



Maine Paint Stewardship Program

Annual Report October 1, 2015 – June 30, 2016



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Submitted to

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Executive Summary

MAINE PAINT STEWARDSHIP LAW

PaintCare is the representative stewardship organization of the Maine Architectural Paint Stewardship Program, codified in Maine Revised Statute, Title 38, Chapter 24, Subchapter 3, Section 2144.

The broad goals of the Maine Paint Stewardship Law are for paint manufacturers to develop and implement a paint management program that reduces the generation of leftover paint, provides a convenient statewide paint collection system, and manages the paint collected in an environmentally and economically sound manner.

HIGHLIGHTS

Sites, Events, and Service. In the first reporting period, PaintCare established 96 year-round paint drop-off sites, consisting of 73 paint retailers, 21 transfer stations, one environmental services company, and one reuse store. The 96 year-round drop-off sites provided a site within 15-miles to 93.5% of Maine's residents.

PaintCare also managed paint from two seasonal household hazardous waste (HHW) facilities, 13 HHW drop-off events, one week-long paint event at a transfer station, held one paint-only drop-off event, and provided direct large volume pick-ups from seven locations that had accumulated more than 300 gallons of paint at their facilities.

Paint Collection Volume. The program processed 87,453 gallons of postconsumer paint. Of the latex paint, 83% was made into recycled-content paint while 17% was unrecyclable and sent to landfill. All of the oil-based paint was used for fuel.

Expenses and Revenue. The program was funded through fees on new paint sales: 35 cents on pints and quarts; 75 cents on 1-gallon containers; and \$1.60 on 5-gallon containers. Approximately 1.5 million gallons of architectural paints were sold in Maine during the reporting period. The program collected \$1,040,679 in fees from these sales.

Expenses, including paint transportation and processing, outreach, staffing, and administrative costs were \$1,041,020. In addition, the program had accrued expenses in the amount of \$273,445 prior to program start. The program ended the reporting period with a deficit of \$287,197 (at the time of submittal, this had decreased to a deficit of \$163,658).

The cost per gallon (processed) of the program in the first reporting period was \$11.90.

Paint Recovery Rate. The paint recovery rate – the volume of postconsumer paint processed divided by the volume of new paint sales in the same period – was 5.6%.

Outreach. Building on the lessons learned from the start of the California program where significant pre-launch outreach led to overwhelming participation at the new retail drop-off sites, little outreach was

conducted prior to and during the first two months of the Maine program. Outreach was generally limited to informational brochures distributed on-site by paint retailers and transfer stations. Advertising started with public radio in November 2015; after that, other advertising was gradually added, starting with general newspaper ads in December 2015.

PROGRAM PLAN AND ANNUAL REPORT

The Maine Paint Stewardship Law required the submission and approval of a Program Plan prior to the program's launch. The Commissioner of the Maine Department of Environmental Protection approved PaintCare's Program Plan in June 2015, and the Maine program began on October 1, 2015. The plan is available from PaintCare's website.

The Maine Paint Stewardship Law also requires the submission of an annual report to the Maine Department of Environmental Protection by October 15 each year. The first annual report covers the nine-month period of October 1, 2015 – June 30, 2016. Future reports will cover the 12-month period of July 1 – June 30.

At a minimum, annual reports must include:

- (1) A description of the methods used to collect, transport, reduce, reuse and process post-consumer paint in the State;*
- (2) The volume of post-consumer paint collected in the State;*
- (3) The volume and type of post-consumer paint collected in the State by method of disposition, including reuse, recycling and other methods of processing;*
- (4) The total cost of implementing the paint stewardship program, as determined by an independent financial audit funded from the paint stewardship assessment. The report of total cost must include a breakdown of administrative, collection, transportation, disposition and communication costs;*
- (5) A summary of outreach and educational activities undertaken and samples of educational materials provided to consumers of architectural paint;*
- (6) The total volume of post-consumer paint collected by the paint stewardship program and a breakdown of the volume collected at each collection site;*
- (7) Based on the paint stewardship assessment collected by the paint stewardship program, the total volume of architectural paint sold in the State during the preceding year;*
- (8) A list of all processors, including recyclers and disposers, used to manage post-consumer paint collected by the paint stewardship program in the preceding year up to the paint's final disposition, the volume each processor accepted and the disposition method used by each processor; and*
- (9) An evaluation of the effectiveness of the paint stewardship program compared to prior years and anticipated steps, if any are needed, to improve performance throughout the State.*

ACKNOWLEDGMENTS

The Maine PaintCare program was successful in establishing drop-off sites and collecting paint during the first nine-month reporting period. PaintCare would like to thank the staff of the Maine Department of Environmental Protection for their support and assistance leading up to and through the first reporting period; our outstanding retail, transfer station, and reuse store partners; the prompt and professional services provided by our transporters, Clean Harbors Environmental Services and Environmental Project Inc.; and the excellent work of our marketing firm, Mascola Group.

Section 1. Paint Collection, Transportation, and Processing

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(1) A description of the methods used to collect, transport, reduce, reuse and process post-consumer paint in the State.

A. COLLECTION SITES, EVENTS, AND SERVICES

The Maine Paint Stewardship law requires a program that provides convenient statewide collection of post-consumer paint and manages the paint in an environmentally and economically sound manner. Prior to the PaintCare program, most waste paint from households was handled either through municipal HHW programs, or by drying and disposing of latex paint, which is time consuming, messy, and wastes the resources in the paint. Business generated waste paint was either dried for disposal or handled by hazardous waste contractors.

Any business, regardless of generator size, could contract with a private hazardous waste hauler for paint recycling services – though the cost was generally cost-prohibitive for painting contractors and other small businesses.

To increase recycling opportunities for Maine households, businesses and others with leftover paint, all suitable locations were invited to participate as PaintCare drop-off sites, provided they met PaintCare's operational requirements, including adequate space for storage of paint collection bins and willingness to accept all program products (latex and oil-based products). PaintCare reached out to paint retailers, material reuse stores, household hazardous waste programs, public and private waste transfer stations, and recycling facilities to invite them to become paint drop-off sites.

By the end of the first reporting period, the Maine program had 73 year-round retail drop-off sites located throughout the state. In addition, PaintCare managed paint from 21 transfer stations, 13 HHW drop-off events, two seasonal HHW facilities, one reuse store, one week-long paint event at a transfer station, and one environmental services company's facility. PaintCare also held one paint-only drop-off event and conducted seven large volume pick-ups (LVP) directly from businesses and other sites that had accumulated more than 300 gallons of paint.

All PaintCare drop-off sites and the LVP service accept both latex and oil-based paint. All retailers accept paint from both residents and qualifying businesses, as does the LVP program. The HHW programs and transfer stations generally only service residents. PaintCare drop-off sites, events, and services are summarized in the following tables and shown on the maps in subsection B.

SUMMARY OF PAINTCARE DROP-OFF SITES, EVENTS, AND SERVICES

YEAR-ROUND DROP-OFF SITES		SUPPLEMENTAL SITES, EVENTS & SERVICES	
Paint Retailers	73	HHW Events	13
Transfer Stations	21	PaintCare Paint-Only Event	1
Reuse Store	1	Seasonal HHW Facility	2
Environmental Services Company	1	Transfer Station Paint-Only Event	1
Total	96	Direct Large Volume Pick-Ups	7

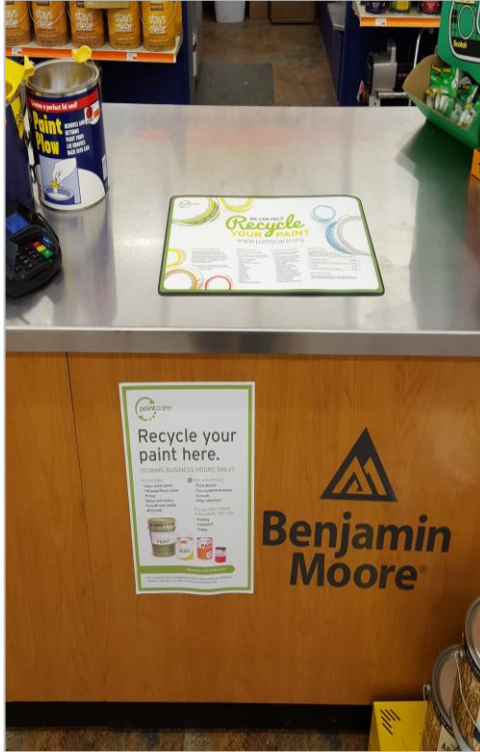
The following subsections discuss the various paint drop-off sites, events, and services provided by the Maine program. Section 2 of the report details the volumes of paint collected by each site type and service.

A1. Paint Retailers

Paint retailers provide ideal locations for paint drop-off sites because they are situated throughout the state, are often centrally located in cities and towns, are open five or more days per week, and have staff familiar with paint products and their safe handling. In addition, their customers are likely to have some leftover paint and often ask store staff for advice on what to do with it.

Prior to the start of the program, six rounds of mailings were sent to paint retailers that included information about retailer requirements under the new law and about becoming a PaintCare drop-off site (current copies of the fact sheets are provided in the appendix). Mailings were sent in January, April, June, July (two mailings), and August 2015. PaintCare had originally planned three mailings; however, three additional mailings were needed to inform retailers about the delayed start date and to provide updated materials. These mailings were sent either directly to the stores or to their corporate office. In addition, four webinars were offered for retailers to learn about the program and ask questions, and a video was posted on PaintCare’s website that explains the program and shows what it takes to be a PaintCare drop-off site.

Across the state, 338 retail sites were identified that sold paint, consisting of paint, hardware, and home improvement stores. Following the general outreach to retailers, and prior to the program launch, PaintCare’s Maine program manager visited nearly every potential paint retail partner in person. He did not visit big box stores because their corporate staff informed PaintCare that they were not planning to volunteer their stores to serve as drop-off sites. Not considering big box stores, lumber yards that sell mainly wood products, and big surplus stores, the number of potential retail drop-off sites was 220. Of these, 73 stores (33%) joined the program as paint drop-off sites in the first reporting period. Retailers were motivated to participate in the program to increase foot traffic through their stores and to provide a service for their customers. The names and addresses of participating retailers during the reporting period are listed in the appendix.



PaintCare provides signs to drop-off sites to promote the program as shown here at Aubuchon Hardware in Portland. The Sherwin-Williams Augusta store changed their outdoor sign as the program began.

A2. Household Hazardous Waste Programs

Prior to program launch, PaintCare contacted all identified HHW programs that were operating facilities and events in the state. Print materials about the benefits to HHW programs of participating in the PaintCare program were made available to the HHW contacts (HHW fact sheet is included in the appendix). The names and addresses of the of the HHW facilities and events that participated during the reporting period are listed in the appendix.

A3. Transfer Stations / Recycling Facilities

Prior to the launch of the program, PaintCare reached out to the councils of governments and independent towns in the state. In addition, many of the sites received an in-person visit from PaintCare staff. A fact sheet was developed and distributed to explain the PaintCare program and benefits to transfer stations and recycling facilities (transfer station/recycling facility fact sheet is available in the appendix). Transfer stations and recycling facilities participate as drop-offs sites to expand the recycling services provided to their customers and to help keep paint out of the waste stream.

Transfer stations also helped promote the new program to their area residents. In addition to distributing brochures, a few towns partnered with PaintCare on outreach projects where PaintCare provided artwork and wording for their use and reimbursed the towns for banners.

The names and addresses of the of the transfer stations that participated during the reporting period are listed in the appendix.



PaintCare provided signage shown on the paint shed at the Waldoboro Transfer Station.



The Belgrade Transfer Station held a very successful paint recycling collection in June.

A4. Reuse Stores

Seven material reuse stores – the Maine Building Materials Exchange and six Habitat for Humanity ReStores – were identified prior to program launch and invited to join the program. Along with participating as drop-off sites, reuse stores can operate paint reuse programs by donating or selling good quality leftover paint back to

the local community to use, rather than sending it through PaintCare for processing. PaintCare provides compensation for this service.

However, PaintCare has found in Maine, as well as in other PaintCare states, that reuse stores that sell remanufactured/recycled-content paint are often not interested in becoming PaintCare reuse sites because it is more profitable and simpler to just sell recycled-content paint, rather than add used paint to their shelves as well.

PaintCare was able to recruit one reuse store into the program during the reporting period and will continue its efforts recruit other reuse stores in the future.

A5. Paint-Only Drop-Off Events

In an effort to clean out large volumes of stored-up paint that could overwhelm PaintCare drop-off sites at the start of the program and to provide additional services in areas that did not historically have latex paint drop-off opportunities, PaintCare held a one-day paint drop-off event during the reporting period. The event was held in Bangor, a city that had not held an HHW event for several years. Anyone from Maine was allowed to participate and there were no limits on the amount of paint participants could drop off. A total of 365 households and businesses participated in the event.

The event was promoted a number of ways including through newspaper advertising, media releases, flyers distributed electronically and manually through local agencies, paint retailers, and local online news sites. The event flyer is provided in the appendix.

A6. Large Volume Pick-Up Service

The Large Volume Pick-Up Service (LVP service) began almost immediately and was offered to painting contractors and others that had accumulated large volumes of paint – generally more than 300 gallons. PaintCare arranged seven LVPs during the reporting period. The users of the service included three painting contractors, two property management companies, one household, and a transfer station.

Painting contractors often store paint for future use or because it is expensive to dispose of. Property management companies are constantly repainting the buildings they manage and are left with excess or aging paint.



The LVP Service cleaned out this collection of leftover paint at a rental property in Biddeford.

B. CONVENIENCE CRITERIA

As described in the Program Plan, to ensure adequate paint drop-off opportunities in Maine, PaintCare used Geographic Information System (GIS) modeling to determine the appropriate minimum number and distribution of drop-off sites based on the following baseline criteria required by the Maine Paint Stewardship Law:

Distribution: At least 90% of state residents have a permanent (year-round) site within a 15-mile radius of their residence.

Density: One additional site for each 30,000 residents in a population center that is located to provide convenient and reasonably equitable access for residents within the population center.

PaintCare is making an adjustment to how population center is defined for the purpose of the density criterion, based on findings related to the initial program planning model. Beginning with this annual report, population center, which is meant to represent densely populated areas, will be measured using U.S. Census Bureau Urbanized Area and Urban Cluster designations. At the time of program planning, PaintCare was not aware of any authoritative sources to identify densely populated areas and instead relied on its GIS firm to make this determination. PaintCare believes that using an authoritative, defined source, such as that developed and published by the U.S. Census Bureau, is an improvement to the convenience analysis methodology and will incorporate this change across all of its programs.

Urbanized Areas and Urban Clusters are provided by the Census Bureau to delineate areas of concentrated population, i.e., an “urban footprint,” as a means to distinguish between urban and rural areas. Urbanized Areas and Urban Clusters are defined consistently nationwide. An Urbanized Area has a minimum of 50,000 residents. An Urban Cluster is a similar geographic representation of densely populated areas with population

between 2,500 and 50,000. The Census Bureau uses documented and repeatable methodology and rules to identify and delineate Urbanized Areas and Urban Clusters.

The Program Plan set a baseline goal of establishing 60 optimally located drop-off sites within 12 months of program start. The program had 96 year-round drop-off sites in place at the end of the reporting period which provided 93.5% of Maine residents a drop-off site within 15 miles of their residence, achieving the distribution goal.

Three densely population areas, those requiring an additional site for every 30,000 residents, were identified in the Program Plan – the cities of Portland, Lewiston, and Bangor. The Census Bureau identified three Urbanized Areas and one Urban Cluster with populations greater than 30,000 in Maine. They are the broader areas (broader than the city limits) of Portland, Lewiston, Bangor and Brunswick. The following table shows the populations of these areas as provided by the Census Bureau, the number of sites each area needs to meet the density requirement, and the number of sites each has. As the table shows, the program has met also met the density goal.

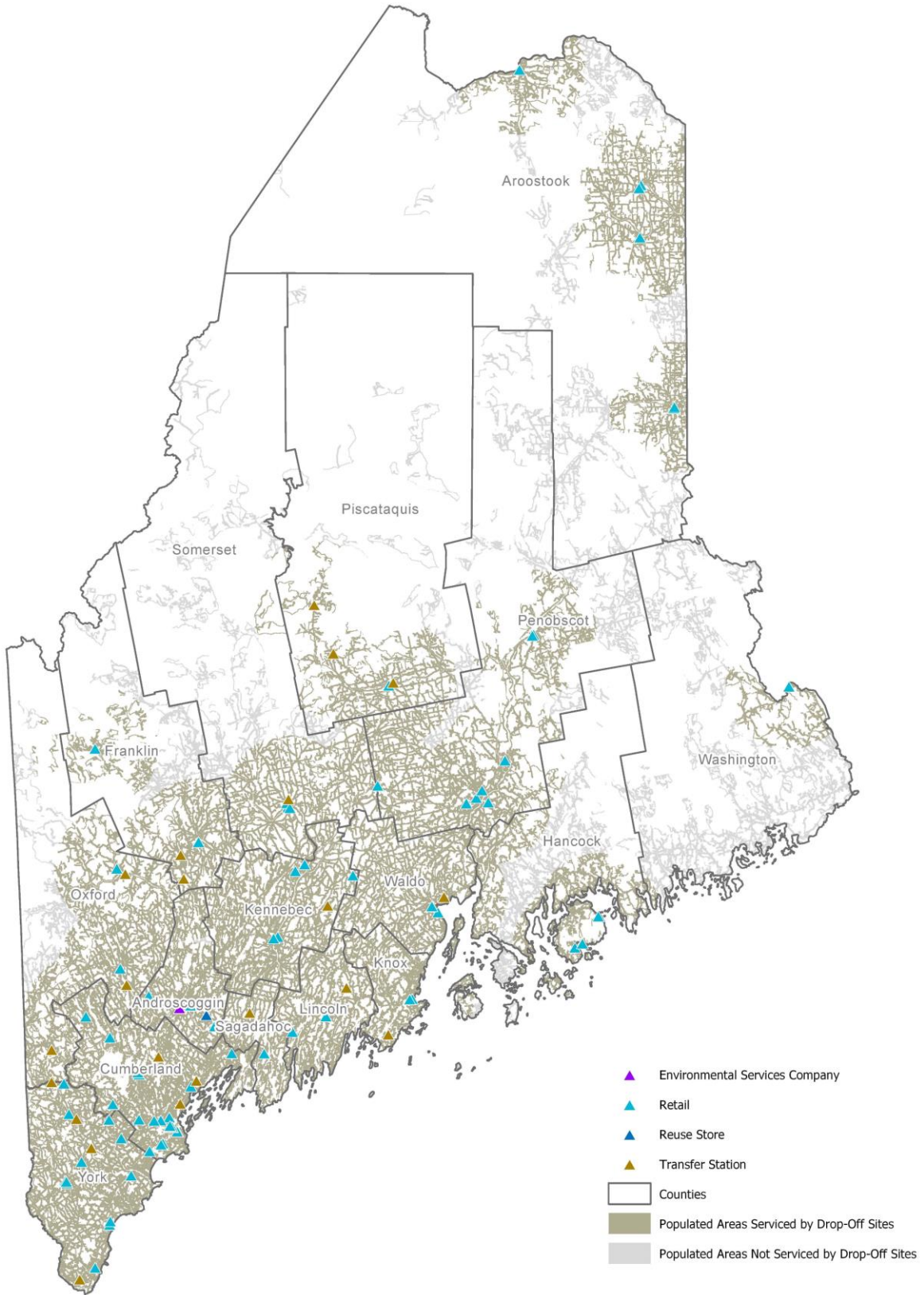
URBANIZED AREAS AND URBAN CLUSTERS	POPULATION	NUMBER OF SITES NEEDED	NUMBER OF SITES (YEAR ROUND ONLY)
Portland	226,711	7	17
Lewiston	69,221	2	4
Bangor	68,574	2	5
Brunswick	34,546	1	2

For this report, GIS analysis was conducted by Dewberry, an engineering firm with expertise in geographic analysis and mapping. Dewberry has also worked with PaintCare to develop in house capacity to conduct analysis year-round and future analysis will be done directly by PaintCare using the same process and ESRI-GIS mapping software used by Dewberry.

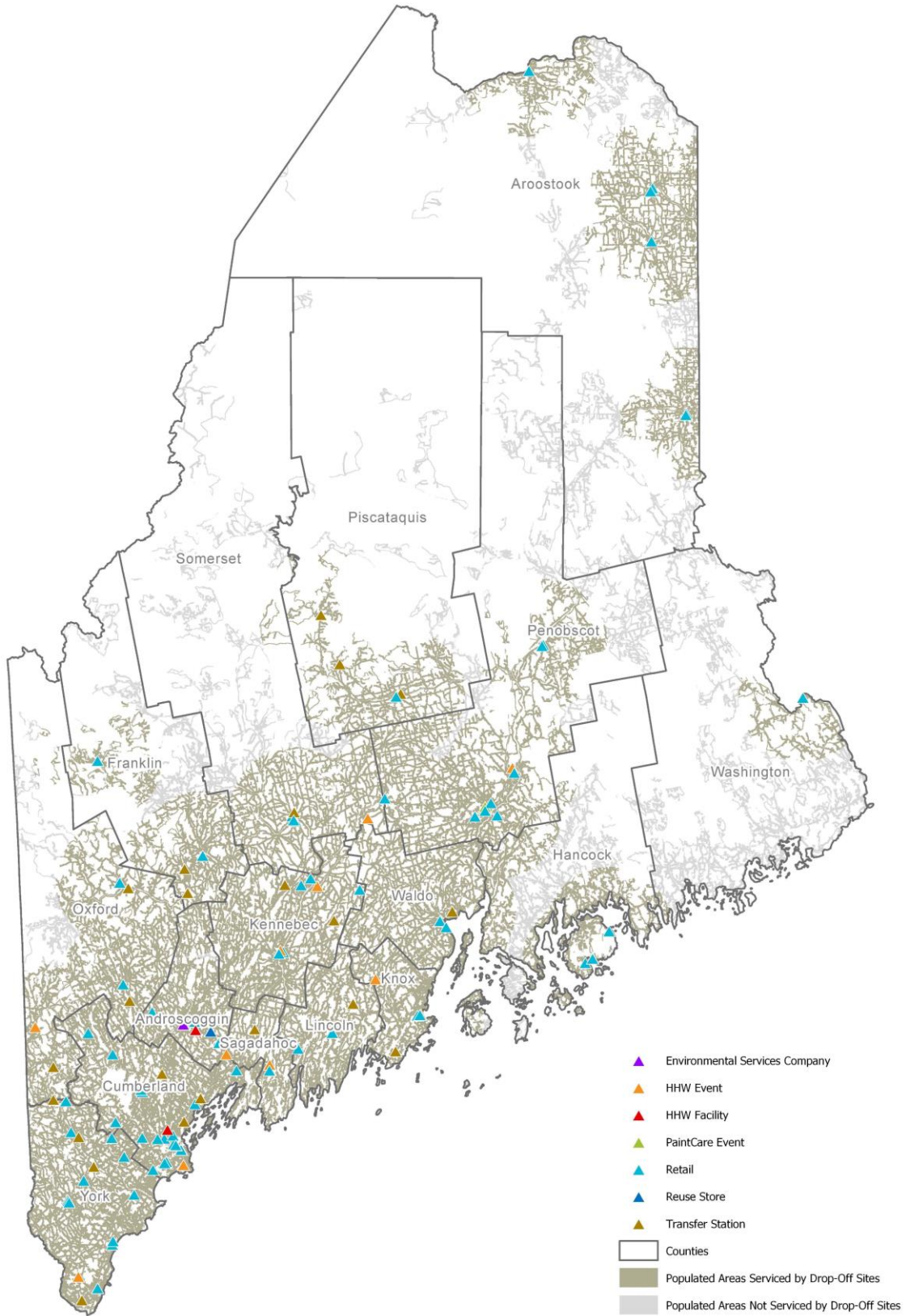
As described previously, Maine had many HHW services prior to the PaintCare program. However, the level of service and types of paint products that were accepted varied greatly in different parts of the state. Of all of the HHW programs, none had facilities that were open year-round, and very few accepted latex paint. The remainder of the state was served by HHW events, with some areas having access to few or no events. Compared to the HHW programs in the state, the convenience level offered by the PaintCare program during the reporting period with 96 year-round sites was a significant increase.

The following maps show the locations of (1) year-round sites, (2) year-round sites and supplemental sites and events, and (3) LVP sites. (LVP sites were not included in any measure of convenience but are included for illustrative purposes.)

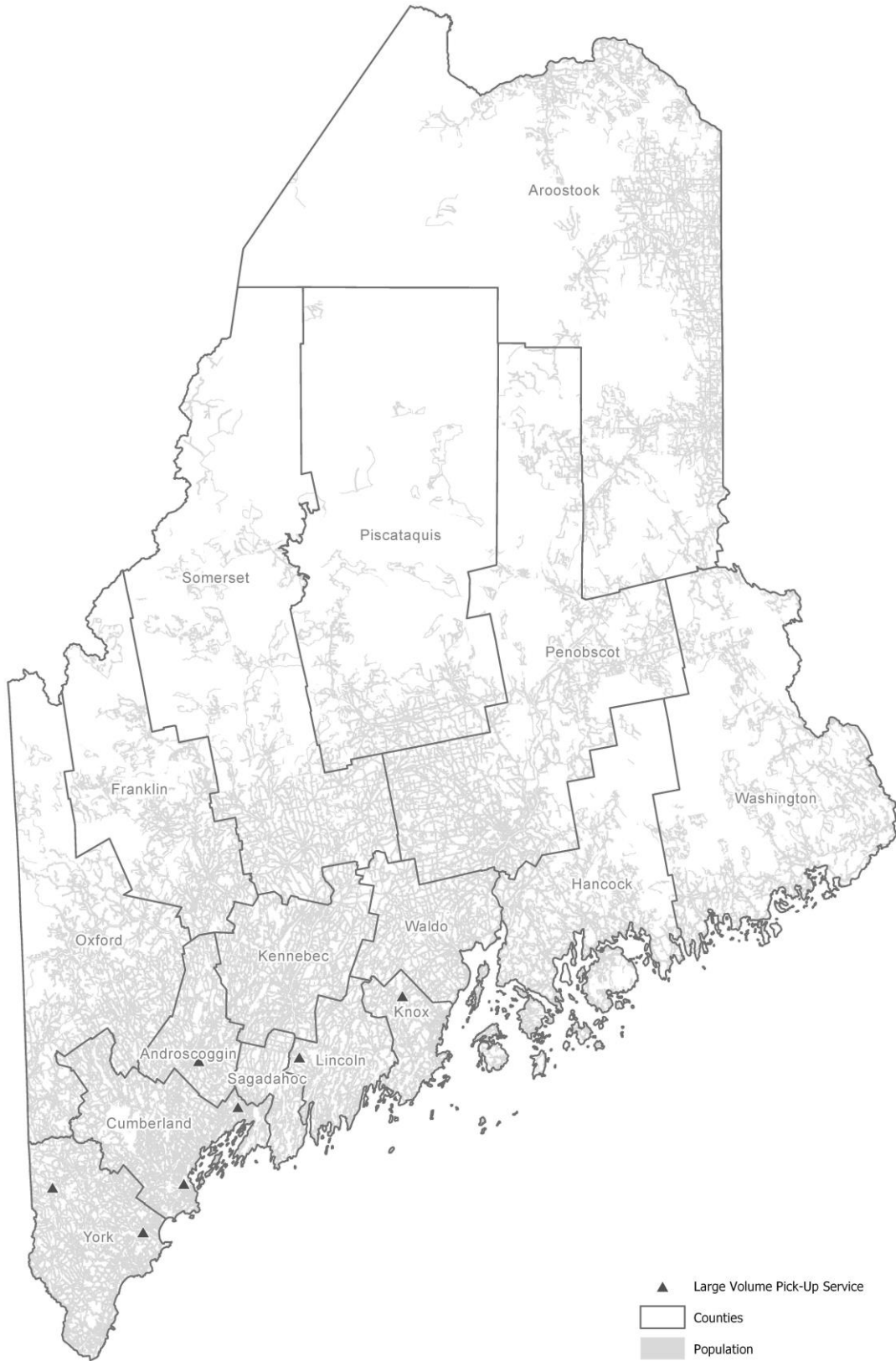
YEAR-ROUND SITES



YEAR-ROUND AND SUPPLEMENTAL SITES



LARGE VOLUME (DIRECT) PICK-UP SITES



C. PAINT COLLECTION PROCEDURES

PaintCare entered into contract agreements with sponsors or operators of all drop-off sites (and events). PaintCare contracts require that all drop-off sites meet requirements of local, state, and federal law, regulations, and policies.

With the exception of HHW programs, which are already trained on paint and hazardous waste management, staff at all year-round and seasonal drop-off sites received on-site, in-person training and a program procedures manual. The training and program manual covered the following topics:

- ◆ Identification of program and non-program products
- ◆ Acceptable containers
- ◆ Whom to accept paint from and how much
- ◆ Screening procedure for businesses and the required log form
- ◆ Proper storage
- ◆ Spill response procedures and reporting requirements
- ◆ Employee training
- ◆ How to schedule a pick-up
- ◆ Required paperwork and record retention schedules

Site personnel are required to visually inspect containers of postconsumer paint – but not open them – to confirm that they are acceptable program products and then place them in the spill proof collection bins provided by the program. Unlabeled and leaking cans are not accepted at retail or transfer station sites, but trained staff at HHW facilities and events are allowed to accept and prepare them for management under the program.

Retail and transfer station drop-off sites are visited by PaintCare staff on a regular basis to check on their operations and provide additional training and outreach materials as needed.

D. PAINT TRANSPORTATION AND PROCESSING

D1. Paint Transportation

PaintCare employed two transporters in the reporting period, Clean Harbors Environmental Services and Environmental Projects Inc. (EPI).

Clean Harbors and EPI are both registered hazardous waste haulers. PaintCare requires that transportation service providers have the ability and knowledge to respond to incidents involving hazardous materials and comply with all applicable U.S. Department of Transportation (DOT) and state transportation rules.

Clean Harbors provided transportation services to all the retail and transfer station drop-off sites, one of the HHW facilities, some of the HHW events, PaintCare's paint-only collection event, and all the LVP sites. EPI provided transportation services to one of the HHW facilities and some of the HHW events.

Clean Harbors transported **cans of** latex and oil-based paint comingled in collection bins from retail sites, and pre-sorted paint from the other sites and events, to their permitted facility in Cranston, RI for further screening, separation, and consolidation.

EPI transported bins of paint from one HHW facility and some HHW events to their own facility in Auburn, ME. Clean Harbors picked up the paint from EPI's facility and delivered it to the facility noted above for further screening, separation, and consolidation.

D2. Latex Paint Processing

The condition in which postconsumer latex paint is received by the program determines its management options. If containers are not properly sealed during storage, latex paint can harden due to evaporation and may no longer be usable or recyclable. Similarly, if latex paint freezes a number of times, it may not be as suitable for reuse or recycling.

The method of storage and the timing of the decision to bring leftover paint to a drop-off site are determined by the consumer. PaintCare's outreach messages encourage the timely return of unwanted postconsumer paint in an effort to reduce the age and improve the condition of the paint for end of life management.

PaintCare managed latex paint under the following waste management hierarchy:

Reuse. Reuse programs generally screen for paint containers that are 50% or more full and in good condition and give them away free or sell them to the local community. None of the collection sites in Maine reported reuse activity in the reporting period.

Recycled Paint. Clean Harbors utilized paint-to-paint recycling as their primary method for managing latex paint. Clean Harbors worked with GDB International in Nashville, IL and New Brunswick, NJ. GDB used postconsumer latex paint to manufacture recycled-content paint in a variety of colors which was sold domestically in small containers (1-and 5-gallon cans) and in international markets in 275-gallon bulk containers. While the data reporting errors from Clean Harbors eliminates our ability to report the number of gallons processed by recycling and landfill, we do know GDB International recycles 83% of all inbound latex paint and sends 17% of all inbound paint to landfill.

Disposal. Dry and unusable latex paint sorted out by GDB was sent to authorized landfills.

D3. Oil-Based Paint Processing

While oil-based paint has the potential for reuse, none of the program partners reported managing oil-based paint through a reuse program. Likewise, while it is possible to recycle oil-based paint back into paint, no processors in the United States offered this option. Thus, all the oil-based paint managed through the program in the reporting period was used as fuel in one of the following two ways. Additionally, while the data reporting errors from Clean Harbors eliminates our ability to report the number of gallons processed, Clean Harbors managed all of the oil-based paint at one or all of the facilities listed below.

Energy Recovery. Clean Harbors utilizes Giant Cement in Harleyville, SC, Lone Star Cement in Greencastle, IN, and Green America in Hannibal, MO for energy recovery.

Incineration. Clean Harbors utilizes their incinerators in El Dorado, AR, Kimball, NE, and Deer Part, TX.

D4. Empty Paint Containers

Metal and plastic paint containers were recycled whenever possible.

Section 2. Paint Collection Volume and Disposition Methods

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(2) The volume of post-consumer paint collected in the State.

(3) The volume and type of post-consumer paint collected in the State by method of disposition, including reuse, recycling and other methods of processing.

(6) The total volume of post-consumer paint collected by the paint stewardship program and a breakdown of the volume collected at each collection site.

(7) Based on the paint stewardship assessment collected by the paint stewardship program, the total volume of architectural paint sold in the State during the preceding year.

(8) A list of all processors, including recyclers and disposers, used to manage post-consumer paint collected by the paint stewardship program in the preceding year up to the paint's final disposition, the volume each processor accepted and the disposition method used by each processor.

A. PAINT SALES

As discussed in PaintCare's Maine Program Plan, the volume of paint sold on a state-by-state basis is not available or tracked by the paint industry. To obtain estimated data, PaintCare commissioned a study in the fall of 2012 by Decision Metrics, Inc., a research firm that specializes in coatings industry analysis and economic forecasting. The Decision Metrics study projected annual sales of 3.34 million gallons in Maine – or 2.5 million gallons for this 9-month reporting period. This volume was used for two purposes: (1) to project potential program revenue, discussed further in Section 3 of this report, and (2) to project potential collection volumes based on previous studies indicating that approximately 10% of paint purchased is leftover, discussed in this section of the report

Actual sales for this 9-month reporting period were 1,552,611 gallons, nearly 38% less than projected (without taking seasonality in consideration).

B. PAINT COLLECTION AND MANAGEMENT

B1. Collection Volume and Recovery Rate

The program processed 87,453 gallons of paint during this first reporting period. This represented a 5.6% recovery rate (5.6% of 1,552,611 gallons sold). For budgeting and planning purposes, PaintCare had estimated an annual recovery rate of 6.5% in the first year.

As is discussed in the Program Plan, several factors make recovery rate goals and calculations problematic. Paint is designed to be fully consumed through application to walls, buildings, and other surfaces. Although the amount of postconsumer paint received through collection programs is measurable, it is very difficult to

determine the precise quantity of postconsumer paint that is leftover and available for collection at any given time – a factor in recovery rate calculations. The lag time between the purchase of paint and the decision that the leftover paint is unwanted, and the additional time taken to return it to a drop-off site can vary greatly. In addition, architectural paint products have a long shelf-life, so consumers purchasing paint in one year may not decide that the unused paint is unwanted for several years. For these reasons, PaintCare did not establish volume-based collection goals, but did commit to providing and examining recovery rate data for planning and budgeting purpose as presented above. Appendix A lists the volume of paint collected at each collection site.

B2. Latex vs. Oil-Based Paint

The volume of paint collected and processed cannot be reported broken down by latex paint versus oil-based paint due to a procedural error on the part of Clean Harbors, the program’s primary transporter. During the full reporting period, Clean Harbors combined paint from multiple PaintCare states together before sending it for downstream processing. Each mixed bin (mix of latex and oil-based paint) was weighed prior to being unpacked so the weight of paint from each PaintCare state is known. However, once the paint was unpacked, it was separated into the two waste streams – latex paint and oil-based paint – and combined with latex and oil-based paint from other states, making it impossible to determine the breakdown between latex and oil-based paint in each affected state.

Clean Harbors corrected their paint management procedures as of October 2016. As a result, a portion of the 2017 annual reporting data will also be impacted.

B3. Paint Management Methods

The following tables show the processors, including recyclers and disposers, and the percentage of each management method used to manage the volume of post-consumer paint collected in the reporting period.

LATEX PAINT DISPOSITION

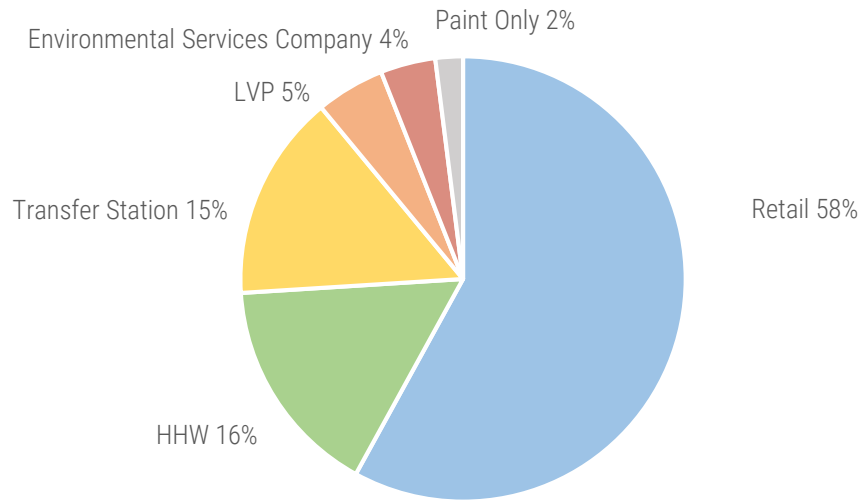
PROCESSOR	DISPOSITION	%
GDB International, Nashville, IL & New Brunswick, NJ	Recycled Paint	83
Waste Management, Wilmington, IL	Disposal	17
Total		100

OIL-BASED PAINT DISPOSITION

PROCESSOR	DISPOSITION	%
Clean Harbors El Dorado, LLC, El Dorado, AR Clean Harbors Environmental Services, Kimball, NE Clean Harbors Environmental Services, Deer Park, TX Green America, Hannibal, MO Giant Cement, Harleyville, SC Lone Star Cement, Green Castle, IN	Incineration / Energy Recovery	100
Total		100

B4. Collection by Program Type

The following pie chart shows the breakdown of collection volume by program type.



C. Container Recycling

Metal and plastic paint containers are recycled whenever possible.

Section 3. Independent Audit and Financial Summary

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(4) The total cost of implementing the paint stewardship program, as determined by an independent financial audit funded from the paint stewardship assessment. The report of total cost must include a breakdown of administrative, collection, transportation, disposition and communication costs;

A. INDEPENDENT FINANCIAL AUDIT

An independent financial audit of the national PaintCare program was conducted by Rogers & Company PLLC. This independent CPA firm conducted the audit in accordance with auditing standards generally accepted in the United States. Those standards require that the firm plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. The audit process includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. In Rogers & Company's opinion, the financial statements of PaintCare present fairly, in all material respects, the financial position as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States. Please see the appendix for the independent financial audit of the PaintCare program.

B. FINANCIAL SUMMARY AND DISCUSSION

B1. Expense Categories

Revenue is derived from fees on new paint sales. Expense categories for the Maine program are discussed below.

Paint Processing. Paint processing costs are the largest budget item in all PaintCare programs. These costs were billed based on the weight and included the cost of sorting mixed boxes of latex and oil-based paint.

Paint Transportation. Paint transportation costs are another significant cost in all PaintCare programs. Transportation costs were billed per collection bin picked up and included a minimum stop charge.

Collection Supplies and Support. Collection support costs included paint collection bins (single use and reusable), spill kits, training materials, and miscellaneous supplies for drop-off sites to maintain safe and clean operations, as well as fees for paint-only events.

Communications. Communications costs included advertising and promotional materials to increase awareness of the program and use of the drop-off sites.

Personnel, Professional Fees, and Other. Personnel, professional fees and, other included the proportional cost of one full-time employee managing both the Maine and Vermont programs, legal costs for developing and negotiating contracts, travel, office supplies, and other logistical and professional support.

State Administrative Fees. PaintCare pays State administrative fees that cover the Department of Environmental Protection's actual costs, up to a maximum of \$85,000 annually.

Corporate Activity. Corporate activity costs are those that are shared across all PaintCare programs and allocated relative to the population of the state or jurisdiction. As of June 30, 2016, Maine's corporate allocation was 2.3%. These costs include but are not limited to corporate staffing, construction of data management systems, auditing fees, legal fees and general communications. (Note: Corporate activity was referred to as Administrative Costs in Maine's Program Plan.)

Investment Activity and Formation of Limited Liability Companies. Beginning in December 2014, PaintCare invested a portion of its accumulated surplus in a financial portfolio. PaintCare maintained its investments for all programs in a single portfolio. Claim of ownership in the investment portfolio was shared by all programs and allocated among the programs based on relative net asset balances. Programs that had positive net asset balances had a claim on the assets invested in the portfolio; programs with negative net asset balances carried a liability representing an amount due to the portfolio.

In 2015, to better separate each state program in terms of liability and financial independence, PaintCare began implementing a plan to transition operations for each program from PaintCare Inc. to a wholly-owned subsidiary company dedicated to managing that particular program. By January 2016, PaintCare had formed sole-member limited liability companies in Connecticut, Oregon, and Rhode Island and established individual bank accounts for each of those new companies. At this time, these programs moved their net asset balances, including gains earned from the investment portfolio, into those individual bank accounts and ended their programs' participation in an investment portfolio. The remaining programs for which PaintCare has not yet established dedicated companies continue as before.

B2. Financial Summary

The following tables show pre-program expenses, and program revenue and expenses during the first reporting period. A discussion of any significant differences follows the tables.

PRE-PROGRAM ACTIVITIES (PRIOR TO OCTOBER 1, 2015)

EXPENSES

Collection supplies and support	\$ 19,494
Communications	16,861
Personnel, professional fees, and other	89,333
Allocation of corporate activity	147,757
Total expenses	273,445

FIRST REPORTING PERIOD PROGRAM ACTIVITIES (9 MONTHS)

REVENUE	12-MONTH BUDGET	9-MONTH BUDGET	9-MONTH ACTUAL
Larger than half pint to smaller than 1 gallon	\$ 219,772	\$ 164,829	\$ 144,882
1 gallon	1,415,325	1,061,494	754,220
Larger than 1 gallon up to 5 gallons	414,694	311,021	141,578
Total revenue	2,049,791	1,537,344	1,040,680
EXPENSES			
Paint processing	823,697	617,773	426,068
Paint transportation	465,377	349,033	137,104
Collection supplies and support	240,414	180,311	143,016
Communications	200,000	150,000	107,362
Personnel, professional fees, and other	110,062	82,547	94,688
State administrative fees	82,000	61,500	63,570
Allocation of corporate activity	79,338	59,504	69,211
Total expenses	2,000,888	1,500,668	1,041,020
Allocation of investment activity (Interest)	0	0	(13,412)
Change in net assets (revenue minus expenses plus investment allocation)	48,903	36,677	(13,752)
Net assets, beginning of reporting period	(273,445)	(273,445)	(273,445)
Net assets, end of reporting period	\$ 48,903	\$ 36,677	\$ (287,197)

- ◆ The actual revenue generated during the reporting period was substantially less than projected; about 32% less (without taking seasonality into consideration). PaintCare used the best available market research data available at the time to project Maine paint sales and fee revenue, and has not determined a reason for the difference.
- ◆ Clean Harbors discovered, after the end of the reporting period, the scale utilized to weigh boxes from retail and transfer station sites was out of calibration. Clean Harbors estimated the variance to be roughly 19%. As PaintCare is invoiced per pound for processing, the fact the scale was out of calibration impacted the dollar amount Clean Harbors invoiced for processing. Clean Harbors adjusted the pounds from retail and transfer station sites by the estimated variance (19%), which resulted in a difference of \$81,296 for processing. Backing out the overcharge of \$81,296 from the total expenses of \$1,122,306 results in a revised total cost of operation of \$1,041,020. While

the audited financial statements will not be adjusted, the total operating cost of \$1,041,020 was used to calculate the total cost per gallon of \$11.90.

- ◆ The actual expenses incurred during the reporting period were about 30% less than budgeted. This is expected as the budget for expense was based on a mature program with a recovery rate of 6.5% which was not achieved in the first reporting period.
- ◆ Because of these discrepancies, and because the program had already accumulated \$273,000 in pre-program expenses, the Maine program ended the reporting period with a deficit of \$287,197. To cover expenses, the program borrowed money from PaintCare corporate and paid interest in the amount of \$13,412, reflected in the investment activity line.

C. RESERVES POLICY

PaintCare has a Reserves Policy to define and quantify the reserves in each state program. The policy defines the reserves as “net assets” and establishes a minimum threshold of 16% of annual expenses (i.e., at least two months of operating expenses); a target reserve amount of 50% of the annual expenses; and a maximum amount of 75% of annual expenses. This accumulated balance allows PaintCare programs to continue to operate in times of either higher than expected paint collection or lower than expected retail paint sales (and revenue) – or a combination of the two. Reserves or “net assets” represent the accumulated surplus/deficit of the program.

At the end of the reporting period, the Maine program had built a deficit because expenses exceeded revenue. The accumulated deficit was \$287,197.

D. EVALUATION OF THE PROGRAM'S FUNDING MECHANISM

As described in PaintCare's Program Plan, the program utilizes the following assessment ("PaintCare Fee") per container size.

PAINTCARE FEE SCHEDULE

CONTAINER SIZE	FEE
Half pint or smaller	\$ 0.00
Larger than half pint to smaller than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
Larger than 1 gallon up to 5 gallons	\$ 1.60

The funding mechanism and system to receive sales reports and payments from manufacturers performed well during the first reporting period. However, the fee schedule was not adequate to support the cost of the program. Revenue fell short of projections by nearly 30% due to lower than projected paint sales. As a result, the program was unable to cover its operational costs, and ended the reporting period with a deficit.

PaintCare will monitor revenue and expenses closely over the next year and examine opportunities for cost reduction in order for the program to remain viable. If it is determined that a fee increase is necessary, PaintCare will discuss any proposal in advance with the Maine Department of Environmental Protection.

Section 4. Outreach

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(5) A summary of outreach and educational activities undertaken and samples of educational materials provided to consumers of architectural paint;

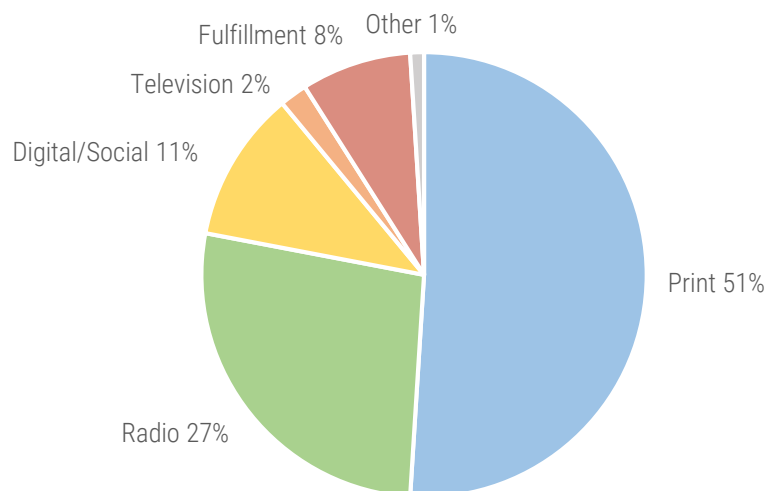
A. OUTREACH ACTIVITIES

A1. Introduction

PaintCare's Maine Program Plan includes a variety of outreach activities targeted to retailers, painting contractors, municipal agencies, and the general public through direct contact and advertising using a phased in approach. Initial outreach focused on recruiting drop off sites – retail, HHW programs, and transfer stations.

The intent of phasing in outreach was to allow drop-off sites to become comfortable with operations before implementing general advertising to the public to increase participation. Outreach efforts in the reporting period focused on encouraging the public to recycle their unwanted paint. Future efforts will extend to source reduction and reuse. The outreach program began with press releases (earned media), then general outreach about the program through public radio, general newspaper and some digital advertising to drive the public to PaintCare's website to find drop-off sites using PaintCare's site locator search tool.

Later in the reporting period, PaintCare used more specific newspaper advertisements to list retail drop-off sites and those transfer stations who wished to be promoted. Although the Maine HHW programs are supported by PaintCare, they generally do not wish to be promoted by PaintCare and were not included in newspaper advertisements. The outreach activities utilized during the reporting period are summarized here.



A2. Press Release

At the start of the program, PaintCare, through its marketing firm, Mascola Group, issued a press release about the approval of the Program Plan and the start of the program. The releases generated coverage in four newspaper and online articles.

A3. Print Materials for Consumers

Prior to the start of the program, PaintCare mailed packets of program brochures and other printed materials to retailers to make available to consumers in their stores. All paint retailers or their corporate headquarters received packets of materials. Packets included program brochures, mini cards, fact sheets for painting contractors and the LVP service, program posters, and an order form to order additional materials and brochure holders.

During the first nine months of the program, PaintCare fulfilled 63 requests for materials, which is relatively few compared to the number of deliveries made by the Maine manager, who dropped off materials in person during site visits. In addition to the materials distributed to retailers prior to the start of the program, PaintCare distributed more than 6,868 additional brochures, mini cards, and fact sheets during the reporting period. (Prior to the launch, PaintCare fulfilled 45 requests and sent out 4,640 pieces.)

PaintCare also provides a counter mat to retailers to use in the paint department to reference when customers had questions. The counter mat is popular with retailers and more likely than the poster to be seen by customers while they wait for their paint to be mixed.

The materials shown below are included in the appendix and available on PaintCare's website.



Brochure, Mini Card, Program Poster, Counter Mat, and Fact Sheets

A4. Mailings to Retailers

PaintCare conducted a total of six mailings to retailers prior to the start of the program. Four of the mailings provided notices about the program geared to retailers to introduce them to the program and fact sheets for them to provide to their painting contractor customers. Two of the mailings included posters, packets of the program brochures, mini cards as well as an order form to request additional materials.

A5. Print Materials for Stakeholders

The following fact sheets were distributed in the months before the start of the program and are still used. Minor updates are made throughout the year. Current versions are included in the appendix and available on PaintCare's website.

- ◆ How Does the Maine Paint Stewardship Program Affect Paint Retailers?
- ◆ How to Become a Retail Drop-Off Site
- ◆ About PaintCare Fees
- ◆ Information for HHW Programs
- ◆ Information for Solid Waste Transfer Stations, Recycling Facilities and Landfills

A new fact sheet was created during the reporting period to explain PaintCare's effort to encourage reuse programs including an increase in reuse compensation:

- ◆ Reuse Programs – Compensation and Reporting

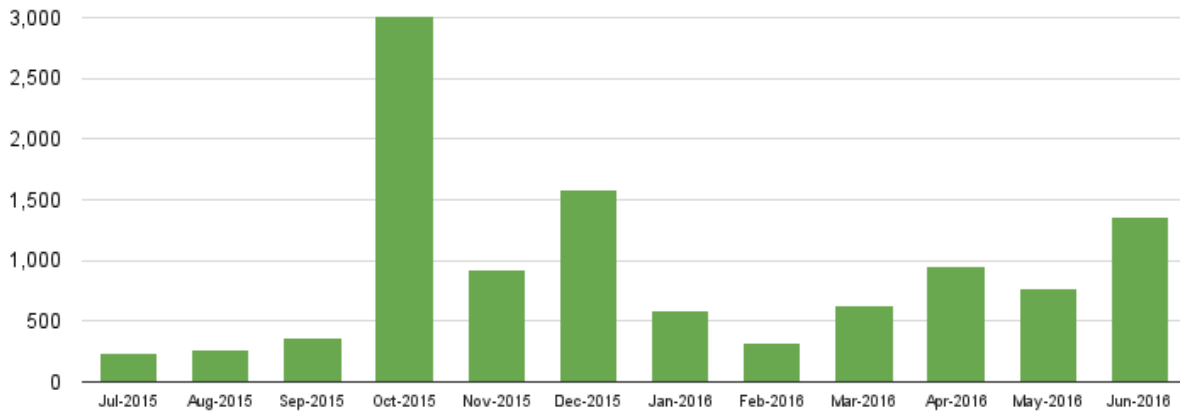
A6. Website

Nearly all PaintCare advertising and outreach efforts direct the public to PaintCare's website for more information and to find a local PaintCare site. The most frequently visited part of the website is the PaintCare site locator tool on the page titled Drop-Off Locations. PaintCare's website is updated throughout the year.

The website is easy to navigate and features topics on buying the right amount of paint, storage and reuse tips, and recycling. It has special pages for manufacturers and retailers, explains what products are covered by the program, and has a Maine page with tabs for different audiences (Everyone, Contractors, Retailers, Waste Facilities, and Official Docs).

Web traffic from Maine was the highest at the start of the program in October 2015. The December peak coincided with initial advertising in the newspapers and public radio statewide. An advertising campaign using newspapers, radio and digital advertising was started in April and ended in June 2016.

Web Traffic – Monthly Visitors from Maine



A7. Translations

PaintCare translates consumer brochures and fact sheets into languages of known ethnic groups in the state, especially those in the painting business, and upon request from paint retailers or other stakeholders. PaintCare translated Maine’s program brochure to Spanish.

Two widely-used fact sheets are not program-specific, and the same version is used in all programs: The fact sheet for the LVP service is available in Spanish. The fact sheet for painting contractors is available in 11 languages other than English due to requests from other programs.

A8. Public Radio

PaintCare ran a series of sponsorships on Maine Public Radio. A seven-week campaign started in December 2015, and an eight-week campaign started in late March 2016. The sponsorship used the following message: *“Our listeners support public radio and so does... PaintCare, with 65 drop off locations in Maine where residents and businesses can recycle leftover paint. Online at PaintCare dot org.”* (65 was changed to 80 in March.)

A9. Newspaper Advertising

PaintCare did no newspaper advertising at the start of the program intentionally to allow drop-off sites time to adjust to the operations. The first newspaper ads were general announcements about the program and placed throughout the state in December 2015. These ads did not list individual drop-off locations.

PAINT RECYCLING MADE *easy*

Do you know where to recycle your paint?
There are more than 75 PaintCare sites in Maine where households and businesses can recycle any brand of unwanted paint, stain and varnish all year-round. **(It's free!)** Most locations are paint stores.

Who is PaintCare?
PaintCare is a nonprofit that operates Maine's paint stewardship program on behalf of paint manufacturers. Funding comes from a fee on the sale of new paint as of October 1, 2015. The fee is 35 cents for pints and quarts, 75 cents for 1 gallon cans and \$1.60 for 5 gallon buckets. There is no charge for dropping off leftover paint, no matter how old it is.

FIND A DROP-OFF LOCATION:
www.paintcare.org • (855) 724-6809

All PaintCare sites accept up to 5 gallons per visit (some take more). Please call ahead to confirm business hours and ask if they can accept the type and amount of paint you would like to recycle. Leaking, unlabeled and empty containers are not accepted.

General Newspaper Ad

PaintCare ran a second set of ads in local newspapers throughout the state in March, April and June. Each PaintCare drop-off site was listed in an ad once. These ads included the name, address, and phone number for drop-off locations in the newspaper's distribution area.

PAINT RECYCLING MADE *easy*

Do you know where to recycle your paint?
There are more than 85 PaintCare sites in Maine where households and businesses can recycle unwanted paint, stain and varnish for free all year-round, including these sites in your area:

AUBUCHON HARDWARE 361 Wilton Road Farmington, ME 04938 (207) 778-5882	RANGELEY LAKES BUILDERS SUPPLY 2742 Main Street Rangeley, ME 04970 (207) 864-5644
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TO FIND OTHER DROP-OFF LOCATIONS:
www.paintcare.org
(855) 724-6809

All PaintCare sites accept up to 5 gallons per visit (some take more). Please call ahead to confirm business hours and ask if they can accept the type and amount of paint you would like to recycle. Sites do not accept: aerosols (spray paint) or leaking, unlabeled and empty containers.

Example Newspaper Ad with Sites Listed

A10. Digital Advertising

PaintCare ran digital video ads on WGME.com and WCSH.com for six weeks starting in mid-May 2016. The video, shows a couple in a “Goldilocks” scenario: first they have too little paint, then they have too much, and then they took measurements and asked for help at their paint store, finally getting it “just right.” Still frames from the videos are shown here. These videos (and others) can be viewed at www.paintcare.org/media.



“Goldilocks” video used for online advertising.

A11. Television

During the reporting period, PaintCare sponsored the production of a PBS segment about paint recycling called Next Home, which is expected to air in Maine (and other states) in the spring of 2017. PaintCare did not run television spots in Maine during the reporting period.

A12. Magazines

PaintCare used the statewide publication *Green and Healthy Maine Homes* in the spring edition to reach homeowners interested in sustainability.



Examples of Magazine Ads from Green and Healthy Maine Homes

A13. Face-to-Face

PaintCare’s Maine program manager was active with the following face-to-face activities during the reporting period:

- ◆ Visited with retailers prior to program launch to confirm they received materials and answered any questions about the program. Those who were interested in becoming drop-off sites then received

on-site training. The manager made subsequent visits to make sure the sites were running well, address any difficult questions the staff received from customers, provided more brochures or other point-of-sale materials, and offered to order signs.

- ◆ Met with municipalities, primarily transfer stations, to answer questions about operational issues and how to participate in the program at their locations. Those who wanted to become drop-off locations received in-person training at their site and subsequent visits to make sure there were no issues.
- ◆ Spoke with individuals interested in PaintCare's LVP service, explained how to request a pick-up, what was required to use the service, and which types of products are covered. If necessary, the manager visited the location to address logistical site issues to accommodate pick-ups either before the pick-up, at the same time as the pick-up, or both.

The manager also attended the following events before and during the reporting period:

DATE	EVENT	LOCATION	DESCRIPTION
Apr 2014	MRRRA Conference	Rockland	Transfer station outreach
Mar 2015	Sherwin-Williams managers meeting	Waterville	Retail outreach and training
Apr 2015	MRRRA Conference	Northport	Transfer station outreach
Apr 2015	Southern Maine Ace Dealers meeting	Scarborough	Retail outreach
May 2015	Lumber Dealers Association meeting	Augusta	Retail outreach
Oct 2015	MRRRA Annual Meeting	Hermon	Transfer station outreach
Feb 2016	Maine Home and Remodeling Show	Portland	Public outreach table
Mar 2016	The Maine Home Show	Lewiston	Public outreach table
Apr 2016	UNUM Earth Fair	Portland	Public outreach table
May 2016	MRRRA Conference	Rockland	Transfer station outreach

A14. Signage

PaintCare developed a number of signs for drop-off sites to help them let the public know about the program, screen program products, and address concerns they have about illegal dumping. Drop-off sites may order the following signs: Program Products Sign (English/Spanish), Program Partner Sign, Combination (Program Partner with simplified products list), No Dumping, and Please Wait for Assistance. Larger versions of these signs are included in the appendix can be found online at www.paintcare.org/signs.



A15. Joint Projects

PaintCare provided artwork and financial support to two organizations during the reporting period:

- ◆ Belgrade Transfer Station (in support of a week-long paint collection in June), PaintCare provided signs and a special landing page for the transfer station: www.paintcare.org/Belgrade.
- ◆ St George Parade and Transfer Station (PaintCare Month) – provided paint can costumes, and special banners and other signage for transfer station that joined the program. (Signs were provided during the reporting period; the parade was in July (after the reporting period.)



Recycle Your Paint Contingent in the St George Town Parade

B. AWARENESS SURVEY

PaintCare conducted a baseline “Paint Usage and Disposal Survey” in Maine in June 2014 using Survey Monkey, an online survey instrument. The survey was repeated in June 2015 and June 2016. This survey is used to evaluate awareness of paint recycling options over time. PaintCare is especially interested in the questions related to how much paint people store in their homes and whether they know where to recycle unwanted paint. A summary of questions and answers for the three rounds of surveys is included in the appendix.

A few highlights are below. With small sample sizes and only one survey after nine months, these observations should be considered anecdotal. Only after several years will PaintCare be able to identify trends.

- ◆ In the 2016 survey, respondents indicated they had less paint stored in their homes than in the first survey.

- ◆ The percentage of respondents who said they had dried out paint and put it in the trash decreased each year.
- ◆ When asked a hypothetical question about what they would do with unwanted paint if they had any, the number indicating they would take it to a paint store doubled. This may indicate awareness of the PaintCare program, because prior to PaintCare, no paint stores took back leftover paint.
- ◆ Awareness that paint can be recycled increased each year.
- ◆ The percentage of people who said they knew where to take leftover paint decreased from about 25% to 18%. This was unexpected.

C. RECOMMENDATIONS

- ◆ PaintCare will continue to consider a variety of media activities, including television, radio, online and newspaper advertising to increase awareness across the state. However, due to the program's deficit, only the most cost effective activities should be implemented in FY2017.
- ◆ PaintCare's outreach should continue to reach all parts of the state, and also continue to be sure that media does not cross borders into nearby states.
- ◆ The use and effectiveness of digital and social media strategies should be increased. Digital advertising is likely to increase as people spend more time online each year. Digital and social media strategies can target relevant messages to specific geographic areas.
- ◆ PaintCare should promote its joint outreach program to local governments to leverage their messaging and outreach for recycling and solid waste programs.
- ◆ As the program matures, the state manager may be able to attend more events and in-person meetings (e.g., home shows, painting contractor associations).

Appendix A



YEAR-ROUND SITES

96 PAINTCARE MAINE DROP-OFF SITES 2016 - PAGE 1

If gallons = 0, the site was accepting paint but did not have a pickup this year.

Site Name	Address	City	Type	Gallons FY2016
Environmental Projects Inc	664 Washington St N	Auburn	Envir. Services	2,241
Aubuchon Hardware	10 Bangor St	Augusta	Retail	257
Sherwin-Williams	68 Western Ave	Augusta	Retail	2,897
Color Concepts	840 Hammond St	Bangor	Retail	747
JB Paint Co	2225 Odlin Rd	Bangor	Retail	51
Sherwin-Williams	625 Broadway	Bangor	Retail	1,334
Paradis True Value Hardware	31 Holland Ave	Bar Harbor	Retail	270
Rogers Ace Hardware	55 Congress Ave	Bath	Retail	954
Aubuchon Hardware	231 Northport Ave	Belfast	Retail	482
Sherwin-Williams	15 Starrett Dr	Belfast	Retail	1,567
Sherwin-Williams	420 Alfred St	Biddeford	Retail	1,590
Bowdoinham Recycling Barn	Post Rd	Bowdoinham	Transfer Station	438
Aubuchon Hardware	484 Wilson St	Brewer	Retail	444
Hayes True Value Hardware	204 Portland Rd	Bridgton	Retail	775
Brownfield Transfer Station	1076 Pequawket Trail	Brownfield	Transfer Station	98
Sherwin-Williams	179 Pleasant St	Brunswick	Retail	2,206
Aubuchon Hardware	400 Narragansett Trl	Buxton	Retail	536
Plummers Buxton Hardware	241 Parker Farm Rd	Buxton	Retail	316
Sherwin-Williams	305 North St	Calais	Retail	454
S W Collins Co	6 Washburn St	Caribou	Retail	98
Sherwin-Williams	118 Bennett Dr	Caribou	Retail	109
China Transfer Station	191 Alder Park Rd	China	Transfer Station	411
Cornish Hardware	13 Maple St	Cornish	Retail	128
Dover Foxcroft Transfer Station	66 Landfill Rd	Dover Foxcroft	Transfer Station	475
Dover True Value Hardware	69 E Main St	Dover Foxcroft	Retail	69
Sherwin-Williams	43 Downeast Hwy	Ellsworth	Retail	1,938
Falmouth Transfer Station	101 Woods Rd	Falmouth	Transfer Station	1,376
Aubuchon Hardware	361 Wilton Rd	Farmington	Retail	331
SW Collins Fort Kent (formerly Quigleys)	35 W Main St	Fort Kent	Retail	0
Cooks Hardware	57 Main St	Gorham	Retail	810
Gray Transfer Station	Seagull Dr	Gray	Transfer Station	1,758
Greenville Transfer Station	7 Minden St	Greenville	Transfer Station	365
Tri Town Transfer Station	208 S Hiram Rd	Hiram	Transfer Station	318
S W Collins Co	57 Bangor St	Houlton	Retail	217



YEAR-ROUND SITES

96 PAINTCARE MAINE DROP-OFF SITES 2016 - PAGE 2

If gallons = 0, the site was accepting paint but did not have a pickup this year.

Site Name	Address	City	Type	Gallons FY2016
Sherwin-Williams	2 Smyrna St	Houlton	Retail	287
Jay Transfer Station	672 Main St	Jay	Transfer Station	0
Kittery Transfer Station	1 Mackenzie Ln	Kittery	Transfer Station	337
Sherwin-Williams	1168 Lisbon St	Lewiston	Retail	2,160
Limerick Transfer Station	86 Doles Hill Rd	Limerick	Transfer Station	407
Plummers Limerick Hardware	42 Central Ave	Limerick	Retail	57
Aubuchon Hardware	245 W Broadway	Lincoln	Retail	322
S W Collins Co	302 W Broadway	Lincoln	Retail	162
Maine Building Materials Exchange	102 Lisbon Rd	Lisbon	Reuse Store	966
Aubuchon Hardware	572 Lisbon St	Lisbon Falls	Retail	252
Depot Square Hardware	9 Depot Square	Mechanic Falls	Retail	317
Rumford Regional Transfer Station	388 River Rd	Mexico	Transfer Station	533
Monson Transfer Station	80 Chapin Ave	Monson	Transfer Station	0
Aubuchon Hardware	499 Roosevelt Trl	Naples	Retail	387
Louis Doe Home Center	92 Mills Rd	Newcastle	Retail	289
Aubuchon Hardware	80 Moosehead Trl	Newport	Retail	181
F T Brown	106 Main St	Northeast Harbor	Retail	0
S R Tracy Inc	8 Summit Rd	Northeast Harbor	Retail	106
Aubuchon Hardware	138 Main St	Norway	Retail	206
Aubuchon Hardware	486 Stillwater Ave	Old Town	Retail	324
Oxford Transfer Station	89 Smith St	Oxford	Transfer Station	288
Aubuchon Hardware	832 Stevens Ave	Portland	Retail	1,206
Maine Hardware	274 Saint John St	Portland	Retail	917
PPG Portland	973 Congress St	Portland	Retail	615
The Paint Pot	1236 Congress St	Portland	Retail	252
S W Collins Co	21 Rice St	Presque Isle	Retail	462
Rangeley Lakes Builders Supply	2742 Main St	Rangeley	Retail	306
E L Spear Inc Lumber and Hardware	10 Payne Ave	Rockland	Retail	1,059
Sherwin-Williams	96 Park St	Rockland	Retail	2,098
Aubuchon Hardware	65 Falmouth St	Rumford	Retail	112
Dunstan Ace Hardware	636 US Highway 1	Scarborough	Retail	631
Oak Hill Ace Hardware	Oak Hill Plaza 29 Gorham Rd	Scarborough	Retail	1,093
Sherwin-Williams	166 US Rte 1	Scarborough	Retail	2,041
Searsport Transfer Station	Dump Rd	Searsport	Transfer Station	49



YEAR-ROUND SITES

96 PAINTCARE MAINE DROP-OFF SITES 2016 - PAGE 3

If gallons = 0, the site was accepting paint but did not have a pickup this year.

Site Name	Address	City	Type	Gallons FY2016
Aubuchon Hardware	9 Commercial St	Skowhegan	Retail	98
Quinn True Value Hardware	125 Waterville Rd	Skowhegan	Retail	26
Sherwin-Williams	257 Madison Ave	Skowhegan	Retail	155
Skowhegan Transfer Station	29 Transfer Station Dr	Skowhegan	Transfer Station	213
Maine Paint Company	153 Ocean St	South Portland	Retail	1,410
Sherwin-Williams	180 Waterman Dr	South Portland	Retail	1,301
Southwest Trustworthy Hardware	345 Main St	Southwest Harbor	Retail	173
Aubuchon Hardware	640 Main St	Springvale	Retail	185
Sherwin-Williams	544 Main St	Springvale	Retail	2,265
Springvale Hardware	489 Main St	Springvale	Retail	379
Steep Falls Building Supply	190 Ossipee Trl W	Standish	Retail	0
St George Transfer Station/Town Office	176 Wallston Rd	Tenants Harbor	Transfer Station	315
Waldoboro Transfer Station	885 N Nobleboro Rd	Waldoboro	Transfer Station	177
Plummers Waterboro Hardware	1009 Main St	Waterboro	Retail	162
Waterboro Transfer Station	132 Bennett Hill Rd	Waterboro	Transfer Station	1,000
Aubuchon Hardware	485 Kennedy Memorial Dr	Waterville	Retail	326
Sherwin-Williams	343 Main St	Waterville	Retail	647
Aubuchon Hardware	1165 Post Rd	Wells	Retail	589
Sherwin-Williams	1521 Post Rd	Wells	Retail	2,301
Sherwin-Williams	100 Larrabee Rd	Westbrook	Retail	3,674
Sportsmans True Value Hardware	30 Central St	Westbrook	Retail	169
Wilton Transfer Station	158 Weld Rd	Wilton	Transfer Station	423
Aubuchon Hardware	777 Roosevelt Trl	Windham	Retail	780
Sherwin-Williams	859 Roosevelt Trl	Windham	Retail	1,208
Ames Supply True Value	447 Bath Rd	Wiscasset	Retail	52
Maine Paint Company	412 US Route 1	Yarmouth	Retail	1,995
Yarmouth Transfer Station	659 E Main St	Yarmouth	Transfer Station	3,686
Eldredge Lumber & Hardware	627 US Route 1	York	Retail	549
Total				68,737



SUPPLEMENTAL SITES AND EVENTS

17 PAINTCARE MAINE DROP-OFF SITES 2016 - PAGE 1

Site Name	Address	City	Type	Adjusted Gallons FY2016
KVCOG Augusta HHW Day	55 North St (Municipal Garage)	Augusta	HHW Event	363
Bangor One Day Paint Event	530 Maine Ave	Bangor	PaintCare Event	3,568
Bath HHW Day	450 Oak Grove Ave	Bath	HHW Event	1,072
Belgrade Transfer Station	41 Transfer Station Rd	Belgrade	Transfer Station	751
Brunswick HHW Day	Graham Rd	Brunswick	HHW Event	459
Cape Elizabeth HHW Day	Dennison Drive (off Spurwink Ave)	Cape Elizabeth	HHW Event	425
AVCOG Regional HHW Day Fryeburg	2025 Main St	Fryeburg	HHW Event	314
Western Maine Environmental Depot	424 River Rd	Lewiston	HHW Facility	1,795
Old Town HHW Day	246 Gilman Falls Ave	Old Town	HHW Event	571
KVCOG Somerset/Pittsfield HHW Day	601 Peltoma Ave	Pittsfield	HHW Event	89
Riverside Portland HHW Facility	910 Riverside St	Portland	HHW Facility	2,347
Mid-Coast Solid Waste Corporation	90 Union St	Rockport	HHW Event	433
KVCOG Skowhegan HHW Day	29 Transfer Station Dr	Skowhegan	HHW Event	297
South Portland HHW Day	111 Waterman Street	South Portland	HHW Event	240
Tri County Solid Waste Management HHW Day	3368 Heald Hwy	Union	HHW Event	152
Winslow HHW Day	135 Halifax St	Winslow	HHW Event	1,773
York One Day HHW	65 Witchtrot Rd	York	HHW Event	639
Total				15,288



LARGE VOLUME PICK-UP SITES

7 PAINTCARE MAINE LVP SITES 2016 - PAGE 1

Site Name	City	Type	Gallons FY2016
LVP Customer (Household)	Appleton	LVP	374
LVP Customer (Property Management)	Biddeford	LVP	1,480
LVP Customer (Painting Contractor)	Brunswick	LVP	799
LVP Customer (Painting Contractor)	Dresden	LVP	234
LVP Customer (Painting Contractor)	Lewiston	LVP	1,028
LVP Customer (Transfer Station)	Newfield	LVP	513
LVP Customer (Property Management)	Portland	LVP	259
Total			4,687

Appendix B

PaintCare Inc.

Financial Statements
and Independent Auditors' Report

June 30, 2016 and 2015

PaintCare Inc.

Financial Statements
June 30, 2016 and 2015

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
PaintCare Inc.

We have audited the accompanying financial statements of PaintCare Inc. ("PaintCare"), which comprise the statements of financial position as of June 30, 2016 and 2015, the related statements of activities and cash flows for years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PaintCare as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 14-15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Rogers + Company PLLC". The "R" is large and stylized, with a loop that extends upwards and to the left. The rest of the text is written in a cursive, handwritten style.

Vienna, Virginia
September 30, 2016

PaintCare Inc.

Statements of Financial Position
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Current assets:		
Cash	\$ 8,929,274	\$ 9,236,954
Accounts receivable, net	7,544,382	7,353,455
Investments	32,059,997	27,056,886
Prepaid expenses	<u>264,420</u>	<u>94,323</u>
Total current assets	48,798,073	43,741,618
Property and equipment, net	<u>392,509</u>	<u>479,980</u>
Total assets	<u>\$ 49,190,582</u>	<u>\$ 44,221,598</u>
Liabilities and Net Assets		
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	\$ 7,487,539	\$ 8,651,794
Due to affiliate	<u>693,054</u>	<u>343,683</u>
Total liabilities	<u>8,180,593</u>	<u>8,995,477</u>
Net Assets		
Unrestricted	<u>41,009,989</u>	<u>35,226,121</u>
Total net assets	<u>41,009,989</u>	<u>35,226,121</u>
Total liabilities and net assets	<u>\$ 49,190,582</u>	<u>\$ 44,221,598</u>

PaintCare Inc.

Statements of Activities For the Years Ended June 30, 2016 and 2015

	2016	2015
Operating Revenue and Support		
Paint recovery fees	\$ 58,879,273	\$ 46,570,607
Other income	90,777	83,824
Total operating revenue and support	<u>58,970,050</u>	<u>46,654,431</u>
Expenses		
Program and delivery services:		
Oregon	5,251,004	4,929,385
California	29,542,078	24,280,786
Connecticut	2,845,756	2,507,234
Rhode Island	693,830	569,243
Minnesota	5,378,962	3,550,929
Vermont	780,420	960,256
Maine	1,106,344	66,557
Colorado	4,391,847	225,030
District of Columbia	53,202	15,585
Total program and delivery services	<u>50,043,443</u>	<u>37,105,005</u>
General and administrative	<u>4,261,096</u>	<u>3,164,681</u>
Total expenses	<u>54,304,539</u>	<u>40,269,686</u>
Change in Net Assets from Operations	4,665,511	6,384,745
Non-Operating Activities		
Interest and dividend income	695,054	343,103
Net realized and unrealized gain (loss) on investments	423,303	(189,183)
Total non-operating activities	<u>1,118,357</u>	<u>153,920</u>
Change in Net Assets	5,783,868	6,538,665
Net Assets, beginning of year	<u>35,226,121</u>	<u>28,687,456</u>
Net Assets, end of year	<u>\$ 41,009,989</u>	<u>\$ 35,226,121</u>

See accompanying notes.

PaintCare Inc.

Statements of Cash Flows
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 5,783,868	\$ 6,538,665
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	89,652	22,954
Loss on disposal of property and equipment	25,448	-
Net realized and unrealized (gain) loss on investments	(423,303)	189,183
Change in allowance for doubtful accounts receivable	(59,058)	15,527
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(131,869)	(726,549)
Due from affiliate	-	34,800
Prepaid expenses	(170,097)	(434)
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,164,255)	4,708,307
Due to affiliate	349,371	(106,164)
Net cash provided by operating activities	<u>4,299,757</u>	<u>10,676,289</u>
Cash Flows from Investing Activities		
Purchases of investments	(33,535,291)	(28,935,060)
Proceeds from sale of investments	28,955,483	1,688,991
Purchases of property and equipment	<u>(27,629)</u>	<u>(427,900)</u>
Net cash used in investing activities	<u>(4,607,437)</u>	<u>(27,673,969)</u>
Net Decrease in Cash	(307,680)	(16,997,680)
Cash, beginning of year	<u>9,236,954</u>	<u>26,234,634</u>
Cash, end of year	<u>\$ 8,929,274</u>	<u>\$ 9,236,954</u>

See accompanying notes.

PaintCare Inc.

Notes to Financial Statements June 30, 2016 and 2015

1. Nature of Operations

PaintCare Inc. (“PaintCare”), a not-for-profit 501(c)(3) organization, was created in October 2009 by the American Coatings Association (ACA), who, working with state and local government stakeholders, passed the first ever paint product stewardship law in the United States in the state of Oregon in 2009 with implementation of the Oregon Program beginning July 1, 2010. Similar legislation has subsequently been passed in other jurisdictions. The legislation pilots an industry-led, end-of-life management program for post-consumer paint, which PaintCare operates. The PaintCare Board is made up of architectural paint manufacturers and participation in PaintCare is not limited to ACA members, but open to all architectural paint manufacturers. There are no dues or registration fees associated with PaintCare. During 2015, PaintCare organized single-member limited liability companies (LLC) for the Oregon, Connecticut, and Rhode Island programs in an effort to shield the assets of each state program from liability stemming from acts and obligations of other PaintCare state programs.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

PaintCare’s financial statements are prepared on the accrual basis of accounting. Unrestricted net assets represent funds that are not subject to donor-imposed stipulations and are available for support of PaintCare’s operations. At June 30, 2016 and 2015, all net assets were unrestricted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable are recorded at net realizable value and represent amounts due from post-consumer paint recovery fees. PaintCare provides an allowance for bad debts using the allowance method, which is based on management’s judgment considering historical information. Accounts are individually analyzed for collectability, and will be reserved based on individual evaluation and specific circumstances. When all collection efforts have been exhausted, the accounts are written off against the related allowance. At June 30, 2016 and 2015, an allowance of \$13,122 and \$72,180, respectively, was recognized.

PaintCare Inc.

Notes to Financial Statements
June 30, 2016 and 2015

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are stated at fair value, based on quoted market prices. All realized and unrealized gains and losses are included in the accompanying statements of activities.

Property and Equipment

Property and equipment with a projected useful life ranging from three to ten years and in excess of \$1,000 are capitalized and recorded at cost. Depreciation and amortization are computed using the straight line method over the estimated useful lives of the individual assets, ranging from three to ten years.

Revenue Recognition

PaintCare recognizes revenue from post-consumer paint recovery fees at the time architectural paint product is sold by a manufacturer participant of the paint product stewardship program. Manufacturer participants in the program pay the PaintCare recovery fee to PaintCare based on the amount of program products they sell on a monthly basis.

Program participants report their monthly unit sales of paint through a secure, HTTPS online system using their unique user ID and password. The participant must pay a paint recovery fee per unit sold, based on container size, according to the established fee schedule for each state program. As the PaintCare recovery fee is added to the wholesale price of paint and passed through uniformly to the retail purchase price of paint—so that the manufacturer, distributor, and/or retailer is made whole—in some cases, distributors or retailers have elected to undertake the obligation of the manufacturer for these fees. Thus, PaintCare has allowed remitter agreements in the program, whereby a distributor or retailer reports and remits directly to PaintCare on behalf of a participant manufacturer's brand or brands. Reports and payments are due by the end of the month following the reporting period.

Revenue from all other sources is recognized when earned.

PaintCare Inc.

Notes to Financial Statements June 30, 2016 and 2015

2. Summary of Significant Accounting Policies (continued)

Communications Costs

PaintCare holds communication-related contracts for advertising, marketing, and consumer awareness. Communications costs are charged to operations when incurred. Communications expenses were \$7,147,325 and \$5,656,341 for the years ended June 30, 2016 and 2015, respectively.

Functional Allocation of Expenses

The costs of providing the various program and supporting activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Programs are categorized by the states where services are conducted.

Subsequent Events

In preparing these financial statements, PaintCare has evaluated events and transactions for potential recognition or disclosure through September 30, 2016, the date the financial statements were available to be issued.

3. Concentration of Credit Risk

Financial instruments that potentially subject PaintCare to significant concentrations of credit risk consist of cash and investments. PaintCare maintains cash deposit and transaction accounts, along with investments, with various financial institutions and these values, from time to time, may exceed insurable limits under the Federal Depository Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). PaintCare has not experienced any credit losses on its cash and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

PaintCare Inc.

Notes to Financial Statements June 30, 2016 and 2015

4. Accounts Receivable

Accounts receivable related to the following programs were due as follows at June 30:

	<u>2016</u>	<u>2015</u>
California	\$ 4,343,687	\$ 5,016,812
Colorado	905,527	-
Minnesota	843,006	952,976
Oregon	585,772	593,157
Connecticut	448,337	572,369
Maine	225,927	-
Rhode Island	94,883	148,674
Vermont	110,365	141,647
	<u>7,557,504</u>	<u>7,425,635</u>
Total accounts receivable	7,557,504	7,425,635
Less: allowance for doubtful accounts	<u>(13,122)</u>	<u>(72,180)</u>
Accounts receivable, net	<u><u>\$ 7,544,382</u></u>	<u><u>\$ 7,353,455</u></u>

5. Investments and Fair Value Measurements

PaintCare invests a portion of its accumulated surplus in a portfolio with Bank of America/Merrill Lynch. The sole objective of the portfolio is to earn a return equal to the rate of inflation and thus preserve the purchasing power of its capital. Interest, dividends, changes in market value, and other investment activities are allocated to each state program based on the relative net asset balances of each state program. Oversight of the investments is provided by the PaintCare Budget and Finance Committee and by the PaintCare Board of Directors.

PaintCare follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

PaintCare Inc.

Notes to Financial Statements June 30, 2016 and 2015

5. Investments and Fair Value Measurements (continued)

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. Transfers between levels in the fair value hierarchy are recognized at the end of the reporting period.

In general, and where applicable, PaintCare uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments. Level 2 inputs include government securities as well as some mutual funds consisting mainly of fixed income instruments, which are valued based on quoted prices in less active markets.

The following table presents PaintCare's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2016:

	Level 1	Level 2	Level 3	Total
Equities:				
Energy	\$ 593,060	\$ -	\$ -	\$ 593,060
Materials	382,906	-	-	382,906
Industrials	1,080,718	-	-	1,080,718
Consumer discretionary	1,191,847	-	-	1,191,847
Consumer staples	892,418	-	-	892,418
Health care	1,245,045	-	-	1,245,045
Financials	1,691,497	-	-	1,691,497
Information technology	1,540,323	-	-	1,540,323
Telecommunication service	267,707	-	-	267,707
Utilities	326,170	-	-	326,170
Blend	39,683	-	-	39,683
Mutual funds:				
Fixed income	1,355,644	2,187,213	-	3,542,857
Corporate bonds	9,795,643	-	-	9,795,643
Cash equivalents	1,223,806	-	-	1,223,806
Government securities:				
U.S. Treasury	-	8,246,317	-	8,246,317
Total investments	<u>\$ 21,626,467</u>	<u>\$ 10,433,530</u>	<u>\$ -</u>	<u>\$ 32,059,997</u>

PaintCare Inc.

Notes to Financial Statements June 30, 2016 and 2015

5. Investments and Fair Value Measurements (continued)

The following table presents PaintCare's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2015:

	Level 1	Level 2	Level 3	Total
Equities:				
Energy	\$ 459,357	\$ -	\$ -	\$ 459,357
Materials	219,712	-	-	219,712
Industrials	716,773	-	-	716,773
Consumer discretionary	1,018,215	-	-	1,018,215
Consumer staples	1,783,429	-	-	1,783,429
Health care	1,526,520	-	-	1,526,520
Financials	996,728	-	-	996,728
Information technology	840,667	-	-	840,667
Telecommunication service	290,700	-	-	290,700
Utilities	36,255	-	-	36,255
Blend	44,672	-	-	44,672
Mutual funds:				
Exchange traded funds	2,443,529	-	-	2,443,529
Fixed income	4,703,477	-	-	4,703,477
Corporate bonds	6,314,355	-	-	6,314,355
Cash equivalents	1,749,882	-	-	1,749,882
Government securities:				
U.S. Treasury	-	3,912,615	-	3,912,615
Total investments	\$ 23,144,271	\$ 3,912,615	\$ -	\$ 27,056,886

Investment income consisted of the following for the years ended June 30:

	2016	2015
Interest and dividend income	\$ 695,054	\$ 343,103
Net realized and unrealized gain (loss)	423,303	(189,183)
Total investment income	\$ 1,118,357	\$ 153,920

PaintCare Inc.

Notes to Financial Statements June 30, 2016 and 2015

6. Property and Equipment

PaintCare held the following property and equipment at June 30:

	<u>2016</u>	<u>2015</u>
Software	\$ 421,822	\$ 447,270
Computer equipment	63,932	43,160
Furniture	<u>22,008</u>	<u>20,878</u>
Total property and equipment	507,762	511,308
Less: accumulated depreciation and amortization	<u>(115,253)</u>	<u>(31,328)</u>
Property and equipment, net	<u><u>\$ 392,509</u></u>	<u><u>\$ 479,980</u></u>

7. Related Party

ACA, a related party, is a separate, 501(c)(6) nonprofit organization working to advance the needs of the paint and coatings industry and the professionals who work in it. Through advocacy of the industry and its positions on legislative, regulatory, and judicial issues at the federal, state, and local levels, it acts as an effective ally, ensuring that the industry is represented and fairly considered. ACA also devotes itself to advancing industry efforts with regard to product stewardship, through its signature Coating Care[®] resources, and focuses on advancements in science and technology through its technical conferences and journals, as well as online training opportunities. ACA incorporated PaintCare for the sole purpose of implementing programs for post-consumer architectural paint. ACA maintains a controlling interest in PaintCare through the ability to appoint its Board of Directors.

In February 2011, ACA and PaintCare entered into an affiliation agreement whereby ACA charges PaintCare an administrative fee, annually, to cover the following expense categories: allocation of time incurred by PaintCare officers, allocation of other direct labor, and allocation of occupancy and infrastructure costs. The term of the agreement is for one year and automatically renews for one-year terms unless canceled by either party.

For the years ended June 30, 2016 and 2015, the total administrative fees charged by ACA to PaintCare were \$1,720,000 and \$987,782, respectively. At June 30, 2016 and 2015, PaintCare owed ACA \$693,054 and \$343,683, respectively, which is recorded as due to affiliate in the accompanying statements of financial position.

PaintCare Inc.

Notes to Financial Statements
June 30, 2016 and 2015

8. Income Taxes

PaintCare is recognized as a tax-exempt organization under Internal Revenue Code (IRC) Section 501(c)(3), and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is recorded in the accompanying financial statements for PaintCare, as there was no unrelated business taxable income. Contributions to PaintCare are deductible as provided in IRC Section 170(b)(1)(A)(vi).

Management evaluated PaintCare's tax positions, and concluded that PaintCare's financial statements do not include any uncertain tax positions.

SUPPLEMENTARY INFORMATION

PaintCare Inc.

Schedule of Activities, Organized by Program
For the Year Ended June 30, 2016

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	General and Administrative	Total
Operating Revenue and Support											
Paint recovery fees	\$ 4,660,647	\$ 35,503,835	\$ 3,855,522	\$ 955,299	\$ 5,432,831	\$ 710,155	\$ 1,040,675	\$ 6,720,309	\$ -	\$ -	\$ 58,879,273
Other income	90,777	-	-	-	-	-	-	-	-	-	90,777
Total operating revenue and support	4,751,424	35,503,835	3,855,522	955,299	5,432,831	710,155	1,040,675	6,720,309	-	-	58,970,050
Expenses											
Program and delivery services:											
Collection support	19,082	2,816,791	347,619	101,448	419,737	87,478	161,638	492,380	3	-	4,446,176
Transportation and processing	4,622,753	20,038,960	1,884,285	459,209	4,317,555	609,818	644,459	3,100,484	-	-	35,677,523
Communications	382,075	5,175,408	460,292	94,980	375,324	23,884	115,337	518,305	1,720	-	7,147,325
Legal fees	3,892	141,823	5,077	3,892	-	-	12,408	1,500	2,757	-	171,349
State agency administrative fees	40,000	403,490	20,000	-	118,013	15,000	63,570	120,000	-	-	780,073
Other program expenses	183,202	965,606	128,483	34,301	148,333	44,240	108,932	159,178	48,722	-	1,820,997
Total program and delivery services	5,251,004	29,542,078	2,845,756	693,830	5,378,962	780,420	1,106,344	4,391,847	53,202	-	50,043,443
General and administrative:											
Legal fees	-	-	-	-	-	-	-	-	-	43,542	43,542
Management fees	-	-	-	-	-	-	-	-	-	1,720,000	1,720,000
Insurance	-	-	-	-	-	-	-	-	-	160,066	160,066
Other expense	-	-	-	-	-	-	-	-	-	2,337,488	2,337,488
Total general and administrative	-	-	-	-	-	-	-	-	-	4,261,096	4,261,096
Total expenses	5,251,004	29,542,078	2,845,756	693,830	5,378,962	780,420	1,106,344	4,391,847	53,202	4,261,096	54,304,539
Change in Net Assets from Operations	(499,580)	5,961,757	1,009,766	261,469	53,869	(70,265)	(65,669)	2,328,462	(53,202)	(4,261,096)	4,665,511
Non-Operating Activities											
Investment income	-	-	-	-	-	-	-	-	-	1,118,357	1,118,357
Change in Net Assets Before Allocation of General and Administrative Activities	(499,580)	5,961,757	1,009,766	261,469	53,869	(70,265)	(65,669)	2,328,462	(53,202)	(3,142,739)	5,783,868
General and administrative allocation	(271,039)	(2,635,625)	(252,858)	(74,467)	(375,240)	(44,270)	(93,978)	(355,803)	(42,570)	4,145,850	-
Investment allocation	4,881	1,002,624	10,956	2,164	(25,217)	(15,556)	(11,610)	37,278	(2,409)	(1,003,111)	-
Total Change in Net Assets	(765,738)	4,328,756	767,864	189,166	(346,588)	(130,091)	(171,257)	2,009,937	(98,181)	-	5,783,868
Net Assets (Deficit), beginning of year	531,485	35,114,056	1,796,810	190,112	(1,149,487)	(535,568)	(197,231)	(499,823)	(24,233)	-	35,226,121
Net Assets (Deficit), end of year	\$ (234,253)	\$ 39,442,812	\$ 2,564,674	\$ 379,278	\$ (1,496,075)	\$ (665,659)	\$ (368,488)	\$ 1,510,114	\$ (122,414)	\$ -	\$ 41,009,989

PaintCare Inc.

Schedule of Activities, Organized by Program
For the Year Ended June 30, 2015

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	General and Administrative	Total
Operating Revenue and Support											
Paint recovery fees	\$ 4,390,549	\$ 33,834,028	\$ 3,678,156	\$ 887,689	\$ 3,124,672	\$ 655,513	\$ -	\$ -	\$ -	\$ -	\$ 46,570,607
Other income	83,824	-	-	-	-	-	-	-	-	-	83,824
Total operating revenue and support	4,474,373	33,834,028	3,678,156	887,689	3,124,672	655,513	-	-	-	-	46,654,431
Expenses											
Program and delivery services:											
Collection support	55,024	2,304,347	393,719	93,768	256,190	118,659	872	17,187	41	-	3,239,807
Transportation and processing	4,106,722	16,705,053	1,612,173	362,384	2,119,735	598,304	-	-	-	-	25,504,371
Communications	428,415	3,859,330	346,529	78,908	785,525	106,714	8,886	41,906	128	-	5,656,341
Legal fees	27,315	151,639	12,118	3,140	101,132	5,250	4,713	15,629	6,205	-	327,141
State agency administrative fees	40,000	355,509	20,000	-	106,621	30,000	-	-	-	-	552,130
Other program expenses	271,909	904,908	122,695	31,043	181,726	101,329	52,086	150,308	9,211	-	1,825,215
Total program and delivery services	4,929,385	24,280,786	2,507,234	569,243	3,550,929	960,256	66,557	225,030	15,585	-	37,105,005
General and administrative:											
Legal fees	-	-	-	-	-	-	-	-	-	383,271	383,271
Management fees	-	-	-	-	-	-	-	-	-	987,782	987,782
Insurance	-	-	-	-	-	-	-	-	-	126,284	126,284
Other expense	-	-	-	-	-	-	-	-	-	1,667,344	1,667,344
Total general and administrative	-	-	-	-	-	-	-	-	-	3,164,681	3,164,681
Total expenses	4,929,385	24,280,786	2,507,234	569,243	3,550,929	960,256	66,557	225,030	15,585	3,164,681	40,269,686
Change in Net Assets from Operations	(455,012)	9,553,242	1,170,922	318,446	(426,257)	(304,743)	(66,557)	(225,030)	(15,585)	(3,164,681)	6,384,745
Non-Operating Activities											
Investment income	-	-	-	-	-	-	-	-	-	153,920	153,920
Change in Net Assets Before Allocation of General and Administrative Activities	(455,012)	9,553,242	1,170,922	318,446	(426,257)	(304,743)	(66,557)	(225,030)	(15,585)	(3,010,761)	6,538,665
General and administrative allocation	(201,982)	(1,964,196)	(188,442)	(55,512)	(279,641)	(32,993)	(70,035)	(266,199)	(8,648)	3,067,648	-
Investment allocation	(1,470)	62,378	1,643	100	(3,331)	(1,671)	(276)	(486)	-	(56,887)	-
Total Change in Net Assets	(658,464)	7,651,424	984,123	263,034	(709,229)	(339,407)	(136,868)	(491,715)	(24,233)	-	6,538,665
Net Assets (Deficit), beginning of year	1,189,949	27,462,632	812,687	(72,922)	(440,258)	(196,161)	(60,363)	(8,108)	-	-	28,687,456
Net Assets (Deficit), end of year	\$ 531,485	\$ 35,114,056	\$ 1,796,810	\$ 190,112	\$ (1,149,487)	\$ (535,568)	\$ (197,231)	\$ (499,823)	\$ (24,233)	\$ -	\$ 35,226,121

Appendix C

We'll take your paint!

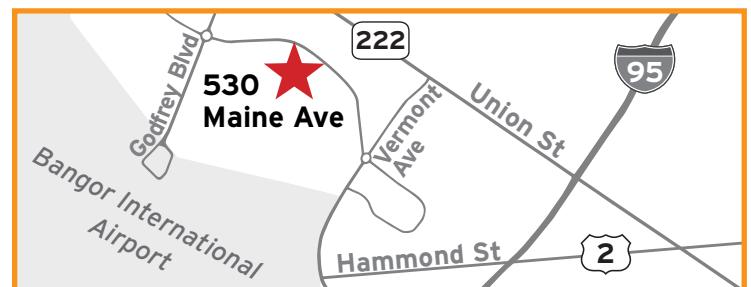


IT'S FREE!

Paint Drop-Off Event for Households and Businesses in the Bangor Area

DATE & TIME: Saturday, October 10, 2015
9 am - 1 pm

LOCATION: Bangor Public Works Garage
530 Maine Avenue
Bangor, ME 04401



WHAT PAINT PRODUCTS CAN YOU BRING?

Rain or shine, we're holding a special paint drop-off event for Bangor and the surrounding area. You may bring most types of paint, stain and varnish. Businesses that generate less than 220 pounds (about 20-30 gallons) of hazardous waste per month may bring any amount of latex or oil-based paint. Businesses that generate more than 220 pounds of hazardous waste per month may bring any amount of latex paint, but they cannot bring oil-based paint to this event.

WE ACCEPT

Containers must have original labels.
This event is for the following products only:

- House paint and primers (latex or oil-based)
- Stains
- Deck and concrete sealers
- Clear finishes (e.g., varnishes, shellac)

WE CAN'T ACCEPT

- No leaking, unlabeled or empty containers
- No aerosol spray paints
- No drums or containers larger than 5 gallons
- We cannot accept other hazardous waste or chemicals, such as paint thinner, solvents, motor oil, spackle, glue, adhesive, roofing tar, pesticides, cleaning chemicals

Recycle with PaintCare

Paint manufacturers created PaintCare, a non-profit organization, to set up convenient places for you to recycle leftover paint. We are setting up drop-off sites throughout Maine where you can take smaller amounts of paint all year long. To learn more or find a year-round PaintCare drop-off site near you, visit www.paintcare.org or call (855) 724-6809.



Maine Paint Stewardship Program

Each year about 650 million gallons of architectural paint is sold in the United States. Did you know that about 10 percent goes unused and is available for recycling?

Maine's Paint Stewardship Law requires the paint manufacturing industry to develop a financially sustainable and environmentally responsible program to manage postconsumer architectural paint.

The program includes education about buying the right amount of paint, tips for using up remaining paint and setting up convenient recycling locations throughout the state.

Paint manufacturers established PaintCare, a nonprofit organization, to run paint stewardship programs in states with applicable laws.

PaintCare Products

These products have fees when you buy them and are accepted for free at drop-off sites:

- Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- Deck coatings, floor paints (including elastomeric)
- Primers, sealers, undercoaters
- Stains
- Shellacs, lacquers, varnishes, urethanes (single component)
- Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- Metal coatings, rust preventatives
- Field and lawn paints

Leaking, unlabeled and empty containers are not accepted at drop-off sites.

⊘ Non-PaintCare Products

- Paint thinners, mineral spirits, solvents
- Aerosol paints (spray cans)
- Auto and marine paints
- Art and craft paints
- Caulk, epoxies, glues, adhesives
- Paint additives, colorants, tints, resins
- Wood preservatives (containing pesticides)
- Roof patch and repair
- Asphalt, tar and bitumen-based products
- 2-component coatings
- Deck cleaners
- Traffic and road marking paints
- Industrial Maintenance (IM) coatings
- Original Equipment Manufacturer (OEM) (shop application) paints and finishes

For information about recycling and proper disposal of non-PaintCare products, please contact your garbage hauler, local environmental health agency, household hazardous waste program or public works department.



Recycle with PaintCare



Places to Take Old Paint

Paint recycling is more convenient with PaintCare. We set up paint drop-off sites throughout Maine. To find your nearest drop-off site, use PaintCare's search tool at www.paintcare.org or call our hotline at (855) 724-6809.

How to Recycle

PaintCare sites accept all brands of old house paint, stain and varnish— even if they are 20 years old! Containers must be five gallons or smaller, and a few types of paint are not accepted. See back panel for a list of what you can recycle.

All PaintCare drop-off sites accept up to five gallons of paint per visit. Some sites accept more. Please call the site in advance to make sure they can accept the amount of paint you would like to recycle.

Make sure all containers of paint have lids and original labels, and load them securely in your vehicle. Take them to a drop-off site during their regular business hours. We'll take it from there.



What Happens to the Paint?

PaintCare will make sure that your leftover paint is remixed into recycled paint, used as a fuel, made into other products or properly disposed.

Who Can Use the Program?

People bringing paint from their homes can bring as much latex or oil-based paint as the site is willing to accept.

Businesses (painting contractors and others) can use this program with one restriction: If your business produces more than 220 pounds (about 20-30 gallons) of hazardous waste per month, you may use the drop-off sites for your latex paint only but not for your oil-based paint. Contact PaintCare to learn more about this restriction.

Large Volume Pick-Up

If you have at least 300 gallons of paint to recycle at your business or home, ask about our free pick-up service. Please call for more details or to request an appointment.

PaintCare Fee

PaintCare is funded by a fee paid by paint manufacturers for each can of paint they sell in the state. Manufacturers pass the fee to retailers, who then apply it to the price of paint. Stores can choose whether or not to show the fee on their receipts. Fees are based on the size of the container as follows:

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

Not a Deposit

The fee is not a deposit – it is part of the purchase price. The fees are used to pay the costs of running the program: recycling, public education, staffing and other expenses.

Contact Us

To learn more or find a drop-off site, please visit www.paintcare.org or call (855) 724-6809.



It's easy to recycle
your leftover paint,
stain and varnish.

Recycle with PaintCare

Find a drop-off site near you:

(855) 724-6809 • www.paintcare.org

**Buy right.
Use it up.
Recycle the rest.**

Manufacturers of paint created PaintCare, a nonprofit organization, to set up convenient places for you to recycle leftover paint. We're working to provide environmentally sound and cost-effective recycling programs in your state and others with paint stewardship laws.

LEARN MORE

Visit www.paintcare.org or follow us on Facebook for tips on how to buy the right amount of paint, store paint properly, use up leftover paint, and find a drop-off site. We also have a free pick-up service for businesses or households with at least 300 gallons of paint to recycle.



Paint Recycling Program

About the PaintCare Program

PAINTCARE

Paint manufacturers created PaintCare, a non-profit organization, to set up convenient places for households and businesses to recycle leftover paint. PaintCare sets up paint drop-off sites throughout states that adopt paint stewardship laws.

PAINTCARE PRODUCTS

These products have fees when purchased and will be accepted for free at PaintCare drop-off sites:

- Latex paints (acrylic, water-based)
- Oil-based paints (alkyd)
- Stains
- Primers and undercoaters
- Shellacs, lacquers, varnishes, urethanes
- Deck and floor paints
- Sealers and waterproofing coatings for wood, concrete and masonry

NON-PAINTCARE PRODUCTS

- Paint thinners and solvents
- Aerosol paints (spray cans)
- Auto and marine paints
- Paint additives, colorants, tints, resins
- Wood preservatives (containing pesticides)
- Asphalt, tar and bitumen-based products
- 2-component coatings
- Coatings used for Original Equipment Manufacturing or shop application
- Any non-coatings (caulk, spackle, cleaners, etc.)

FEES

PaintCare fees are applied to the purchase price of architectural paint sold in the state as required by state law. Fees are applied to each container and vary by the size of the container as follows:

Half pint or smaller	\$ 0.00
More than half pint to smaller than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
More than 1 gallon up to 5 gallons	\$ 1.60

For more information or to find a place to take your unwanted paint for recycling, please ask for the PaintCare brochure, visit www.paintcare.org or call (855) 724-6809.



Recycle with PaintCare



WE CAN HELP Recycle YOUR PAINT

www.paintcare.org

PAINT RECYCLING MADE EASY

Paint manufacturers formed PaintCare, a nonprofit organization, to make paint recycling more convenient, cost effective, and environmentally sound. Paint doesn't belong in the trash or down the drain. If you can't use it up, recycle it with PaintCare.

We're setting up locations in your state where you can bring old paint for free all year-round.

PAINTCARE PRODUCTS

(YOU CAN RECYCLE THESE)

These products have fees when you buy them and are accepted for free when you drop them off for recycling:

- Water-based paints (latex, acrylic)
- Oil-based paints (alkyd)
- Stains
- Primers
- Varnishes
- Shellacs
- Lacquers
- Urethanes
- Deck paints
- Floor paints
- Sealers
- Waterproofing coatings

NON-PAINTCARE PRODUCTS

Leaking, unlabeled, and empty containers are not accepted.

- Paint thinners and solvents
- Aerosol paints (spray cans)
- Auto and marine paints
- Paint additives, colorants, tints, resins
- Wood preservatives (containing pesticides)
- Asphalt, tar, and bitumen-based products
- 2-component coatings
- Coatings used for Original Equipment Manufacturing or shop application
- Any non-coatings (caulk, spackle, cleaner, etc.)

PROGRAM FUNDING

The PaintCare Fee is applied to the purchase price of architectural paint sold in your state as required by law. Fees are based on container size:

Half pint or smaller	\$ 0.00
Larger than half pint to smaller than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
Larger than 1 gallon up to 5 gallons	\$ 1.60

LEARN MORE

Please ask for a PaintCare program brochure, visit www.paintcare.org, or call (855) 724-6809.



Information for Painting Contractors

UPDATED — JULY 2016

PaintCare's paint stewardship programs offer contractors convenient ways to recycle and properly dispose of leftover paint.

Paint manufacturers are making it more convenient to recycle and properly dispose of leftover paint by setting up places throughout states with paint stewardship laws where households and businesses can take leftover paint with no charge.

Funding for these programs comes from a fee on the sale of architectural paint (house paint, stain, and varnish).

Paint Stewardship

The main goals of these paint stewardship programs are to decrease paint waste and provide an environmentally sound and cost-effective system for managing leftover paint. The programs are set up and operated by PaintCare, a nonprofit formed by the American Coatings Association (ACA).

PaintCare has programs in California, Colorado, Connecticut, Maine, Minnesota, Oregon, Rhode Island, and Vermont. PaintCare is also planning a program for the District of Columbia.

Fees and Funding

As required by laws in these states, a fee (known as the "PaintCare Fee") must be added by manufacturers to the wholesale price of all architectural paint sold in the state. This fee is paid by manufacturers to PaintCare to fund setting up drop-off sites for the transportation, recycling, and proper disposal of paint. The fees also pay for consumer education and program administration.

The law also requires that all distributors and retailers include the PaintCare fee with their sale price of paint sold in the state. Fees are set on a state-by-state basis.

Fees in California, Colorado, Connecticut, Maine, Minnesota, Oregon, Rhode Island:

- \$ 0.00 — Half pint or smaller
- \$ 0.35 — Larger than half pint to smaller than 1 gallon
- \$ 0.75 — 1 Gallon
- \$ 1.60 — Larger than 1 gallon up to 5 gallons

Fees in Vermont (effective August 1, 2016)

- \$ 0.00 — Half pint or smaller
- \$ 0.49 — Larger than half pint to smaller than 1 gallon
- \$ 0.99 — 1 Gallon
- \$ 1.99 — Larger than 1 gallon up to 5 gallons

Displaying the fee on receipts is optional for retailers; however, PaintCare asks retailers to show the fee to help everyone know about the program.

RECOMMENDATIONS FOR CONTRACTORS

Preparing Your Estimates

When estimating jobs, contractors should take these fees into account by checking with suppliers to make sure the quotes for paint products include the fees.

Pass Fees to Your Customers

PaintCare suggests that painting contractors pass on the fees to their customers in order to recoup the fees they pay. You should also let your customers know that you will be including these fees in your quotes.



Paint Drop-Off Sites

PaintCare establishes paint drop-off sites across each state with a paint stewardship law. PaintCare's goal is to set up drop-off sites within 15 miles of 90-95 percent of everyone in the state.

Most drop-off sites are paint stores. Others include waste transfer stations, recycling centers, and government-sponsored household hazardous waste programs. Participation as a drop-off site is voluntary. To find a drop-off location, visit our website.

With paint drop-off sites conveniently located throughout their state, anyone can drop off a few gallons of leftover, unwanted paint year round. Many contractors in PaintCare states say they've cleared out their storage spaces and have stopped stockpiling paint. Others say they are happy to have an answer when their customers ask what to do with old paint they no longer want, and they recommend that their customers use the drop-off sites, too.

Use of Paint Drop-Off Sites by Businesses

Businesses that generate less than 220 pounds of hazardous waste* per month can drop off both leftover water and oil-based paint (with some restrictions on quantity of oil-based paint). Before visiting transfer stations and household hazardous waste programs, check in advance, because not all of these serve businesses and may have additional restrictions.

Businesses that generate more than 220 pounds of hazardous waste per month may use PaintCare's retail drop-off sites for water-based products only; they are not allowed to use the sites for oil-based paint or other products.

*220 pounds is about 20-30 gallons of paint. When businesses count how much hazardous waste they generate in a month, oil-based paint counts (because by law it is a hazardous waste), but latex paint (and other water-based paint) does not count toward the 220 pound monthly total.

Pick-Up Service for Large Volumes

Businesses with at least 300 gallons of postconsumer paint to recycle may ask to have their paint picked up by PaintCare for free. For details about this service or to request an appointment, please visit our website, or contact us by phone or e-mail.

What Products Are Covered?

The products accepted at PaintCare drop-off sites are the same products that have a fee when they are sold. PaintCare Products include interior and exterior architectural coatings sold in containers of five gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM), or specialty coatings.

PAINTCARE PRODUCTS

- ◆ Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- ◆ Deck coatings, floor paints
- ◆ Primers, sealers, undercoaters
- ◆ Stains
- ◆ Shellacs, lacquers, varnishes, urethanes
- ◆ Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- ◆ Metal coatings, rust preventatives
- ◆ Field and lawn paints

NON-PAINTCARE PRODUCTS

- ◆ Paint thinners, mineral spirits, solvents
- ◆ Aerosol paints (spray cans)
- ◆ Auto and marine paints
- ◆ Art and craft paints
- ◆ Caulking compounds, epoxies, glues, adhesives
- ◆ Paint additives, colorants, tints, resins
- ◆ Wood preservatives (containing pesticides)
- ◆ Roof patch and repair
- ◆ Asphalt, tar, and bitumen-based products
- ◆ 2-component coatings
- ◆ Deck cleaners
- ◆ Traffic and road marking paints
- ◆ Industrial Maintenance (IM) coatings
- ◆ Original Equipment Manufacturer (OEM) (shop application) paints and finishes



DO YOU HAVE AT LEAST 300 GALLONS OF PAINT?

Large Volume Pick-Up (LVP) Service

UPDATED — JULY 2016

PaintCare offers a free pick-up service to painting contractors, property managers, and others with large amounts of leftover architectural paint.

Who is PaintCare?

PaintCare Inc. is a nonprofit organization established by the American Coatings Association to operate paint stewardship programs on behalf of paint manufacturers in states that pass paint stewardship laws.

Paint Drop-Off Sites

In states with a paint stewardship program, PaintCare's primary effort is to set up conveniently located drop-off sites—places where residents and businesses may take their unwanted paint for no charge. Sites set their own limits on the volume of paint they accept from customers per visit (usually from five to 20 gallons). To find a drop-off site near you, please use PaintCare's site locator at www.paintcare.org or call (855) 724-6809.

Large Volumes Pick-Ups

For those who have accumulated a large volume or stockpile of paint, PaintCare also offers a pick-up service. Large volume means at least 300 gallons, measured by container size (not content). On a case-by-case basis, PaintCare may approve a pick-up for less than 300 gallons if there are no drop-off sites in your area. After two or three pick-ups, you may be switched to a regular service (see next page).

Drums and Bulked Paint Are Not Accepted

PaintCare only accepts paint in containers that are five gallons or smaller in size. Leave paint in original cans with original labels; do not combine or bulk paint from small cans into larger ones. If you have unwanted paint in drums or containers larger than five gallons, please contact a licensed paint recycling company or a hazardous waste transportation company to assist you.

HOW TO REQUEST A LARGE VOLUME PICK-UP

1. Sort and count your paint

We need to know the number of each container size and the type of products you have, sorted into two categories: (1) water-based paints and stains and (2) oil-based paint and stains and any other program products (sealers and clear top-coat products, such as varnish and shellac).

2. Fill out the LVP Request Form and send it in

Fill out a paper or electronic version of the "Large Volume Pick-Up Request Form" and return it to PaintCare by email, fax, or regular mail. (Visit www.paintcare.org/forms or call PaintCare for the form.)

Scheduling

After reviewing your form, PaintCare staff will either approve your site for a pick-up or inform you of the best place to take your paint if you do not meet the volume requirement. If approved, you will be put in contact with our licensed hauler to schedule a pick-up. It may be several weeks before your pick-up occurs.

On the Day of Your Pick-Up

Sort your products into the two categories noted above and store them in an area that has easy access. If the paint is a far distance from where the hauler parks, the path between should be at least four feet wide to accommodate movement of the boxes.



Please plan to have staff available to pack the paint cans into the boxes. The hauler may be able to provide some assistance, but we require your staff to be present and provide labor to pack boxes. Once your paint is properly packed and loaded onto the hauler's truck, you will sign a shipping document and receive a copy for your records. Your paint will then be taken to an authorized processing facility for recycling.

Note: Paint must be in original containers and not leaking.

Repeat Service for Large Volume Users

For businesses that generate large volumes of unwanted paint on a regular basis, a service for recurring direct pick-ups is available. With this service, you will be provided with empty bins, then request a pick-up when at least three bins are filled. PaintCare will provide onsite training on how to properly pack the paint, and you will be required to sign a contract with PaintCare.

Limits on Businesses

If your business generates more than 220 pounds (20-30 gallons depending on the type) of hazardous waste per month, you may use PaintCare's programs (drop-off sites and the pick-up service) for water-based program products only. You will not be able to use the program for oil-based products.

If your business generates less than 220 pounds of hazardous waste per month, you may use PaintCare programs for both water-based program products and oil-based program products. As a business, you will need to certify that you meet this requirement.

Note: When calculating how much hazardous waste you generate in a month, do not count latex paint.

If You Have Products We Don't Accept

The program does not accept all paints (such as aerosols and automotive finishes) or other hazardous waste. If you have solvents, thinners, pesticides, or any non-PaintCare products (see list to right for examples), we recommend that residents contact their local household hazardous waste (HHW) program. Some HHW programs allow businesses to use their program for a modest fee. Otherwise, businesses should contact a licensed hazardous waste transportation company.

What Products Are Covered?

The products accepted at PaintCare drop-off sites are the same products that have a fee when they are sold. PaintCare Products include interior and exterior architectural coatings sold in containers of five gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM), or specialty coatings.

PAINTCARE PRODUCTS

- ◆ Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- ◆ Deck coatings, floor paints
- ◆ Primers, sealers, undercoaters
- ◆ Stains
- ◆ Shellacs, lacquers, varnishes, urethanes
- ◆ Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- ◆ Metal coatings, rust preventatives
- ◆ Field and lawn paints

NON-PAINTCARE PRODUCTS

- ◆ Paint thinners, mineral spirits, solvents
- ◆ Aerosol paints (spray cans)
- ◆ Auto and marine paints
- ◆ Art and craft paints
- ◆ Caulking compounds, epoxies, glues, adhesives
- ◆ Paint additives, colorants, tints, resins
- ◆ Wood preservatives (containing pesticides)
- ◆ Roof patch and repair
- ◆ Asphalt, tar, and bitumen-based products
- ◆ 2-component coatings
- ◆ Deck cleaners
- ◆ Traffic and road marking paints
- ◆ Industrial Maintenance (IM) coatings
- ◆ Original Equipment Manufacturer (OEM) (shop application) paints and finishes



How Does the Maine Paint Stewardship Program Affect Paint Retailers?

UPDATED — JULY 2016

Maine's paint stewardship law requires paint manufacturers to establish a Paint Stewardship Program in the state. Funding for the program comes from a fee applied to the price of architectural paint sold in Maine. The program started in October 2015.

Paint Stewardship Program in Maine

PaintCare Inc. is a nonprofit organization established by the American Coatings Association to implement state-mandated paint stewardship programs on behalf of paint manufacturers in states that adopt paint stewardship laws. The Maine program is required by state law, but it is designed and operated by the paint manufacturing industry through PaintCare.

Convenient Paint Recycling

PaintCare's primary effort is to set up paint drop-off sites in PaintCare states to make it more convenient for households and businesses to recycle paint. In addition to retailers, paint drop-off sites may include municipal household hazardous waste facilities and drop-off events, solid waste transfer stations, and landfills. There are currently more than 1,600 paint drop-off sites in Maine and PaintCare's seven other states (California, Colorado, Connecticut, Oregon, Minnesota, Rhode Island, and Vermont). PaintCare is also planning to start a program in the District of Columbia.

Participation as a Drop-Off Site Is Voluntary

Paint retailers that would like to be drop-off sites can participate if they have space for paint storage bins and can provide minimal staff time to accept paint from the public. By doing so, retailers can increase foot traffic and sales, and provide a new service for their community. They make it convenient for their customers to recycle leftover paint and help provide relief to local government programs that currently manage leftover paint. PaintCare provides storage bins, supplies, and site training. PaintCare also pays for paint transportation and recycling and promotes the sites to the local community.

REQUIREMENTS OF RETAILERS

1. Check Registered Manufacturers and Brands

Retailers may not sell architectural paints in Maine that are not registered. Paint manufacturers must register their company with PaintCare, and they must register all architectural paint brands they sell in the state. PaintCare publishes lists of registered manufacturers and brands so that retailers can check to see that the products they sell are registered. Please visit www.paintcare.org/lists to see registration lists.



2. Pass on the Stewardship Fee

State law requires that a stewardship fee (PaintCare Fee) be applied by manufacturers to the wholesale price of architectural paint sold in Maine. This fee pays for all aspects of running the program. The fee is paid by manufacturers to PaintCare and then passed to their dealers. Retailers will see the PaintCare Fee on invoices from suppliers. The law also requires that retailers and distributors apply the fee to the price of architectural paint they sell. The fees paid by the customers to the retailers offset the fees charged to the retailers. All manufacturers, distributors, and retailers that sell architectural paint in Maine must pay the fee and pass it down to their dealers, ensuring a level playing field for all parties.

COMMON QUESTIONS ABOUT FEES

How much are the fees?

Fees are by container size as follows:

\$ 0.00 — Half pint or smaller

\$ 0.35 — Larger than half pint to smaller than 1 gallon

\$ 0.75 — 1 Gallon

\$ 1.60 — Larger than 1 gallon to 5 gallons

How are the fees calculated?

Fees are set to cover the cost of a fully operating program. PaintCare estimates the annual sales of architectural paint in each state, and divides the estimated annual expenses of the program by the estimated number of containers to be sold, adjusts for container size, and determines a fee per size that will provide the budget needed to fund the program.

PaintCare is a nonprofit organization and operates programs on a state-by-state basis, so the fees may increase or decrease and be different from state to state.

Is sales tax applied to the fee, itself?

Yes. The fee is part of the purchase price; therefore, sales tax is collected on the fee.

Must we show the fee on receipts?

No, but most stores show the fee in order to explain the price increase. PaintCare encourages retailers to show the fee and to call it the PaintCare Fee to increase awareness of the program.

Is the fee a deposit to be returned to customers?

No, the fee is not a deposit. Fees are used entirely to cover the expenses of running the program. Fees are not given back as a deposit for the return of paint or empty paint cans — a common misunderstanding.

Do we refund the fee if a product is returned?

Yes, the fee should be refunded because it is part of the purchase price.

How does the public know about the fee?

PaintCare provides printed materials for retailers to distribute to the public to help explain the purpose of the fee, how the program works, and how to find a paint drop-off location. Before the program started, PaintCare provided public information materials to all paint retailers. Additional materials can be ordered as needed for no charge. In addition to retailer information, PaintCare works with contractor associations to get information to professional painting contractors, and conducts general outreach including newspaper, radio, television, and on-line advertising.

What products are covered by the program?

Architectural paints include most house paints, stains, and clear coatings (e.g., varnish and shellac). For a definition of architectural paint for the purposes of this program or for examples of PaintCare and non-PaintCare products, please contact PaintCare or visit our website.

Contact

John Hurd

Program Manager (Maine and Vermont)

(802) 245-4821

jhurd@paint.org



Become a Retail Drop-Off Site for Paint

UPDATED — JULY 2016

PaintCare makes it easy for paint retailers to provide a convenient and valuable service for their community.

A state law passed in 2013 requires paint manufacturers to set up and operate a paint stewardship program in Maine. The law requires paint retailers to add a stewardship fee to architectural paint products and to make sure they are not selling unregistered brands of architectural paint. Retailers may also volunteer to be paint drop-off sites. Retailers that would like to learn more about what it takes to join the program to be drop-off sites are encouraged to contact PaintCare for details or visit the Retailer section of PaintCare's website at www.paintcare.org/me.

Paint Stewardship Program in Maine

PaintCare Inc. is a nonprofit organization established by the American Coatings Association to implement this program on behalf of paint manufacturers in PaintCare States (those that adopt paint stewardship laws). PaintCare operates programs in California, Colorado, Connecticut, Minnesota, Oregon, Rhode Island, and Vermont. PaintCare is also planning to start a program for the District of Columbia.



Convenient Paint Recycling

PaintCare's primary effort is to establish paint drop-off sites throughout each PaintCare state to provide convenient recycling options for the public. The program allows households and businesses to return unused architectural paint to drop-off locations throughout each PaintCare state.

PaintCare has established more than 1,600 paint drop-off sites in eight states. Most drop-off sites are at paint stores. Other sites include solid waste transfer stations and government-sponsored household hazardous waste programs. Participation as a drop-off site is voluntary.

Stores that would like to become a drop-off site can fill out the Interest Form available in the Retailers section of www.paintcare.org/me.

Benefits to Retailers

There are many benefits to becoming a drop-off site.

As a participating retailer, you will:

- ◆ Make recycling of leftover paint more convenient for your customers
- ◆ Support the paint industry's effort to lead the way in being responsible for end-of-life management of its own products
- ◆ Promote your store as environmentally responsible
- ◆ Increase customer foot traffic and sales
- ◆ Help relieve local government of their cost of managing leftover paint
- ◆ Help prevent the improper disposal of paint in your community

PaintCare Provides

- ◆ Listing of your store as a drop-off site on our website, and in advertisements and promotional materials
- ◆ Paint storage bins
- ◆ Transportation and recycling services for the collected paint
- ◆ Training materials and staff training at your site
- ◆ Program brochures, signage and customer education materials
- ◆ Spill kits

Drop-Off Site Responsibilities

- ◆ Provide secure storage area for paint storage bins
- ◆ Accept all brands of leftover PaintCare products from the public during operating hours
- ◆ Place unopened PaintCare products in storage bins
- ◆ Keep storage bins neat and properly packed
- ◆ Complete minimal paperwork related to tracking outgoing paint shipments
- ◆ Ensure staff are trained in PaintCare program guidelines and operating procedures
- ◆ Display "drop-off site" signs in store window and display consumer education materials

Contact

John Hurd
Program Manager (Maine and Vermont)
(802) 245-4821
jhurd@paint.org

What Products Are Covered?

The products accepted at PaintCare drop-off sites are the same products that have a fee when they are sold. PaintCare products include interior and exterior architectural coatings sold in containers of five gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM), or specialty coatings.

PaintCare Products

- ◆ Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- ◆ Deck coatings, floor paints (including elastomeric)
- ◆ Primers, sealers, undercoaters
- ◆ Stains
- ◆ Shellacs, lacquers, varnishes, urethanes (single component)
- ◆ Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- ◆ Metal coatings, rust preventatives
- ◆ Field and lawn paints

Non-PaintCare Products

- ◆ Paint thinners, mineral spirits, solvents
- ◆ Aerosol paints (spray cans)
- ◆ Auto and marine paints
- ◆ Art and craft paints
- ◆ Caulking compounds, epoxies, glues, adhesives
- ◆ Paint additives, colorants, tints, resins
- ◆ Wood preservatives (containing pesticides)
- ◆ Roof patch and repair
- ◆ Asphalt, tar and bitumen-based products
- ◆ 2-component coatings
- ◆ Deck cleaners
- ◆ Traffic and road marking paints
- ◆ Industrial Maintenance (IM) coatings
- ◆ Original Equipment Manufacturer (OEM) (shop application) paints and finishes



About PaintCare Fees

UPDATED — AUGUST 2016

Laws in eight PaintCare States require retailers to add a stewardship assessment to architectural paint products and make sure they are not selling unregistered brands of architectural paint.

Paint Stewardship Programs

PaintCare Inc. is a nonprofit organization established by American Coatings Association to implement paint stewardship programs on behalf of paint manufacturers in states and the District of Columbia that pass paint stewardship laws. The main goals of the program are to decrease paint waste and recycle more postconsumer paint by setting up convenient drop-off sites in each state.

1. What is the Recovery Fee and how does it work?

The PaintCare program is funded through a paint stewardship assessment called the PaintCare Fee – fees are applied to the purchase price of architectural paint. The fees fund collection, transportation, and processing of unused postconsumer paint, public education about proper paint management, and administrative costs. The fee is paid to PaintCare by paint manufacturers. This fee is then added to the wholesale and retail purchase price of paint, passing the cost of managing postconsumer paint to everyone who purchases paint. This reduces municipal and state government costs for paint management and provides a funding source for a more convenient, statewide paint management program.

2. Do retailers have to pass on the fee?

Yes, each state's or jurisdiction's law requires retailers to pass on the fee to consumers, ensuring a level playing field for all parties.

3. What are the fees?

Fees are based on container size and vary by state or jurisdiction, as shown here.

California, Colorado, Connecticut, Maine, Minnesota, Oregon and Rhode Island

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

District of Columbia (effective November 1, 2016)

\$ 0.00 - Half pint or smaller
\$ 0.45 - Larger than half pint to smaller than 1 gallon
\$ 0.95 - 1 gallon up to 2 gallons
\$ 1.95 - Larger than 2 gallons up to 5 gallons

Vermont (as of August 1, 2016)

\$ 0.00 - Half pint or smaller
\$ 0.49 - Larger than half pint to smaller than 1 gallon
\$ 0.99 - 1 gallon
\$ 1.99 - Larger than 1 gallon up to 5 gallons

4. How are fees calculated?

Fees are set to cover the cost of a fully implemented program. PaintCare estimates annual sales of paint in each state and then divides the cost of the program in that state by the number of containers sold in that state. Next, the fees are adjusted based on container size by taking into consideration the typical percentage of unused paint for each size (e.g., the percentage of unused paint from one five-gallon container is typically less than from five one-gallon containers).

PaintCare is a nonprofit organization, so the fees may be decreased if set at a level beyond what is needed to cover program expenses. Likewise, the fees may be increased if PaintCare does not collect enough money to cover the costs to operate the state program.

5. Are retailers required to show the fee on receipts?

No, but PaintCare encourages retailers to do so and to display it as PaintCare Fee to aid in consumer education. Most stores choose to show the fee on their receipts in order to inform the consumer about the PaintCare program and to explain the price increase.

6. Do retailers return the fee if someone returns a product?

Yes. The fee should be returned as part of the purchase price.

7. Is the fee taxable?

Yes, the fee is part of the purchase price of paint. Sales tax is collected on the fee, except in a state that does not have a sales tax, such as Oregon.

8. Is the fee to be applied to paint sold to customers who are exempt from sales taxes?

Yes, government agencies and other organizations that are exempt from sales taxes in PaintCare States (except for Oregon which has no sales tax) must still pay the fee, because it is part of the price of paint.

9. Is the fee a deposit that is returned to customers when they bring paint to a drop-off site?

No, the fee is not a deposit. The fees are used entirely to cover the cost of running the program.

10. Do retailers add the fee on sales starting on the first day of the program (i.e., on inventory purchased before the first day) even though they did not pay fees on inventory to the distributor or manufacturer?

[For new programs] Yes, in order to provide for a hard start date, retailers must add the fee on all inventory sold on or after the start date of the program. Fees collected on existing inventory stay with the retailer; they are not paid back to the distributor or manufacturer.

11. How does the public know about the fee?

PaintCare provides public education materials to retailers. These materials explain the purpose of the fee, where to take paint for recycling, and other information about the program. When a new state program begins, PaintCare mails a "starter pack" of materials to retailers. As needed, retailers may order additional free materials from PaintCare. In addition to retailer information, PaintCare works with contractor associations to get information to trade painters, and conducts general outreach including newspaper, radio, television, and on-line advertising.

12. How do we as a retailer know what products to put the fee on?

Your supplier's invoice should indicate that you are being charged the fee, so you simply pass on the fee for those items. Additionally, PaintCare and each state's oversight agency list all architectural paint manufacturers and brands that are registered for the program on their websites. Retailers may not sell brands that are not registered with the program. If your store sells architectural coatings that are not on the list of registered products, please notify PaintCare so we can contact the manufacturer to get them registered.

13. What Products Are Covered?

The products accepted at PaintCare drop-off sites are the same products that have a fee when they are sold. PaintCare Products include interior and exterior architectural coatings sold in containers of five gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM), or specialty coatings. For a detailed list of PaintCare and non-PaintCare products, please see PaintCare's "Products We Accept" Web page.



Information for HHW Programs

UPDATED — SEPTEMBER 2016

Maine's paint stewardship law benefits Household Hazardous Waste (HHW) Programs.

A law passed in July 2013 requires paint manufacturers to establish a Paint Stewardship Program in Maine. Municipal HHW Programs that participate can save money on paint management costs. Program funding comes from a fee on the sale of architectural paint sold in Maine. The program began in October 2015.

Paint Stewardship Program in Maine

PaintCare Inc. is a nonprofit 501(c)(3) organization established by the American Coatings Association to implement state-mandated paint stewardship programs on behalf of paint manufacturers in each state that adopts a paint stewardship law. Maine is the seventh state to pass such a law. Although the program is required by state law, it is designed and operated by the paint manufacturing industry. PaintCare currently operates programs in California, Colorado, Connecticut, Minnesota, Oregon, Rhode Island, and Vermont. PaintCare is also planning to start a program for the District of Columbia.

Making Paint Recycling More Convenient

PaintCare has established drop-off sites statewide for households and businesses to take leftover architectural paint.

Although most drop-off sites will be at paint retailers, HHW programs, one day events, and waste transfer stations may also volunteer to be PaintCare drop-off sites and have their paint transportation and recycling/disposal costs paid by PaintCare.

Facilities and one-day collection events that would like to become a drop-off site can fill out the Interest Form available in the Municipalities section of www.paintcare.org/me.

Benefits to HHW Programs

- ◆ Make recycling of leftover paint more convenient
- ◆ Save on transportation and recycling/disposal
- ◆ Conserve resources and keep paint out of the solid waste stream
- ◆ Allow households to bring paint with other HHW in one trip to one site

PaintCare Partners Receive

- ◆ Collection bins
- ◆ Transportation and recycling/disposal services
- ◆ Staff training at your site
- ◆ Program guidelines
- ◆ Free publicity of HHW site or event (optional)

One-Day Collection Events

For one-day HHW collection events:

- ◆ Reach agreement with your hauler to accept and manage PaintCare program products collected during the event
- ◆ Allow PaintCare to process the program products collected
- ◆ PaintCare provides cubic yard boxes (bins) for collecting program products and covers transportation and processing costs for these products
- ◆ PaintCare does not pay for additional labor needed to pack program products collected at events



Drop-Off Site Responsibilities

For fixed/permanent HHW facilities:

- ◆ Provide secure storage area for cubic yard boxes or drums
- ◆ Accept PaintCare products from the public during normal operating hours
- ◆ Properly pack PaintCare products in collection bins
- ◆ Assist with loading and unloading of full and empty storage bins
- ◆ Complete paperwork related to tracking outgoing paint shipments
- ◆ Ensure staff are trained in PaintCare program guidelines and operating procedures

Does PaintCare Require Operational Changes?

- ◆ If your program does not currently accept latex paint, PaintCare will not require you to do so. If you wish to start accepting latex paint, PaintCare will cover the transportation and recycling costs.
- ◆ If your program does not currently accept paint from businesses, PaintCare will not require you to do so. If you wish to start accepting paint from businesses, PaintCare will cover the transportation and recycling costs.
- ◆ PaintCare selects its own transporter(s) to pick up paint from all PaintCare sites in the state. If your current hazardous waste transporter is not the same company, a different hauler (PaintCare's hauler) will transport paint from your program.

Water-Based (Latex) Paint is a Resource

An important goal of PaintCare is to conserve resources and increase the volume of paint that is recycled. Not all HHW programs accept water-based paint because it is expensive to manage and not classified as hazardous. Households and businesses are often instructed to let water-based paint dry out and dispose of the dry paint in the trash. Through the PaintCare program, all paint including latex is treated as a resource and recycled to the maximum extent possible.

Contact

John Hurd | Program Manager (Maine and Vermont)
(802) 245-4821 | jhurd@paint.org

What Products Are Covered?

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PaintCare Products

- ◆ Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- ◆ Deck coatings, floor paints (including elastomeric)
- ◆ Primers, sealers, undercoaters
- ◆ Stains
- ◆ Shellacs, lacquers, varnishes, urethanes (single component)
- ◆ Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- ◆ Metal coatings, rust preventatives
- ◆ Field and lawn paints

Non-PaintCare Products

- ◆ Paint thinners, mineral spirits, solvents
- ◆ Aerosol paints (spray cans)
- ◆ Auto and marine paints
- ◆ Art and craft paints
- ◆ Caulking compounds, epoxies, glues, adhesives
- ◆ Paint additives, colorants, tints, resins
- ◆ Wood preservatives (containing pesticides)
- ◆ Roof patch and repair
- ◆ Asphalt, tar, and bitumen-based products
- ◆ 2-component coatings
- ◆ Deck cleaners
- ◆ Traffic and road marking paints
- ◆ Industrial Maintenance (IM) coatings
- ◆ Original Equipment Manufacturer (OEM) (shop application) paints and finishes



Information for Solid Waste Transfer Stations, Recycling Facilities and Landfills

UPDATED — JULY 2016

Maine's paint stewardship law supports paint collection activities at waste transfer stations.

Paint Stewardship Program in Maine

A law passed in 2013 requires manufacturers of architectural paint to establish a Paint Stewardship Program in Maine. Municipal and private waste transfer stations can participate by offering paint recycling to their customers and municipal agencies. The cost of transportation and recycling of program products is paid by the Program. Funding for the Program comes from an assessment (known as the PaintCare Fee) on the sale of architectural paint sold in Maine starting in October 2015.

PaintCare Inc. is a nonprofit organization established by the American Coatings Association to implement state-mandated paint stewardship programs on behalf of paint manufacturers in each state that adopts a paint stewardship law.

PaintCare has established 1,600 paint drop-off locations in eight states: California, Colorado, Connecticut, Maine, Minnesota, Oregon, Rhode Island, and Vermont. PaintCare is also planning a program for the District of Columbia.



Making Paint Recycling More Convenient

PaintCare has established drop-off sites statewide for households and businesses to take leftover architectural paint. Although most drop-off sites are at paint retailers, municipal and private transfer stations, and household hazardous waste (HHW) programs may also volunteer to be PaintCare drop-off sites. Facilities that would like to become a drop-off site can fill out the Interest Form available in the Waste Facilities section of www.paintcare.org/me.

Benefits to Transfer Stations

- ◆ Make recycling of leftover paint more convenient for your community
- ◆ Help Maine conserve resources and keep paint out of the solid waste stream
- ◆ Save money on municipally-generated leftover paint

PaintCare Partners Receive

- ◆ Storage bins
- ◆ Transportation and recycling services for the collected paint
- ◆ Program brochures and signage
- ◆ Free publicity (optional) if your site allows the public to drop off program products
- ◆ Optional: Offer paint in good condition to the public for reuse, and receive a reimbursement based on either volume (\$1.60 per gallon) or by container (30 cents per quart container, \$1.20 per 1-gallon container, and \$6.00 per 5-gallon container). See our factsheet Reuse Programs Compensation and Reporting for details.

Drop-Off Site Responsibilities

- ◆ Provide secure storage area for cubic yard boxes or drums
- ◆ Accept PaintCare products from the public during normal operating hours
- ◆ Properly pack PaintCare products in collection bins
- ◆ Assist with loading and unloading of full and empty storage bins
- ◆ Complete minimal paperwork to track outgoing paint shipments
- ◆ Ensure staff are trained in PaintCare guidelines and safe operating procedures

Water-Based (Latex) Paint Is a Resource

An important goal of PaintCare is to conserve resources and increase the amount of paint that is recycled. Not all HHW programs accept water-based paint because it is expensive to manage and is not classified as hazardous. Households and businesses are often instructed to let water-based paint dry out and then dispose of the dry paint in the trash. Through the PaintCare program, latex will be recycled to the maximum extent possible.

Will PaintCare Require Operational Changes?

No. Your facility may continue to put restrictions on who can access the paint collection program at your site. If your facility only services a specific geographic region (e.g., specific towns, cities or counties), you will not be required to service customers that live outside of your service area. Similarly, if your facility is not permitted to take business waste, you will not be required to do so. (PaintCare retail sites accept paint from anyone in the state, and from both households and businesses.)

Contact

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Program Manager (Maine and Vermont)
(802) 245-4821
jhurd@paint.org

WHAT PRODUCTS ARE COVERED?

The products accepted at PaintCare drop-off sites are the same products that have a fee when they are sold. PaintCare products include interior and exterior architectural coatings sold in containers of five gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM), or specialty coatings.

PaintCare Products

- ◆ Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- ◆ Deck coatings, floor paints (including elastomeric)
- ◆ Primers, sealers, undercoaters
- ◆ Stains
- ◆ Shellacs, lacquers, varnishes, urethanes (single component)
- ◆ Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- ◆ Metal coatings, rust preventatives
- ◆ Field and lawn paints

Non-PaintCare Products

- ◆ Paint thinners, mineral spirits, solvents
- ◆ Aerosol paints (spray cans)
- ◆ Auto and marine paints
- ◆ Art and craft paints
- ◆ Caulking compounds, epoxies, glues, adhesives
- ◆ Paint additives, colorants, tints, resins
- ◆ Wood preservatives (containing pesticides)
- ◆ Roof patch and repair
- ◆ Asphalt, tar and bitumen-based products
- ◆ 2-component coatings
- ◆ Deck cleaners
- ◆ Traffic and road marking paints
- ◆ Industrial Maintenance (IM) coatings
- ◆ Original Equipment Manufacturer (OEM) (shop application) paints and finishes



Reuse Programs - Compensation & Reporting

UPDATED — AUGUST 2015

PaintCare encourages household hazardous waste programs, reuse stores and others to operate paint reuse programs (i.e., swap shops or exchanges). Reuse programs return good quality unused paint to the local community at low or no cost. Reuse is a preferred method of waste management.

To encourage reuse, PaintCare will compensate paint drop-off sites operating a reuse program under a contract with PaintCare. PaintCare allows two different reporting methods by container or by volume as described here.

Operating a Reuse Program

Any PaintCare products (qualifying paint, stain and varnish as defined by PaintCare – see www.paintcare.org/products-we-accept) that are distributed through these reuse programs must be in their original container, have an original label, and be in good physical and aesthetic condition. Contents must be liquid and relatively new. Containers should be closed securely before being placed in the reuse storage area. Customers must sign a waiver form explaining that the paint is taken “as is” with no guarantee of quality or contents. The customer is required to read, complete and sign the form, and site staff members are required to verify and record what has been taken by the customer.



Reuse room at the Household Hazardous Waste Facility at the Yolo County Central Landfill in Woodland, CA.

Method 1. Track and Report by Container

To track and report by container size, the following applies:

- ◆ Containers must be at least 50% full
- ◆ The number of containers distributed for reuse must be reported in three size categories for both latex and oil-based (total of 6 categories)
- ◆ Compensation is not provided for paint containers smaller than 1 quart
- ◆ The following compensation rates apply:

\$6.00 per 5-gallon container

\$1.20 per 1-gallon container

\$0.30 per quart container

The site does not need to track or report the actual volume of paint in the containers. Under this model, even though containers may be between 50% and 100% full, PaintCare will assume an average of 75% full when reporting reuse volumes in annual reports to state agencies.

Method 2. Track and Report by Volume

To track and report by volume (gallons), the following applies:

- ◆ Containers may contain any amount of paint in them
- ◆ The site must determine and report the total gallons of latex paint and the total gallons of oil-based paint distributed for reuse
- ◆ Compensation is provided at \$1.60 per gallon

The site must track and report the actual volume of paint in the containers using an internal methodology (e.g., weigh the cans on a scale, estimate weight by hand, do visual inspection). The methodology must be provided to PaintCare upon request.



PAINTCARE PRODUCTS

These products have fees when purchased and are accepted for free at drop-off sites:

- Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- Deck coatings, floor paints (including elastomeric)
- Primers, sealers, undercoaters
- Stains
- Shellacs, lacquers, varnishes, urethanes (single component)
- Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- Metal coatings, rust preventatives
- Field and lawn paints



NON-PAINTCARE PRODUCTS

- Paint thinners, mineral spirits, solvents
- Aerosol paints (spray cans)
- Auto and marine paints
- Arts and crafts paints
- Caulking compounds, epoxies, glues, adhesives
- Paint additives, colorants, tints, resins
- Wood preservatives (containing pesticides)
- Roof patch and repair
- Tar and bitumen-based products
- 2-component coatings
- Deck cleaners
- Traffic and road marking paints
- Industrial Maintenance (IM) coatings
- Original Equipment Manufacturer (OEM) (shop application) paints and finishes



PRODUCTOS DEL PROGRAMA

Estos productos tienen cargos al comprarlos y se aceptan gratuitamente en los lugares de entrega:

- Pinturas arquitectónicas para interiores y exteriores: látex, acrílica, a base de agua, alquídica, a base de aceite, esmalte (incluidos los revestimientos con textura)
- Revestimientos para terrazas, pinturas para piso (incluso elastómeros)
- Imprimadores, selladores, primera mano
- Tinturas
- Goma laca, lacas, barnices, uretanos (componente simple)
- Selladores de impermeabilización de concreto/mampostería/madera y repelentes (sin alquitrán o a base de betún)
- Revestimiento de metal, prevención de óxido
- Pinturas para el campo y césped



NO SE INCLUYEN EN EL PROGRAMA

- Diluyentes, alcoholes minerales, solventes de pintura
- Pinturas en aerosol (latas de aerosol)
- Pinturas para autos y embarcaciones
- Pinturas artesanales
- Compuestos de enmasillado, epóxidos, pegamentos, adhesivos
- Aditivos para pinturas, colorantes, tintes, resinas
- Conservantes de madera (que contienen pesticidas)
- Remiendos y reparación de techos
- Alquitrán y productos a base de betún
- Revestimientos de componente doble
- Limpiadores de terrazas
- Pinturas de tráfico y señalización vial
- Revestimientos industriales de mantenimiento (IM, por sus siglas en inglés)
- Pinturas y acabados de fabricantes de equipos originales (OEM, por sus siglas en inglés) (aplicación en la tienda)

Products must be in original containers with original labels. Latex paint that is dried out and "rock hard" is acceptable. Leaking, unlabeled, and empty containers are not accepted.

Los productos deben estar en sus envases originales. Se acepta pintura de látex que está seca y "dura como una roca." No se aceptan envases vacíos, que tengan fugas, o sin etiqueta.



We are a PaintCare Partner

Fees on the
sale of paint
in Maine
help pay for
our program.



Recycle with PaintCare

To learn more, please call **(855) 724-6809** or
visit **www.paintcare.org**.



We're a PaintCare Drop-Off Site

WE ACCEPT

- Latex House Paint
- Oil-Based House Paint
- Primer
- Stains
- Sealers
- Varnish and Shellac

⊘ WE CAN'T ACCEPT

- Aerosols (Spray Cans)
- Auto and Marine Paints
- 2-Part Paints
- Road Marking Paint
- Industrial Paint
- Tints and Resins
- Thinner and Solvent
- Caulk and Spackle
- Wood Treatment/Preservatives
- Deck Cleaner
- Tar/Asphalt Products

CONTAINERS

- No larger than 5 gallons
- Must have original labels
- Must not be leaking
- Must have secure lids

NO DUMPING

STOP!
IT'S ILLEGAL
to dump or abandon
Paint, Oil, or other
Hazardous Waste



THIS AREA MAY BE UNDER
VIDEO SURVEILLANCE

Violators Will Be Prosecuted

Please wait for staff assistance when dropping off leftover paint.

Espera a que le atienda un empleado de la compañía cuando vaya a desechar pintura sobrante.





Recycle your paint here.

[DURING BUSINESS HOURS ONLY]



PAINTCARE PRODUCTS

WE ACCEPT

- Latex house paint
- Oil-based house paint
- Primer and Sealer
- Stains
- Clear finishes (e.g., varnish, shellac)

WE CANNOT ACCEPT

- Leaking, unlabeled or empty containers
- Aerosol spray paints
- Large containers (over 5 gallons)
- Paint thinner
- Other chemicals

Maine Paint Usage & Disposal Surveys

Notes:

Online surveys conducted using SurveyMonkey. Blue numbers indicate the number of people who responded.

Questions 2 and 3 allowed more than one answer; percentages are calculated using the number of people.

For question 2, some respondents did not answer the question.

0 indicates the question was asked, but there were no responses with that answer.

Surveys were conducted in June each year.

	2014		2015		2016	
	Percent	Count	Percent	Count	Percent	Count
1. How much leftover paint is in your home?		78		112		115
None	20.5	16	24.1	27	35.7	41
Less than 1 gallon	11.5	9	13.4	15	21.7	25
1-5 gallons (would fit in a cardboard box)	33.3	26	35.7	40	27.8	32
5-15 gallons (would fit in a shopping cart)	26.9	21	21.4	24	7.0	8
15-30 gallons (would fit in two shopping carts)	1.3	1	0.0	0	1.7	2
More than 30 gallons	0.0	0	0.0	0	0.0	0
Yes, but I don't know how much	6.4	5	5.4	6	6.1	7
2. Where did the paint come from? (check all that apply)		61		112		74
I did some painting myself and had some leftover	88.5	54	64.3	72	79.7	59
I hired someone to paint and they left it behind	23.0	14	25.0	28	8.1	6
I found it in my home/business when I moved in	11.5	7	13.4	15	13.5	10
I am a painting contractor and it is from one of my jobs	0.0	0	0.0	0	2.7	2
I don't remember where the paint came from	0.0	0	8.0	9	9.5	7
Other	100.0	1	18.8	21	4.1	3
3. What did you do with leftover paint? (check all that apply)		78		112		115
Poured it down the drain	0.0	0	0	0	0.0	0
Put can(s) of liquid paint in the trash	7.7	6	0.9	1	3.5	4
Dried out the paint and put it in the trash	41.0	32	23.2	26	13.0	15
Stored it in the basement or garage intend to use	62.8	49	33.0	37	45.2	52
Took it to a paint store	0.0	0	0	0	0.9	1
Took it to a household hazardous waste event or facility	34.6	27	25.9	29	10.4	12
Gave it away to a family, friend or community organizati	19.2	15	0.9	1	4.3	5
Left it behind when I moved	9.0	7	1.8	2	0.9	1
I don't know	5.1	4	4.5	5	1.7	2
I have never stored or disposed of leftover/unwanted pa	3.8	3	5.4	6	18.3	21
Other	1.3	1	4.5	5	1.7	2
4. If you had unwanted paint, what would you do with it?		78		112		115
Pour it down the drain	0.0	0	0.0	0	0.0	0
Put can(s) of liquid paint in the trash	0.0	0	0.9	1	3.5	4
Dry out the paint and put it in the trash	23.1	18	28.6	32	16.5	19
Take it to a paint store	5.1	4	6.3	7	13.9	16
Take it to a household hazardous waste event or facility	52.6	41	42.0	47	21.7	25
Give it away to a family, friend or organization	9.0	7	8.0	9	20.0	23
I don't know	10.3	8	8.9	10	21.7	25
Other	1.3	1	5.4	6	2.6	3

Note: In 2014, respondents were allowed more than one answer; percentages are calculated using the number of people.

5. Did you know that paint can be recycled?		78		112		74
Yes	24.4	19	27.7	31	35.1	26
No	75.6	59	72.3	81	64.9	48

Note: In 2016, 41 respondents skipped the question.

6. Have you ever taken paint to be recycled/disposed? When?		78		112		115
No	70.5	55	64.3	72	83.5	96
Yes, at some point during the past year	10.3	8	8.0	9	5.2	6
Yes, more than one year ago	19.2	15	27.7	31	11.3	13

7. Do you know where to take unwanted paint?		78		112		115
No	74.4	58	75.9	85	81.7	94
Yes	25.6	20	24.1	27	18.3	21
If yes, where? (please specify)	-	7	-	18	-	10

Responses to "If yes, where?" for June 2016:

- City dump/landfill
- Household hazardous waste event
- Household hazardous waste facility (3)
- Town transfer station
- Town recycling facility
- Paint store (2)
- Recycle bin

8. How far is the closest paint store?		78		112		115
Less than 1 mile	25.6	20	14.3	16	15.7	18
1-5 miles	41.0	32	42.9	48	34.8	40
5-10 miles	21.8	17	25.0	28	26.1	30
10-20 miles	10.3	8	9.8	11	14.8	17
20-30 miles	0.0	0	5.4	6	2.6	3
Not sure	1.3	1	2.7	3	6.1	7

9. How far would you drive to recycle or dispose of paint?		78		112		115
20-30 miles	14.1	11	14.3	16	12.2	14
10-20 miles	32.1	25	19.6	22	27.0	31
5-10 miles	26.9	21	37.5	42	31.3	36
1-5 miles	23.1	18	22.3	25	13.9	16
Less than 1 mile	1.3	1	3.6	4	1.7	2
Not sure	2.6	2	2.7	3	13.9	16

10. What county do you live in?

		49		110		115
Androscoggin	4.1	2	8.2	9	10.4	12
Aroostook	2.0	1	0.9	1	7.0	8
Cumberland	20.4	10	27.3	30	14.8	17
Franklin	0	0	0.9	1	1.7	2
Hancock	12.2	6	3.6	4	3.5	4
Kennebec	14.3	7	12.7	14	14.8	17
Knox	2.0	1	2.7	3	3.5	4
Lincoln	2.0	1	6.4	7	2.6	3
Oxford	6.1	3	8.2	9	7.0	8
Penobscot	10.2	5	6.4	7	6.1	7
Piscataquis	2.0	1	2.7	3	4.3	5
Sagadahoc	4.1	2	2.7	3	4.3	5
Somerset	4.1	2	1.8	2	6.1	7
Waldo	0	0	1.8	2	0.9	1
Washington	4.1	2	0.9	1	1.7	2
York	12.2	6	12.7	14	11.3	13

Note: In 2014, we asked respondents to type in their county, rather than choose from a list; 29 people did not enter their county. Their responses are not used in the total for percentage calculations in order to have relative numbers for those who responded. Also, in 2015, two respondents did not answer the question.

11. How would you describe the place where you live?

		76		112		115
Urban / Major City	3.9	3	11.6	13	4.3	5
Suburban	15.8	12	9.8	11	22.6	26
Small City or Town	43.4	33	35.7	40	45.2	52
Rural / Countryside	36.8	28	41.1	46	27.8	32
Other (please specify)	3.9	3	1.8	2	0.0	0

Note: In 2014, two respondents skipped the question. Also, respondents were allowed more than one answer; percentages are calculated using the number of people.

12. Where do you live?

		77		112		115
Single-family house	71.4	55	76.8	86	64.3	74
Two or Three-family house	3.9	3	7.1	8	6.1	7
Condominium or apartment building with many units	19.5	15	9.8	11	20.9	24
Manufactured or Mobile Home	5.2	4	5.4	6	8.7	10
Other (please specify)	2.6	2	0.9	1	0.0	0

Note: In 2014, one respondent skipped the question. Also, respondents were allowed more than one answer; percentages are calculated using the number of people.

13. Do you paint professionally?

		78		112		115
Yes	0.0	0	0.9	1	7.0	8
No	100.0	78	99.1	111	93.0	107

14. What is your age?

		78		112		115
Under 21	2.6	2	0.9	1	5.2	6
21-40	16.7	13	10.7	12	49.6	57
41-60	39.7	31	42.9	48	27.8	32
Over 60	41.0	32	43.8	49	17.4	20
Prefer not to say	0.0	0	1.8	2	0.0	0

15. Gender

78

112

115

Male	47.4	37	49.1	55	38.3	44
Female	52.6	41	50.9	57	61.7	71
Prefer not to say	0.0	0	0.0	0	0.0	0

16. Educational Level

78

112

115

Some High School	0.0	0	0.0	0	2.61	3
High School Graduate	6.4	5	3.6	4	20.0	23
Some College, Vocational, Trade, or Technical	26.9	21	28.6	32	49.6	57
4 year degree or higher	66.7	52	67.9	76	27.0	31
Prefer not to say	0.0	0	0.0	0	0.9	1

17. What is your household income?

78

112

115

Less than \$50K	32.1	25	22.3	25	61.7	71
\$50 – 100K	33.3	26	36.6	41	25.2	29
\$100 – 150K	12.8	10	15.2	17	5.2	6
Over \$150K	3.8	3	8.0	9	0.9	1
Prefer not to say	17.9	14	17.9	20	7.0	8