazardous waste collection programs. A manufacturer or stewardship organization must negotiate with existing local household hazardous waste collection programs wanting to participate in the paint stewardship program as a collection point as much as is reasonably feasible and is mutually agreeable. (F) Address the coordination of the architectural paint stewardship program with potential retail collection points. Any retailer may participate, on a voluntary basis, as a paint collection point pursuant to the paint stewardship program. A manufacturer or stewardship organization must negotiate with any retailer wanting to participate in the paint stewardship program as a collection point, as much as is reasonably feasible and is mutually agreeable.

14 CCR section 18954(a)(3): Describe the paint stewardship program, including information on the following topics:

- (A) A **description** of the methods used to collect, transport, and process postconsumer architectural paint, by type, in California.
- (B) **Description** of how each consumer of architectural paint in California had an opportunity to recycle and properly manage their postconsumer paint on a state wide basis, including the number, location, and type of collection points located in the state.
- (C) **Description** of best management practices followed by service providers that are acting as collection points, which may include any training that the manufacturer or stewardship organization provided or required of service providers to ensure proper collection and management of postconsumer paint.
- (D) A **statement** that the manufacturer or stewardship organization coordinated with existing household hazardous waste collection programs and retailers as potential collection points per section 18953(a)(3)(E) and (F) during the reporting period.

#### Regulation Concept:

CalRecycle proposes amending the terminology of the household hazardous waste facilities and retailer coordination annual reporting requirement for consistency with the plan requirements in 14 CCR section 18953(a)(3), as well as the other requirements of 14 CCR section 18954(a)(3) (i.e., sections (A), (B), and (C)).

#### Request for Feedback on Plan and Annual Report Requirements

CalRecycle is requesting the following feedback on the proposed concepts:

- 1) Are the proposed concepts sufficient to implement statute?
- 2) Are there any other concepts that CalRecycle should interpret or clarify related to plan and annual report requirements?
- 3) What is an appropriate metric for reporting aerosol coating product recovery (e.g., number of containers, volume, etc.)?
- 4) Are the listed disposition methods for containers appropriate (e.g., recycling, landfill, and incineration)? Should other container disposition methods be listed?

# **Topic 4 – Compliance Oversight and Enforcement**

Statute Sections: PRC sections 48704(d), 48704(f)(1), 48704(f)(2)

Regulation Sections: 14 CCR section <u>18955</u>, <u>18955.1</u>, <u>18955.2</u>, and <u>18955.3</u>

#### Regulation Concept:

CalRecycle proposes amending 14 CCR sections 18955, 18955.1, 18955.2, and 18955.3, which contains requirements that are not necessary to implement statute, to incorporate clarifying concepts to support CalRecycle's consistency of EPR enforcement and imposition of penalties.

# Request for Feedback on Enforcement Oversight and Procedure for Imposing Administrative Civil Penalties

CalRecycle is requesting the following feedback on the proposed concept:

- 1) Is the proposed concept sufficient to implement statute?
- 2) Are there any other concepts that CalRecycle should clarify or interpret?

### **Topic 5 – Other Regulation Concepts**

Statute Sections: PRC sections 48700 to 48707

Regulation Sections: 14 CCR sections 18950 to 18958

#### CalRecycle's Billing Requirements:

PRC section 48704(e)(1) The stewardship organization shall pay the department a quarterly administrative fee pursuant to paragraph (2).

- (2) The department shall impose fees in an amount that is sufficient to cover the full administrative and enforcement costs of the requirements of this chapter, including any program development costs or regulatory costs incurred by the department prior to the submittal of the stewardship plans. The stewardship organization shall pay the fee on or before the last day of the month following the end of each quarter. Fee revenues collected under this section shall only be used to administer and enforce this chapter.
- 14 CCR section 18958(a) The department director, or his/her delegated authority, shall approve the annual administrative fee described in Public Resources Code Section 48704, subdivision (e) for the full administration and enforcement costs at a public meeting that will occur no later than September 30, commencing in 2012. The fee shall reflect the department's actual costs to administer and enforce this chapter for the period from July 1 of the prior year through June 30 of the current year. The department's costs shall include the cost of staff, overhead expenses applicable to staff, contract services, and any other expenses incurred in administering or enforcing the program and in developing this regulation and the program. For payments due in 2012, the fee shall also reflect the department's actual costs incurred in developing this regulation and the program for the period from October 1, 2010 through June 30, 2011. The department will provide unofficial staff estimates upon request prior to the public meeting notification to assist a manufacturer or stewardship organization with program budgetary planning, however, actual costs will not be known until that public meeting.
  - (b) **The department fee shall be prorated**, if there is more than one stewardship plan, by the number of approved or conditionally-approved plans.
  - (c) The department shall issue invoices to each manufacturer or stewardship organization to which this section applies by September 30 each year. Payment is due annually on October 31.

#### Regulation Concept:

CalRecycle proposes removing 14 CCR section 18958, which contains requirements that are not necessary to implement statute, such as the requirements to approve the department's annual administrative fee at a public meeting and prorate CalRecycle's fee when there is more than one stewardship plan.

#### **Section Titles:**

14 CCR section 18953 title: Stewardship Plan Approval Criteria

14 CCR section 18954 title: Annual Report Compliance Criteria

#### Regulation Concept:

CalRecycle proposes updating section titles in 14 CCR section 18953 and 18954 as follows to align with the purpose of the section because both sections include requirements that must be met, not criteria for approval or compliance.

- Update section 18953 from "Stewardship Plan Approval Criteria" to "Stewardship Plan."
- Update section 18954 from "Annual Report Compliance Criteria" to "Annual Report."

#### **Section Symbols:**

The existing Architectural Paint Stewardship Program regulations use the symbol for "section" throughout.

#### Regulation Concept:

CalRecycle will replace the section symbol (§) with the word "section" throughout regulations to make the regulations more web accessible. The section symbol is not read by all screen reader software, which impacts the readability for someone using a screen reader.

#### **Spelling and Grammar:**

#### **Regulation Concept:**

CalRecycle proposes cleaning up spelling and grammar throughout regulations, where needed. Some examples of sections that CalRecycle proposes to clean up are included below:

- Clean up misspelled words, punctuation, or grammar errors throughout regulations.
   14 CCR section 18953(5) incorrectly spells the word "publicly":
  - Education and Outreach. Include a description of education and outreach efforts to consumers, contractors, and retailers to promote source reduction and recycling of architectural paint. The description shall include how the outreach and education methods will be used and distributed. Educational information may include, but is not limited to, signage, written materials, advertising, or other promotional materials pursuant to PRC section 48703(e). A manufacturer or stewardship organization may not advertise a collection point(s) as being part of a manufacturer or stewardship organization's program that is not a contracted collection point for the manufacturer or stewardship organization's stewardship program. This provision does not apply to referrals to collection points based on publically available information.
- Update terms for consistency throughout regulations (e.g., architectural paint stewardship plan instead of plan, stewardship plan, paint stewardship plan).

#### Request for Feedback on Other Regulation Concepts

CalRecycle is requesting the following feedback on the proposed concepts:

- 1) Are the proposed concepts sufficient to implement statute?
- 2) Are there any other concepts that CalRecycle should clarify or interpret?

# Part II. Economic Analysis & Data Request

CalRecycle will provide an overview of the economic analysis process and request data and information to support CalRecycle's evaluation of the economic and fiscal impact of the proposed regulations. CalRecycle is seeking input regarding impacted parties, costs, and benefits.

#### **Impacted Parties**

CalRecycle anticipates economic impacts (costs and benefits) for the following parties:

- Manufacturers: Manufacturers may experience increased costs related to recordkeeping requirements. New manufacturers that were not previously covered under the Architectural Paint Stewardship law may now be required to participate and experience new and ongoing costs associated with compliance.
- Retailers: Retailers may experience additional costs associated with adding the architectural paint assessment to the purchase price of aerosol coating products. Retailers may experience additional costs associated with recordkeeping requirements.
- Consumers: Consumers will experience the architectural paint assessment being added to the purchase price of aerosol coating products.
- Stewardship Organization: Stewardship organizations will experience costs related to the purchase and installation of collection bins for aerosol coating products, as well as ongoing costs related to program operations such as collection, transportation, processing, and education and outreach.
- Collection sites: Collection sites may experience an increase in the volume of aerosol coating products brought in for collection, as consumers become more aware of the importance of proper disposal and convenient options. Staff training for collection activities will occur.
- Local Governments: Local government collection facilities will have decreased costs as the collection, transportation, and processing of aerosol coating products will be coordinated and funded by manufacturers or stewardship organizations implementing architectural paint stewardship plans.
- Waste haulers: Waste haulers may see increased demand for their services as aerosol coating products are added to the Architectural Paint Recovery Program.
- Recyclers and Processors: Recyclers and processors may see increased demand for their services as aerosol coating products are added to the Architectural Paint Recovery Program.

### Request for Feedback on Economic Analysis

CalRecycle is requesting the following economic data:

#### **Impacted Parties:**

1) Are there any other impacted parties that should be included in the economic analysis?

#### Costs:

- 1) What types of costs are incurred for each collection site, including initial and ongoing costs, and what specific expenses are included?
- 2) How do costs scale with increased processing volumes, considering both initial setup costs and ongoing operational costs?
- 3) What additional costs are incurred?

#### **Benefits:**

4) What other qualitative or quantitative benefits might be realized (e.g., by California residents, workers, or environment)?

# **Process for Submitting Written Feedback**

CalRecycle has developed a process for requesting written feedback from interested parties. While this process is not a specific requirement, CalRecycle requests all written feedback and questions to be submitted using the specified format below, for the purposes of maintaining consistency in the way in which the information is received, and to aid with expedited review and processing. All written feedback may be submitted after the workshop to <a href="mailto:regulations@CalRecycle.ca.gov">regulations@CalRecycle.ca.gov</a> with the subject line: August 2024 Paint Stewardship Workshop or CalRecycle's public comment portal: <a href="mailto:Paint Stewardship">Paint Stewardship</a> Informal Rulemaking Comment Period. CalRecycle requests all feedback specific to the August 26, 2024, workshop is submitted **no later than September 9, 2024**. Preferred formats include e-mail, .docx, and PDF.

### Requested Feedback on Specific Regulation Concepts:

When providing feedback or asking questions on a specific regulation concept, please include (1) the Topic Number [i.e., Topic 1, Topic 2, or Topic 3], including the specific title, (2) feedback or questions related to that regulation concept. For example, when providing feedback on Topic 1: Definitions, the preferred format would be:

Topic 1: Definitions – "Manufacturer"

Specific feedback related to this item...

This process can be repeated for each regulation concept a person wants to address. All feedback and questions can be included in the same email or document.

### Questions or Feedback for Specific Sections of Statute or Regulations:

When providing feedback or asking questions on a specific section in the statute or regulations, please include (1) the full section number, including any subsections associated with it, (2) feedback or questions related to that section. For example:

PRC section 48701(f)

Specific feedback or question related to this section...

This process can be repeated for each section a person wants to address. All feedback and questions can be included in the same email or document.

### Questions or Feedback on Economic Analysis and Data Request:

When providing feedback or asking questions about the economic impact analysis, please include "Part 2: Economic Analysis and Data Request".

### **General Questions or Comments:**

When asking general questions or providing general comments on topics related to this workshop that do not focus on a specific regulation concept or specific statutory section, please list each question and comment in numerical order:

Question 1: General question on this discussion document

Question 2: General question on this discussion document

Comment 1: General comment on this discussion document