



MEMORANDUM

TO: U.S. Environmental Protection Agency

FROM: American Coatings Association

DATE: March 3, 2025

RE: National Volatile Organic Compound Emission Standards for Aerosol Coatings Amendments – Compliance Deadline and Impact on Aerosol Coatings Manufacturers

BACKGROUND: On January 17, 2025, the United States Environmental Protection Agency (U.S. EPA) finalized amendments to the National Volatile Organic Compound Emission Standards for Aerosol Coatings (Final Rule), revising national emission standards for aerosol coatings under the Clean Air Act. This rule was the result of several petitions for rulemaking submitted by the American Coatings Association (ACA) and was fully supported by the aerosol coatings industry. The Final Rule contains the following changes:

1. Updated product-weighted reactivity limits by coatings category that align completely with CARB's coatings categories (see Table 1);
2. Updated MIR values for several aerosol coatings compounds that align with CARB's Table of MIR Values (see Tables 2A, 2B & 2C);
3. Added new compounds and reactivity factors in Tables 2A, 2B & 2C to align with CARB's Table of MIR Values
4. Revised default reactivity factor (18.50 g O₃/g VOC instead of 22.04 g O₃/g VOC)
5. Added new and updated definitions to better align with CARB's rule (when appropriate and feasible)
6. Added electronic reporting provisions.

The compliance deadline for the Final Rule is July 17, 2025—six months from the date of publication.

ISSUE: It is impossible for many aerosol coatings manufacturers to comply with the rule by July 17, 2025. The impact on these coatings companies is extremely costly and will lead to significant costs, the risk of lawsuits, and the loss of business relationships.

Note that ACA is not objecting to, nor asking for relief from any other provision in the rule. It is only the compliance deadline that is problematic.

IMPACT ON AEROSOL COATINGS COMPANIES: The aerosol coatings industry includes companies that manufacture and package a large variety of aerosol coatings technologies.¹ While some of these technologies already meet U.S. EPA's revised emission limitations because they are sold in California (and thereby comply with CARB's emission limitations), many do not. For instance, a manufacturer who solely markets its products in the Midwest or otherwise outside of California has not yet needed to meet the applicable standards and requirements in CARB's rule.

The Final Rule requires aerosol manufacturers to reformulate any products that do not currently comply with the revised limits and ensure that all aerosol coatings products are labeled in compliance with the new categories and revised limits as well. Several ACA members have indicated that if products are not already in compliance with the revised limits, it will be impossible to meet the six-month deadline of July 17, 2025.

THE REFORMULATION PROCESS: Very generally speaking, the action items for aerosol manufacturers to determine compliance and come into compliance with the Final Rule include the following:

1. Audit the product line for compliance;
2. Determine the compliance status for revised categories and limits;
3. Develop a strategy to reformulate those SKU's that are not in compliance;
4. Identify substitute raw material inputs that will result in compliant reactivity values;
5. Create the new formulas;
6. Test for efficacy, performance characteristics, spray ability, etc.;
7. If the tests are successful, create product labels that are compliant with revised categories and limits.²
8. Begin the fill and labeling process; and
9. Initiate training for the distribution network/end users.

In addition to the time needed for product reformulation and to meet updated product labeling requirements, some members of the aerosol coatings industry face other compliance related challenges. For example, manufacturers that have a large number of private label customers will have additional steps for customer approval of the changes made to their products' formulation and labels. Similar to what was described above concerning product reformulation and labeling, this process is complicated and time consuming, and it cannot reasonably be accomplished in a six-month period of time.³

¹ Members of the aerosol coatings industry produce a wide range of aerosol products including those under its own brands, touch-up coatings for a variety of customers, and private label products for customers under their brands. Some companies also package coatings and other products supplied by customers into aerosols, as well as produce aerosol products for toll customers using their formulas and brands.

² It is important to note that it was not possible to begin creating new product labels until the Final Rule was made effective, as the products' labels that were in commerce needed to remain in compliance with U.S. EPA's previous aerosol coatings rule.

³ In many cases, customers will need to perform acceptance testing of formula changes, and this could entail the drawn-out process of having product samples sent to a third-party lab.

Aerosol manufacturers that have a significant number of customers that supply either their own or third-party coatings for packaging into aerosols will be required to (1) communicate the updated requirements to its customers; (2) wait for the customers to reformulate their products, communicate with their third-party supplier to reformulate the third-party's coating, or find an alternative; (3) develop a "fill" process that sufficiently dilutes the coating so that it will be appropriately expressed from the aerosol can, and at the same time still retain its performance properties; and (4) develop and obtain customer approval of product labels that reflect the reformulated contents.

RISK MANAGEMENT AND COMPLIANCE CONSIDERATIONS: In addition to the time required to accomplish the above action items for product reformulation and relabeling, companies are also required to certify or otherwise verify that aerosol coatings products are in compliance with all federal and state regulations for the following:

1. Insurance contracts;
2. Federal, state, and local permits and applications;
3. Contracts with private label customers;
4. Product warranties; and
5. U.S. EPA's Triennial Report (due in 2025).

After July 17, 2025, many aerosol coatings manufacturers and fillers will not be able to certify compliance with federal and state laws, thereby jeopardizing their insurance coverage, their operating permits, and their value chain customers.

Lastly, after July 17, 2025, many aerosol coatings companies' customers and downstream users will be at risk, as their products may not be in compliance with the Final Rule's new standards.

THE RULEMAKING PROCESS: In the petition and during the rulemaking, the following parties submitted comments requesting a compliance deadline of two years from the effective date of the Final Rule: (1) ACA; (2) the National Aerosol Association; (3) the Household & Commercial Products Association; and (4) Raymond Regulatory Resources, LLC. All of these comment letters consistently stressed that it would take two years for aerosol manufacturers to complete all the steps necessary to come into compliance with the Final Rule. ACA explained that a two-year compliance period would allow aerosol manufacturers adequate time to (1) adjust product formulations, (2) modify supply chain processes, and (3) communicate modifications with any product distributors and/or retail customers.

In addition, the six-month compliance deadline was never "noticed for comment." The Notice of Proposed Rulemaking, published in the Federal Register on September 17, 2021, did not include this short compliance timeframe and consequently, there was no opportunity for ACA and/or other stakeholders to comment directly on this issue. All industry commenters did, however, affirmatively address the issue which further indicates the importance of the desired two-year timeframe.

CONCLUSION: ACA supports the vast majority of U.S. EPA's Final Rule – it is merely the timeframe for compliance that is problematic. There is no need to re-write this entire rule or reopen the rulemaking process.

The appropriate solution is an extension of the time for compliance to two years from the date of publication. This allows for the appropriate time to reformulate aerosol coatings products as well as meet the industry's need to certify compliance with all federal and state laws for operational and risk management purposes.