



Connecticut Paint Stewardship Program

Annual Report July 1, 2015 – June 30, 2016



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Executive Summary

CONNECTICUT'S PAINT STEWARDSHIP LAW

PaintCare is the representative stewardship organization of the Connecticut Architectural Paint Stewardship Program, codified in Sections 22a-904 and 22a-904a of the Connecticut General Statutes. The Connecticut Paint Stewardship Law provides for the establishment of a permanent statewide paint stewardship program, managed by a stewardship organization, to accomplish the following:

- ◆ Minimize public sector involvement in the management of postconsumer paint through the program's efforts to reduce the generation of postconsumer paint, promote using up leftover paint, and recycling and proper management of collected postconsumer paint.
- ◆ Negotiate and execute agreements to collect, transport, and properly manage postconsumer paint through environmentally sound management practices.
- ◆ Offer a convenient, statewide collection infrastructure, which at a minimum, provides for collection rates and user convenience equal to or greater than the collection programs available to consumers prior to the implementation of the program.
- ◆ Establish a sustainable funding mechanism through a paint stewardship assessment ("PaintCare Fee") on architectural coatings sold in the state of Connecticut. The fee must be paid by manufacturers to PaintCare to fund implementation of the program.

HIGHLIGHTS

Sites, Events, and Service. PaintCare added an additional nine drop-off sites in the reporting period – four paint retailer and five transfer stations, ending the reporting period with 140 year-round and five seasonal paint drop-off sites. Of the 140 year-round drop-off sites, 102 are paint retailers, representing approximately 38% of likely retail participants. The year-round drop-off sites provided a site within 15-miles of all Connecticut residents.

PaintCare also managed paint from three of the state's four seasonal household hazardous waste (HHW) drop-off facilities, 52 HHW drop-off events, and two seasonal transfer stations, and provided 28 direct large volume pick-ups from business and institutions that had accumulated more than 300 gallons of paint at their facilities.

Paint Collection Volume. The program processed 320,414 gallons of postconsumer paint in the reporting period, a 16% increase over last year. Latex paint made up 77% of total paint, of which 80% was made into recycled-content paint, 5% was used as a landfill cover product, and 15% was unrecyclable and sent to landfill. Oil-based paint made up 23% of the paint, all of it is used for fuel. In addition to paint, 209 tons of metal and plastic paint container were recycled.

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 6.25 million gallons of architectural paints were sold in Connecticut in the reporting period. The program collected \$3,855,522 in revenue from these sales.

Expenses, including paint transportation and processing, outreach, staffing, and administrative costs were \$3,098,614. The program accrued \$2,564,673 in reserves through the end of the reporting period, the equivalent of 83% of annual expenses.

The cost per gallon of the program in the reporting period was \$9.67, a slight decrease from the last reporting period.

Paint Recovery Rate. The recovery rate – the volume of postconsumer paint collected divided by the volume of new paint sales in the same year – was 5.1%, an increase from the last reporting period.

Outreach. In the reporting period, PaintCare’s outreach efforts included a variety of in-store print materials and signage, television, radio, digital/social, newspaper, and outdoor (billboard) activities.

PROGRAM PLAN AND ANNUAL REPORT

The Connecticut Paint Stewardship Law required the submission and approval of a Program Plan by PaintCare prior to the program’s launch. The Connecticut Department of Energy and Environmental Protection approved PaintCare’s Program Plan in the spring of 2013 and the Connecticut program began on July 1, 2013.

The Connecticut Paint Stewardship Law also requires the submission of an annual report to the Commissioner of Department of Energy and Environmental Protection each year, covering the period of July 1 – June 30.

The Annual Report shall include, but not be limited to:

- (1) A description of the methods used to collect, transport and process postconsumer paint in the state;
- (2) The volume and type of postconsumer paint collected in the state and method of disposition, including reuse, recycling and other methods of processing;
- (3) The total cost of implementing the program, as determined by an independent financial audit and an evaluation of the operation of the program's funding mechanism; and
- (4) Samples of educational materials provided to consumers of architectural paint and an evaluation of the methods used to disseminate such materials.

PaintCare’s Connecticut Program Plan and previous annual reports are available on PaintCare’s website.

Section 1. Paint Collection, Transportation, and Processing

Annual Report Statutory Citation

Sec. 22a-904a(h) The representative organization shall submit a report to the Commissioner of Environmental Protection that details the paint stewardship program. Such report shall include, but not be limited to:

(1) A description of the methods used to collect, transport and process postconsumer paint in this state.

A. DROP-OFF SITES, EVENTS, AND SERVICES

The Connecticut Paint Stewardship Law requires a program that provides convenient statewide collection of postconsumer paint that, at a minimum, provides for collection rates and convenience equal to or greater than the collection programs that were available to consumers prior to the PaintCare program. PaintCare met both the volume and convenience requirements of the law in its first year, and continues to grow and develop the program.

The Connecticut Law also calls for collaboration with existing HHW programs and allow for any paint retailer to participate as a paint collection point. Since the start of the program, PaintCare has partnered with nearly every HHW program in the state, and all retailers that have requested to join the program have been welcomed as a partner.

Prior to the PaintCare program, Connecticut households were only able to utilize the state's HHW programs for their oil-based paint products, and the public was encouraged to dry and dispose of latex paint. The HHW programs did not offer any services for business. All businesses, regardless of their size, had to contract with private hazardous waste haulers for paint disposal, which was generally cost-prohibitive for painting contractors and other small businesses.

To increase recycling opportunities for Connecticut 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 all paint retailers, material reuse stores, household hazardous waste programs, and public and private waste transfer stations to invite them to become paint drop-off sites.

At the end of the reporting period, the Connecticut program had 140 year-round drop-off sites located throughout the state. These include 102 retail stores, 37 transfer stations, and one reuse store. Three retail stores and one reuse store closed and three additional retailers decided to stop participating in the program during the reporting period. These sites are listed in as "paint retailer (partial-year only)" in the table on the next page, and the maps later in the report.

PaintCare also managed paint from three of the state’s four seasonal HHW drop-off facilities, 52 HHW drop-off events, and two seasonal transfer stations, and conducted 28 direct large volume pick-ups (LVP) 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 paints. All retailers accept paint from both residents and qualifying businesses, as does the LVP service. HHW programs and transfer stations generally do not service businesses.

PaintCare drop-off sites, events, and services are summarized in the following table and shown on the maps in subsection B.

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

YEAR-ROUND DROP-OFF SITES	YEAR 1 FY2014	YEAR 2 FY2015	YEAR 3 FY2016
Paint Retailers	100	104	102
Transfer Stations	25	32	37
Reuse Stores	2	2	1
Total	127	138	140

SUPPLEMENTAL SITES, EVENTS, AND SERVICES

HHW Events	54	46	52
PaintCare Paint-Only Events	11	5	0
Seasonal HHW Facilities	3	3	3
Seasonal Transfer Stations	2	2	2
Paint Retailers and Reuse Stores (partial-year only)	0	4	7
Direct Large Volume Pick-Ups	34	25	28

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

A1. Paint Retailers

PaintCare added four new paint retail sites in the reporting period. Three paint retail stores closed and three paint retailers decided to stop participating in the program during the reporting period. Paint retailers provide ideal locations for paint drop-off sites because they are located 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.

As discussed in PaintCare’s Connecticut Program Plan, approximately 450 sites were identified that sold paint, consisting of paint, hardware, and home improvement stores. PaintCare updated the list of paint retailers during the reporting period. As of June 2016, there were 387 paint retailers, and 272 are considered potential drop-off sites. (PaintCare has been informed by the corporate headquarters of big box stores and “variety stores” that they are not interested in serving as drop-off sites.)

Of the 272 paint retailers, 102 (38%) were participating as drop-off sites at the end of the reporting period. Paint retailers participate in the program to increase foot traffic through their stores and to provide a service for their customers. A list of the names and addresses of the paint retailers that participated during the reporting period is included in the appendix.



Shown here PaintCare’s new razor flag says “Recycle Your Paint Here” at the True Value in Bethlehem. PaintCare provides various types of signs upon request.

A2. Household Hazardous Waste Programs

Partnerships with household hazardous waste programs – seasonal facilities and events – continued in the reporting period, with most HHW programs participating. PaintCare continued its efforts to partner with the few remaining HHW programs and added two more towns that hold HHW events to the program in the reporting period. A list of the names and locations of the HHW seasonal facilities and events that participated during the reporting period is included in the appendix.



Regional Water Authority Collection in New Haven

A3. Transfer Stations

PaintCare continued to meet with interested municipalities during the reporting period to discuss the PaintCare program and benefits to transfer stations, and added five more transfer stations to the program. Transfer stations participate as drop-offs sites to expand the recycling services provided to their customers and to help keep paint out of the waste stream. A list of the names and addresses of the transfer stations that participated during the reporting period is included in the appendix.



Paint Bins and Signage at the Watertown Transfer Station

A4. Reuse Stores

PaintCare identified five paint reuse stores in the state. One reuse store closed during the reporting period and one remains in the program. Reuse stores participate to increase foot traffic and to generate revenue from selling paint received at their store. PaintCare provided a quarterly reporting stipend during the reporting period. A list of the name and address of the reuse stores that participated during the reporting period is included in the appendix.

A5. PaintCare Paint Only Events

PaintCare held paint-only drop-off events in the first two years of the program. Due to lower participation at the events in the second year and the large number of retailers and transfer stations accepting paint statewide, PaintCare decided the events were not necessary during the reporting period.

A6. Large Volume Pick-Up Service

The Large Volume Pick-Up Service (LVP service) was offered to painting contractors and others that had accumulated large volumes of paint – generally more than 300 gallons. PaintCare arranged 28 LVPs during the reporting period (from 27 sites). The primary users of the service were painting contractors, and also included large businesses, universities, state agencies, boards of education, and property management companies.

Painting contractors often store paint for future use or because it is expensive to dispose of. Institutions and schools tend to have stored up old paint from repainting classrooms, offices, and other facilities. Similarly, property management companies are constantly repainting the buildings they manage, inside and out, and are left with excess or aging paint. Typically, LVP customers have accumulated paint over many years due to the institutional, logistical, and financial barriers to disposal or internal reuse of leftover paint. PaintCare has removed these barriers by providing a free and convenient service. Feedback from these users indicates high satisfaction.



Before and after PaintCare cleaned out the storage locker of an LVP customer.

B. CONVENIENCE CRITERIA

As described in the Program Plan, to ensure adequate paint drop-off opportunities in Connecticut, 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:

Distribution: At least 95% of Connecticut residents shall have a permanent site within a 15-mile radius.

Density: One additional permanent site will be added for every 50,000 people in a population center. Areas not meeting this criterion are considered “underserved.”

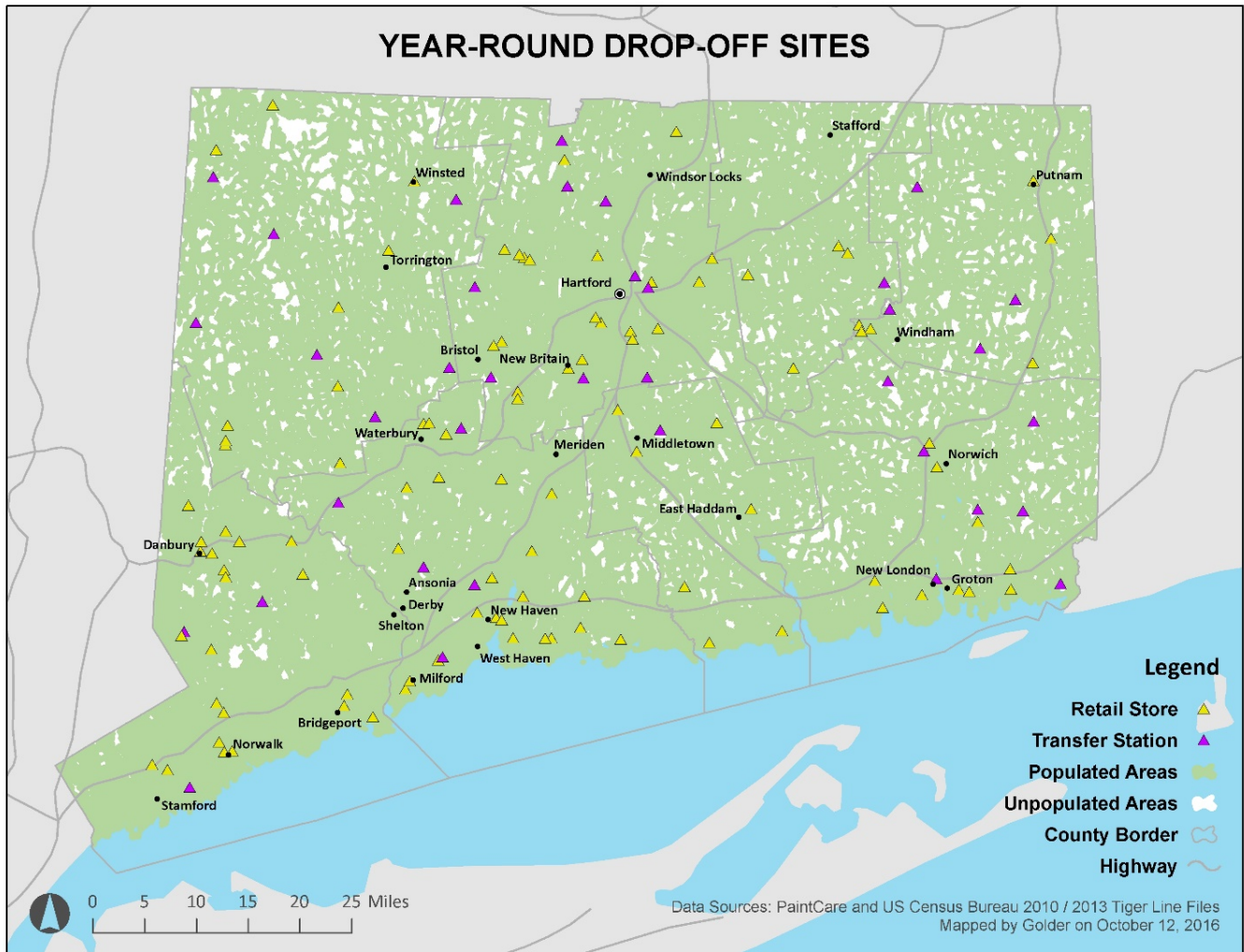
Application of these criteria resulted in the need for approximately 93 optimally located year-round drop-off sites, which PaintCare considered its baseline service level goal.

The 140 year-round drop-off sites in place at the end of the reporting period provided all (100%) Connecticut residents a drop-off site within 15 miles of their home, and all areas of the state with 50,000 residents or more had the additional sites needed to provide sufficient service. (GIS analysis was conducted by Golder Associates, an engineering firm with expertise in geographic analysis and mapping.)

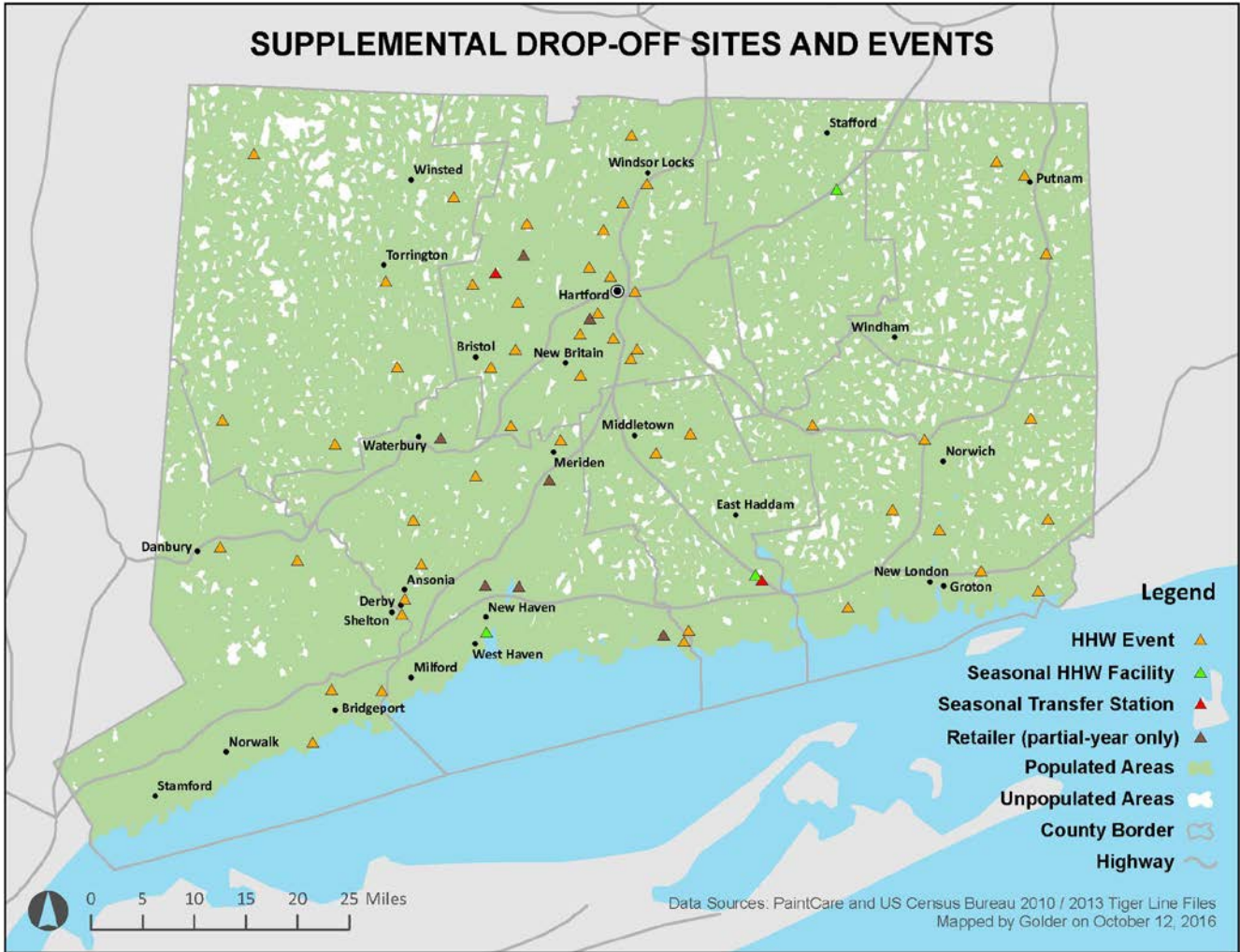
As discussed previously, prior to the PaintCare program, Connecticut households were only able to utilize the state’s HHW programs for their oil-based paints, and were directed to dry and dispose of latex paint. For

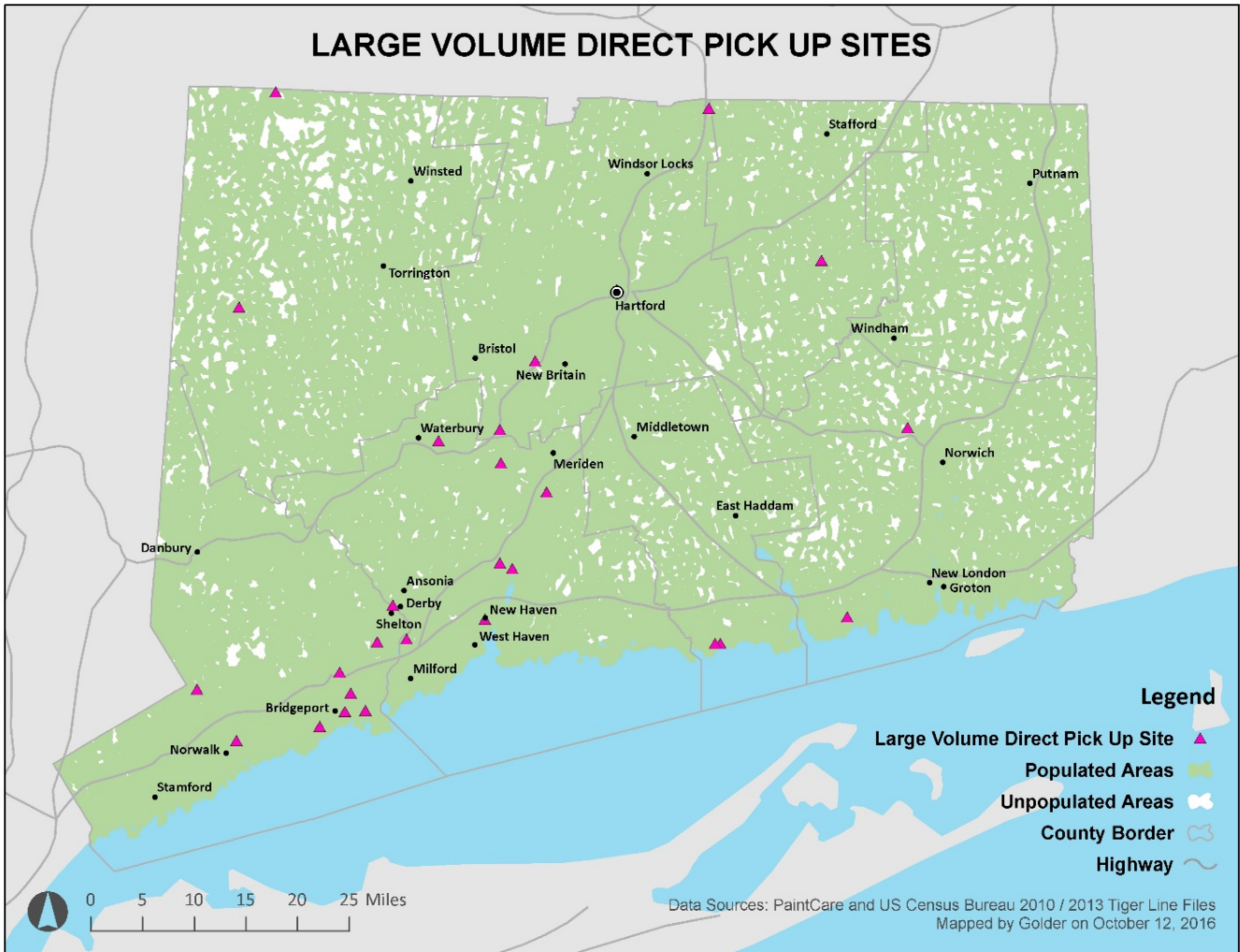
businesses, options were even fewer. Through its drop-off sites and LVP service, the PaintCare program has dramatically increased paint recycling opportunities for Connecticut residents and businesses.

The following maps show the locations of the year-round sites, supplemental sites and events, and LVP sites, respectively, that participated in the program during the reporting period. (LVP sites were not included in any measure of convenience.)



SUPPLEMENTAL DROP-OFF SITES AND EVENTS





C. PAINT COLLECTION PROCEDURES

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

With the exception of the HHW program whose staff and contractors were already familiar with managing waste paint, all other sites received on-site, in-person training and a program procedures manual. The training and program manual covered:

- ◆ Identification of program and non-program products
- ◆ Acceptable containers
- ◆ Whom to accept paint from and how much

- ◆ Screening procedure for Conditionally Exempt Small Quantity Generators (CESQGs) 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 sites 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 consumer outreach materials as needed.

In addition to PaintCare’s training and documentation requirements, the Connecticut Department of Energy and Environmental Protection requires a permit for retailers participating as drop-off sites in the program. Retailers are required to sign the completed permit registration form and be approved by the Department prior to accepting paint from the public. PaintCare files the registration form on behalf of sites.

Transfer stations and HHW facilities had permits prior to PaintCare, and the haulers that operate the HHW events hold the required state permits for these events.

D. PAINT TRANSPORTATION AND PROCESSING

D1. Paint Transportation

PaintCare employed two transporters in the reporting period, Clean Harbors Environmental Services and MXI Environmental Services, which are both permitted by the State of Connecticut as hazardous waste transporters. PaintCare requires that transportation service providers have the ability and knowledge to respond to incidents involving hazardous materials and comply with all applicable US Department of Transportation (DOT) and state transportation rules.

Clean Harbors was contracted to service all retail drop-off sites, transfer stations, and a portion of the HHW facilities and events. Clean Harbors transported paint from all their assigned sites and events to one of their permitted facilities (in either Bristol, CT; Braintree, MA; or Cranston, RI) for screening, separation and consolidation.

MXI was contracted to service a portion of the HHW facilities and events. MXI transported all paint from their assigned HHW events to their facility in Abingdon, VA for screening, further separation, and consolidation.

As in the previous reporting period, both companies continued to provide excellent service during the reporting period.

D2. Latex Paint Processing

The condition in which postconsumer latex paint is received by the program determines the available management options. If containers are not properly sealed during storage, latex paint can harden due to evaporation and may no longer be useable or recyclable. Similarly, if latex paint freezes a number of times, it may not be as suitable for reuse or recycling. Ultimately, the method of storage and the timing of the decision to bring leftover paint to a drop-off site are determined by the consumer.

The program'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.

Recycled Paint. Both transporters utilized paint-to-paint recycling as their primary method for managing latex paint. Clean Harbors transported latex paint to GDB International's facilities in Nashville, IL and New Brunswick, NJ. GDB processed postconsumer latex paint by manufacturing a variety of colors of recycled-content paint, which were either distributed and sold domestically in 1 and 5-gallon containers or sold in bulk through international markets.

MXI transported latex paint to their facility in Abingdon, VA, where the paint was consolidated by color, then transported to Mathew 25 Ministries (M25M) in Cincinnati, OH and Legacy Paint in Waterboro, SC. M25M further processed the latex paint and distributed it through charitable international organizations that work with local trade painters to paint schools, public facilities, and low-income housing. Legacy Paint further processed the latex paint then distributed and sold the paint in both domestic and international markets.

Alternative Daily Landfill Cover. MXI transported paint to New Waste Concepts in Perrysburg, OH, where it was used as a polymer substitute in a polymeric film product that is applied over the surface of landfills as a daily cover to resist water penetration into the landfill. This product is a sprayable alternative to geomembrane cover materials or soil that reduces the amount of leachate that needs to be treated.

Disposal. Dry and unusable latex paint sorted out by processors 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 processing oil-based paint using this method. Likewise, while it is also possible to recycle oil-based paint back into paint, no processor in the United States offered this option. Thus, all of the oil-based paint managed through the program in the reporting period was used as a fuel in one of the following two ways.

Energy Recovery. MXI transported oil-based to their Virginia facility where it was bulked and shipped to GeoCycle in Holly Hill, SC to be used as a fuel. Clean Harbors transported oil-based paint to their facility in Smithfield, KY, where it was bulked and shipped to Lone Star Cement in Greencastle, IN.

Incineration. Clean Harbors transported oil-based paint to their own incinerators in El Dorado, AR and Deer Park, TX.

D4. Empty Paint Containers

Empty metal and plastic paint containers were recycled whenever possible.

Section 2. Paint Collection Volume and Disposition Methods

Annual Report Statutory Citation

Sec. 22a-904a(h) The representative organization shall submit a report to the Commissioner of Environmental Protection that details the paint stewardship program. Such report shall include, but not be limited to:

(2) The volume of postconsumer paint collected in this state.

(3) The volume and type of postconsumer paint collected in this state by method of disposition, including reuse, recycling and other methods of processing.

A. PAINT SALES

Paint sales were 6,251,274 gallons in the reporting period, a small increase over last year's sales.

B. PAINT COLLECTION AND MANAGEMENT

B1. Collection Volume and Recovery Rate

The program processed 320,414 gallons of paint in the reporting period. This equates to a recovery rate of 5.1% (320,414 gallons processed divided by 6,251,274 gallons sold). As described in PaintCare's Connecticut Program Plan, for budgeting and planning purposes, PaintCare estimated an annual recovery rate of 6%, or approximately 360,000 gallons of leftover paint (6% of the originally projected 6 million gallons in sales).

Though the program has yet to reach a 6% recovery rate, collection volume has increased each year as shown in the following table.

GALLONS SOLD AND PROCESSED

	YEAR 1 FY2014	YEAR 2 FY2015	YEAR 3 FY2016
Gallons Sold	5,755,458	5,950,874	6,251,274
Gallons Processed	241,300	275,940	320,414
Recovery Rate	4.2%	4.6%	5.1%
Increase in Gallons Processed	N/A	14.4%	16.1%

Further, as discussed in 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 the program 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. The lag time between the purchase of paint and the decision that the leftover paint is unwanted, and the additional time before it is taken 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 in its Program Plan, but did commit to providing and examining recovery rate data for planning and budgeting purpose, and for comparison to baseline collection volumes as presented above.

B2. Latex vs. Oil-Based Paint

Of the 320,414 gallons of paint processed in the reporting period, 77% (247,636 gallons) was latex paint and 23% (72,778 gallons) was oil-based paint.

B3. Paint Management Methods

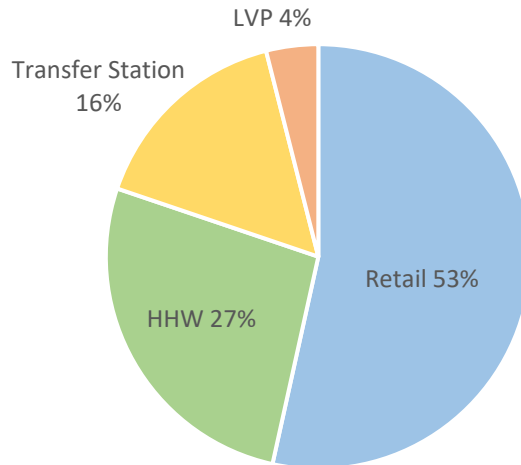
The following table shows the paint management methods and volumes in the first three reporting periods.

SUMMARY OF PAINT MANAGEMENT

	YEAR 1 FY2014 GALLONS	YEAR 1 FY2014 %	YEAR 2 FY2015 GALLONS	YEAR 2 FY2015 %	YEAR 3 FY2016 GALLONS	YEAR 3 FY2016 %
LATEX PAINT DISPOSITION						
Reuse	~ 500	< 1	244	< 1	245	<1
Recycled Paint	136,959	81	178,753	82	198,702	80
Alternative Daily Landfill Cover	6,949	4	13,200	6	12,183	5
Fuel	10,206	6	0	0	0	0
Disposal	15,263	9	25,125	12	36,506	15
Total	169,877	100	217,322	100	247,636	100
OIL-BASED PAINT DISPOSITION						
Fuel	71,423	100	58,618	100	72,778	100
Total	71,423	100	58,618	100	72,778	100

B4. Collection by Program Type

The following pie charts shows the relative volume of paint collected by program type.



C. CONTAINER RECYCLING

As described in Section 1 of this report, metal and plastic paint containers were recycled whenever possible. During the reporting period, the program recycled an estimated 209 tons of paint containers, bringing the total tons recycled since the start of the program to 474 tons.

Section 3. Independent Audit and Financial Summary

Annual Report Statutory Citation

Sec. 22a-904a(h) The representative organization shall submit a report to the Commissioner of Environmental Protection that details the paint stewardship program. Such report shall include, but not be limited to:

(4) the total cost of implementing the program, as determined by an independent financial audit; (5) an evaluation of the operation of the program's funding mechanism.

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. The independent financial audit of the PaintCare program is included in the appendix.

B. FINANCIAL SUMMARY AND DISCUSSION

B1. Revenue and Expense Categories

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

Paint Processing. Paint processing is the largest expense in all PaintCare programs (states and jurisdictions). Paint processing costs were billed based on weight or by the box, and included the cost of sorting mixed boxes of latex and oil-based paint.

Paint Transportation. Paint transportation is another significant expense in PaintCare programs. Transportation costs were billed per cubic yard collection bin picked up and included a minimum stop charge.

Collection Supplies and Support. Collection support expenses included paint collection bins (single use and reusable), spill kits, training materials, and miscellaneous supplies for drop-off site operations.

Communications. Communications expenses 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 Connecticut and Rhode Island programs, GIS analysis, work by the Product Stewardship Institute (evaluation of the Connecticut PaintCare program, national paint source reduction project, national consumer awareness survey, and study of PaintCare impacts on HHW programs), legal costs, travel, office supplies, and other logistical and professional support.

State Administrative Fees. PaintCare pays administrative fees in the amount to \$20,000 to the Department of Energy and Environmental Protection 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, Connecticut's allocation for corporate activity was 6.1%. 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 the Connecticut 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 table shows program revenue and expenses during the first three reporting periods of the program. A discussion of any significant differences between the last two reporting periods follows the table.

PROGRAM ACTIVITIES

REVENUE	YEAR 1 FY2014	YEAR 2 FY2015	YEAR 3 FY2016
Larger than half pint to smaller than 1 gallon	\$ 408,243	\$ 470,065	473,053
1 gallon	2,403,101	2,463,209	2,600,642
Larger than 1 gallon up to 5 gallons	722,126	744,882	781,827
Total revenue	3,533,470	3,678,156	3,855,522
EXPENSES			
Paint processing	935,657	1,173,310	1,378,563
Paint transportation	390,260	438,863	505,722
Collection supplies and support	315,780	393,719	347,619
Communications	256,452	346,529	460,292
Personnel, professional fees, and other	144,280	134,813	133,560
State administrative fees	40,000	20,000	20,000
Allocation of corporate activity	142,482	188,442	252,858
Total expenses	2,224,911	2,695,676	3,098,614
Allocation of investment activity	0	1,643	10,956
Change in net assets (revenue minus expenses)	1,308,559	984,123	767,864
Net assets, beginning of reporting period	(495,872)	812,687	1,796,809
Net assets, end of reporting period	\$ 812,687	\$ 1,796,810	\$ 2,564,673

- ◆ Paint transportation and processing costs were higher in the reporting period due to higher collection volumes.
- ◆ Communications costs were increased during the reporting period in order to increase awareness of the program.
- ◆ Corporate activity increased during the reporting period due to growth in staffing in the areas of information services and communications, increased insurance costs, and expenses for the development of a new, Salesforce-based manufacturer fee reporting system.

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/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 Connecticut program had built surplus of \$2,564,673 – 83% of annual expenses. However, because the Connecticut program is still young, PaintCare expects collection volumes and costs to increase for several years as awareness about the program grows. PaintCare anticipates reaching program maturity with consistent collection volumes in the fourth or fifth year of the program.

D. EVALUATION OF THE PROGRAM'S FUNDING MECHANISM

As described in the Connecticut Program Plan, the program utilizes the following fee schedule, based on paint 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, fee structure, and system to receive sales reports and payments from manufacturers continued to perform well during the reporting period. The revenue generated was sufficient to cover expenses. No adjustment to the fee structure or payment system is proposed at this time.

If the program reserves fall below the minimum threshold of 16% or beyond the maximum threshold of 75%, an evaluation of the programs expenses and/or revenue will be performed to determine if changes are needed in operations, outreach, or the assessment structure. As noted previously, the Connecticut program is still young and costs are expected to rise as the program matures. Therefore, the fee structure should stay the same for at least one more year.

Section 4. Outreach

Annual Report Statutory Citation

Sec. 22a-904a(h) The representative organization shall submit a report to the Commissioner of Environmental Protection that details the paint stewardship program. Such report shall include, but not be limited to:

(6) samples of educational materials provided to consumers of architectural paint and an evaluation of the methods used to disseminate such materials.

A. OUTREACH ACTIVITIES

A1. Introduction

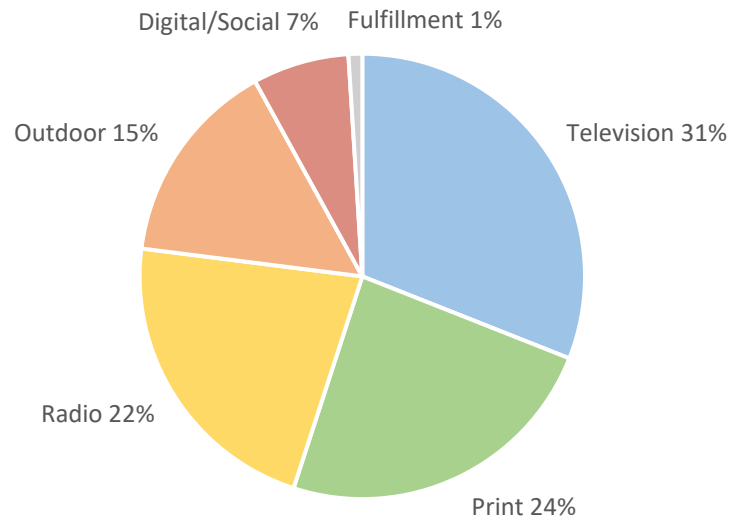
PaintCare's Program Plan for the Connecticut program includes a variety of outreach activities targeted to retailers, painting contractors, municipal agencies, and the general public through direct contact and advertising. Initial outreach prior to the start of the program and in the first year focused on recruiting of drop off sites – retail, HHW programs, and transfer stations.

Outreach efforts in the reporting period focused on encouraging the public to recycle their unwanted paint and included messages related to source reduction and reuse.

Outreach was conducted using a variety of media, including print (newspapers), television, outdoor (billboards and sports sponsorships), radio, fulfillment (distribution of brochures and other print-based materials), digital, and social media.

The main objective of outreach was to drive the public to PaintCare's website to find a drop-off site using PaintCare's site locator search tool. The relative amounts of spending dedicated to outreach activities about the Connecticut program are summarized in the following pie chart:

MEDIA MIX FOR PROMOTION OF PAINTCARE IN CONNECTICUT



A2. Press Releases

PaintCare issued one press release about a retailer in Guilford that requested promotion and joined the program in November 2015. No other press releases were issued.

A3. Print Materials for Consumers

PaintCare's in-house outreach department fulfills orders of point-of-sale materials to retailers and other stakeholders upon request. Materials available include posters, program brochures, mini cards, and fact sheets for painting contractors and the LVP service. During the reporting period, PaintCare distributed more than 6,237 brochures, mini cards, and fact sheets. PaintCare fulfilled relatively few (141) requests for materials by mail compared to the number of deliveries made by the Connecticut program manager, who dropped off materials in person during site visits.

PaintCare also provided 129 counter mats 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. Fact Sheets 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 Connecticut 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

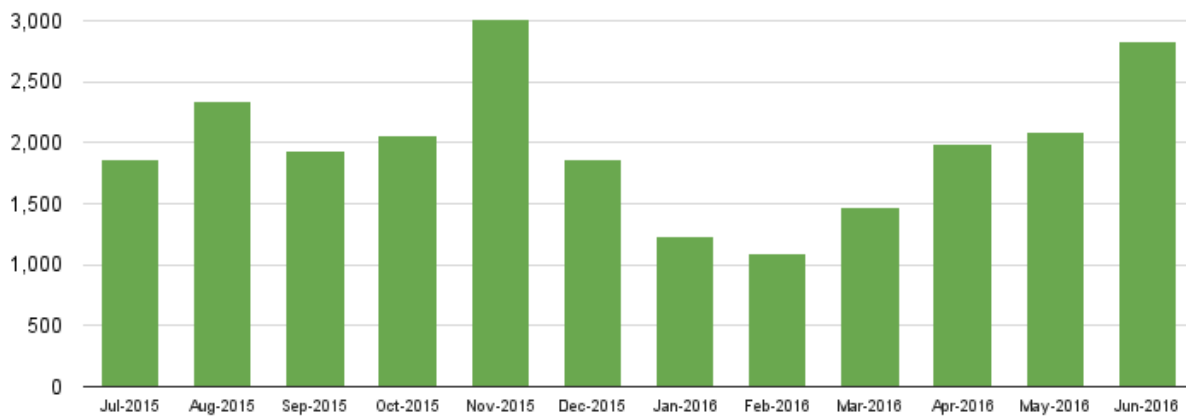
A5. Website

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 a general section for retailers, explains what products are covered by the program, and has a Connecticut page with tabs for different audiences (Everyone, Contractors, Retailers, Waste Facilities, and Official Docs).

Website traffic from Connecticut had two peaks in the reporting period. The November 2015 peak followed three months of a newspaper and television advertising campaign and coincided with a radio and online campaign in November. A second multi-media campaign done April through June 2016 contributed to a peak in June.

MONTHLY WEBSITE TRAFFIC FROM CONNECTICUT



A6. 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 Connecticut’s program brochure to Polish, Portuguese, and 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 PaintCare programs.

A7. Radio

Public Radio. PaintCare ran one set of sponsorships on Connecticut Public Radio for nine weeks in July, November and December 2015 and another 13 weeks in March, April and June 2016. The sponsorship used the following message: *“PaintCare’s Connecticut Recycling Program, now with more than 140 drop off locations in Connecticut where residents and businesses can recycle their leftover paint. Online at Paint Care dot org. Buy Right, Use It Up, Recycle the Rest--with PaintCare.”*

Commercial Radio. PaintCare ran a series of radio spots featuring talking paint can characters (Malibu Pink, Taxicab Yellow and Forrest Green) on commercial radio in five English markets and three Spanish markets for four weeks in September and October 2015 and another four weeks in April, May and June 2016.

A8. Television

In the reporting period, PaintCare ran an average of 35 television commercials per week in alternating two week blocks – two weeks on four broadcast stations, then two weeks on four cable stations. Both commercials addressed PaintCare’s source reduction (“Buy Right”) message. The “Calculations” commercial showed a couple discussing how much paint to buy, being confused, and then asking for advice at their paint store. The “Goldilocks” commercial showed a couple that first had too little paint, then they had too much, and then they took measurements and asked for help at their paint store, finally getting it “just right.” Both commercials can be viewed from www.paintcare.org/media.



Still frames from “Calculations” commercial (above) and “Goldilocks” (below)



A9. Newspaper Advertising

PaintCare ran newspaper ads in fall 2015 and spring 2016 throughout the state to advertise retail drop-off sites; each site was promoted four times during this period. The following ads are examples from each campaign.

PAINT RECYCLING MADE *easy*

Do you know where to recycle your paint?
There are now 140 PaintCare sites in Connecticut where households and businesses can recycle unwanted paint, stain and varnish all year-round, including these sites in your area:

TRUE VALUE OF BETHLEHEM 101 Main Street South Bethlehem, CT 06751 (203) 265-5262	OXFORD LUMBER & BUILDING MATERIALS 113 Oxford Rd Oxford, CT 06478 (203) 288-9200	ACE HARDWARE OF WOODBURY 690 Main Street South Woodbury, CT 06798 (203) 263-5999
--	--	--

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. Leaking, unlabeled and empty containers are not accepted.



PAINT RECYCLING MADE *easy*

Do you know where to recycle your paint?
There are more than 140 PaintCare sites in Connecticut where households and businesses can recycle unwanted paint, stain and varnish for free all year-round, including these sites in your area:

C A LINDELL TRUE VALUE HARDWARE & LUMBER 11 Fortune Road Canaan, CT 06018 (860) 824-5443	ED HERRINGTONS 11 Fortune Road Lakeville, CT 06039 (860) 435-2561
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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 recycle leaking, unlabeled and empty containers.



Example Newspaper Ad with Sites Listed for Fall 2015 (left) and Spring 2016 (right)

A10. Digital Advertising

PaintCare ran digital banner ads on a variety of news related websites in September -December 2015, and again in April and May 2016. PaintCare began a campaign in June 2015 (just prior to the start of the reporting period that continued into the reporting period) with similar ads on Pandora digital radio as shown below.



Digital Ads used on Pandora Radio

A11. Outdoor

PaintCare ran billboards on Interstate 91 in Hartford in August 2015 and on Interstate 91 in New Haven in September 2015 as well as May and June 2016. Smaller billboards were placed on secondary roadways in New London County July through September 2015.

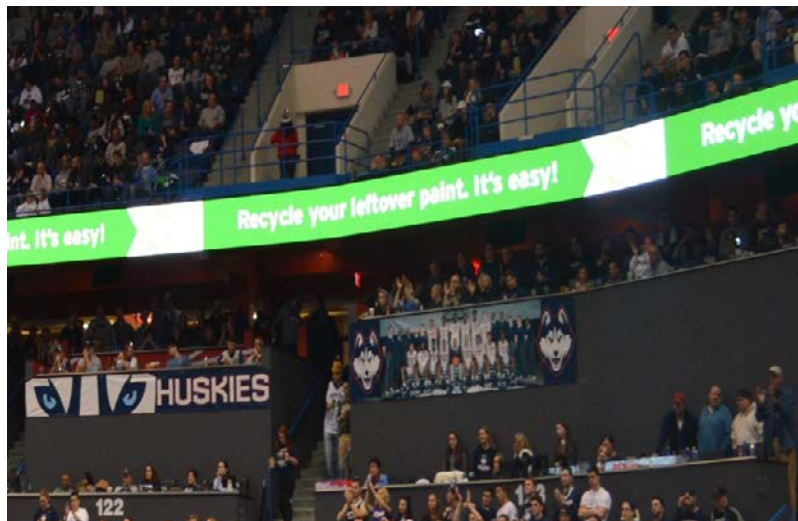


Example of Highway Billboard

A12. Sports Sponsorships

PaintCare ran sponsorships in January 2016 with Quinnipiac University Ice Hockey and UCONN Basketball that included digital signage during the game as well as accompanying PA Announcement:

- ◆ PaintCare’s Connecticut Recycling Program, now with more than 100 drop-off locations in Connecticut where residents and businesses can recycle their leftover paint. Online at Paint Care dot org. “Buy Right, Use It Up, Recycle the Rest – with PaintCare.”
- ◆ Hey Bobcat Fans! Do you know where to recycle your leftover paint? PaintCare’s Connecticut recycling program now has over 100 drop-off locations where residents and businesses can recycle their leftover paint. To find a paint drop-off site near you, or for more information, visit Paint Care dot org. “Buy Right, Use it Up, Recycle the Rest – with PaintCare.”



Example of Sports Sponsorship Signage

A13. Face-to-Face

The Connecticut program manager continued to visit with retail drop-off sites regularly to make sure there were no issues, to help coach them on how to answer questions they receive from customers, provide brochures and other point-of-sale materials, and order signs. The manager also talked to customers in the stores when they were dropping off paint or buying paint and had questions.

She also visited PaintCare’s HHW and transfer station partners to check on operational issues and answer questions.

In addition to this regular contact with drop-off sites, the Connecticut program manager was active with the following face-to-face events during the reporting period year:

- ◆ Connecticut Conference of Municipalities (Hartford) to explain the program to government officials
- ◆ Stakeholder meeting (Plainville) presentation on the program and annual report
- ◆ Solid Waste Advisory Committee (Connecticut Department of Energy and Environmental Protection) meeting (Hartford) presentation about annual report

- ◆ Connecticut Recyclers Coalition conference (Southington) to network with recycling coordinators and answer questions about PaintCare
- ◆ Monthly meeting for the New Haven Chapter of the PDCA to provide updates on the program
- ◆ Northeast PDCA Conference (Trumbull) tabling to answer questions about the program, hand out informational brochures, and provide information regarding the LVP service
- ◆ Northeast Resource Recovery Association Conference and Expo (New Hampshire) presentation and tabling to answer questions about the program and hand out informational brochures
- ◆ Affiliate member of the second largest Board of Realtors (New Haven/Middlesex), attended a summer mixer and spoke after a training class to answer questions about the program, hand out informational brochures

Finally, the Connecticut program manager spoke with individuals interested in PaintCare’s LVP service, explained how to request a pick-up, what was required to take advantage of the service, and which types of products are covered by the program and eligible for the service. If necessary, she 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.

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 and available on PaintCare’s website at paintcare.org/signs.



A15. Joint Outreach Projects

PaintCare offers creative and financial support to HHW and transfer station programs that are PaintCare partners. PaintCare contributed to two newspaper ads to promote two Housatonic Resource Recovery Association's households hazardous waste events during the reporting period. More information about joint outreach is available from PaintCare's website.

A16. Store Right Tips

PaintCare developed a series of video tips about storing paint properly to increase recyclability. The videos are used in social media posts and on PaintCare's website at www.paintcare.org/storerright.



Storage Tips Videos: *Poke Holes in the Rim, Create a Tape Spout, Use a Mallet to Close (not a hammer)*

B. AWARENESS SURVEY

PaintCare conducted a baseline "Paint Usage and Disposal Survey" in Connecticut in June 2013 using Survey Monkey, an online survey instrument. The survey is repeated each June. 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 last three rounds of surveys is included in the appendix.

Here are some highlights of the differences between the surveys:

- ◆ On average, respondents indicated that they have less leftover paint at their home or business. More than 50% said they had no paint or less than a gallon this year compared to 35% in 2014. Those who said they had 5 or more gallons dropped each year - from 23% to 10% over three years.
- ◆ The number of people who said they would take paint to an HHW program decreased each year - from 45% to 25% over three years.
- ◆ The percentage of people who said they would currently put liquid paint in the trash increased this year, which was unexpected. The percentage was 7.4% in 2014, 0.5% in 2015 and 3.9% in 2016.
- ◆ Those who said they would dry it out before putting it in the trash decreased slightly after increasing by the same amount the previous year.

- ◆ The number of people who would use retail drop-off sites continued to increase, indicating awareness that paint stores now take back paint and of the PaintCare Program in general.
- ◆ The number of people who said they had recycled paint in the past year decreased. The previous year it had increased by the same amount. This was unexpected.
- ◆ The number of people who said they know where to take paint for recycling decreased this year and is less than two years ago. This was unexpected.

C. RECOMMENDATIONS

PaintCare will continue to conduct outreach through various media activities, including television, radio, online and newspaper advertising to increase awareness across the state. PaintCare endeavors to reach the general public – all households and businesses that generate or accumulate leftover paint. Because the various segments of the general population are reached by different media, a media mix that includes a variety of strategies is necessary to reach the general population.

The use and effectiveness of digital and social media strategies has been expanded in the past year, and should be expanded further. Digital advertising is increasing as people spend more time online. Digital and social media strategies can target relevant messages to specific geographic areas. In the past year, PaintCare managed its Facebook account in-house, however starting in October 2016 PaintCare has assigned management and expansion of its Facebook account to Mascola Group, its marketing firm for New England, and will work them to increase its fan base and promote Connecticut and other PaintCare programs.

The number of visitors using mobile devices to access PaintCare's website has shifted is now 80%, compared to 20% two years ago. In response, PaintCare intends to make the website more responsive (mobile friendly) in FY2016.

PaintCare will continue to use newspaper or other print-based advertising to promote sites. Although newspaper circulation has decreased, PaintCare drop-off sites appreciate promotion.

PaintCare should continue to offer its joint outreach program to local governments to leverage their messaging and outreach for recycling and solid waste programs.

As the program matures, the program manager will continue to attend local events and in-person meetings (e.g., home shows, painting contractor associations, etc.).

Appendix A



YEAR-ROUND SITES

140 PAINTCARE CONNECTICUT DROP-OFF SITES 2016 - PAGE 1

Site Name	Address	City	Type
Carr Hardware	320 W Main St	Avon	Retail
Mahers Paint & Wallpaper	369 W Main St	Avon	Retail
Sherwin-Williams	353 W Main St	Avon	Retail
Regional Refuse Disposal District One	31 New Hartford Rd	Barkhamsted	Transfer Station
City of New Britain - Recycling Center	642 Christian Ln	Berlin	Transfer Station
Rings End	9 Taylor Ave	Bethel	Retail
Stony Hill Hardware	34 Stony Hill Rd	Bethel	Retail
True Value of Bethel	211 Greenwood Ave	Bethel	Retail
True Value of Bethlehem	101 Main St S	Bethlehem	Retail
John Boyle Company	550 Cottage Grove Rd	Bloomfield	Retail
England True Value Hardware	661 Boston Tpke Rte 44	Bolton	Retail
Branford Building Supplies	1145 Main St	Branford	Retail
Rings End	25 E Industrial Rd	Branford	Retail
Sherwin-Williams	2 Liesl Ln	Branford	Retail
PPG Paints	1739 Main St	Bridgeport	Retail
Sherwin-Williams	46 Glenwood Ave	Bridgeport	Retail
City Hardware	750 Farmington Ave	Bristol	Retail
City of Bristol	685 Lake Ave	Bristol	Transfer Station
Sherwin-Williams	1197 Farmington Ave	Bristol	Retail
Sherwin-Williams	2 Federal Rd	Brookfield	Retail
Town of Brooklyn	95 Ruckstella Rd (off Beecher Rd)	Brooklyn	Transfer Station
Town of Burlington	66 Belden Rd	Burlington	Transfer Station
C A Lindell True Value Hardware & Lumber	59 Church St	Canaan	Retail
Town of Canterbury	111 Kinne Rd	Canterbury	Transfer Station
Larsen Ace Hardware	220 Albany Turnpike	Canton	Retail
R W Hine Hardware	231 Maple Ave	Cheshire	Retail
Stewards Ace Hardware	114 E Main St	Clinton	Retail
Town of Cornwall	24 Furnace Brook Rd	Cornwall	Transfer Station
Sherwin-Williams	50 Berlin Rd	Cromwell	Retail
Deeps Hardware	47 North St	Danbury	Retail
PPG Paints	211 White St	Danbury	Retail
Sherwin-Williams	1 Padanaram Rd	Danbury	Retail



YEAR-ROUND SITES

140 PAINTCARE CONNECTICUT DROP-OFF SITES 2016 - PAGE 2

Site Name	Address	City	Type
Town of Darien	126 Ledge Rd	Darien	Transfer Station
Shagbark True Value Hardware	21 Mt Parnassus Rd	East Haddam	Retail
East Hampton Ace Hardware	25 E High St	East Hampton	Retail
Sherwin-Williams	275 Park Ave	East Hartford	Retail
Town of East Hartford	61 Ecology Dr	East Hartford	Transfer Station
Goodys Hardware	540 Main St	East Haven	Retail
Cash True Value Home Center	300 Flanders Rd	East Lyme	Retail
Town of Eastford	264 Westford Rd	Eastford	Transfer Station
Sherwin-Williams	85 Freshwater Blvd	Enfield	Retail
Katz Hardware	2687 Main St	Glastonbury	Retail
Beman True Value Hardware	20 Hartford Ave	Granby	Retail
Town of Granby	103 Old Stagecoach Rd	Granby	Transfer Station
Town of Griswold	1148 Voluntown Rd Rte 138	Griswold	Transfer Station
Johnson True Value Hardware	40 Fort Hill Rd	Groton	Retail
Sherwin-Williams	750 Long Hill Rd	Groton	Retail
Page Hardware and Appliances	9 Boston St	Guilford	Retail
Sherwin-Williams	2100 Dixwell Ave	Hamden	Retail
Town of Hamden	231 Wintergreen Ave	Hamden	Transfer Station
City of Hartford	180 Leibert Rd	Hartford	Transfer Station
Hebron Ace Hardware	81 Main St POB 151	Hebron	Retail
Town of Kent	46 Maple St	Kent	Transfer Station
Sherwin-Williams	1062 N Main St	Killingly	Retail
Killingworth True Value Hardware	228 Route 81	Killingworth	Retail
Ed Herringtons Inc	11 Farnum Rd	Lakeville	Retail
Town of Lebanon	175 Exeter Rd	Lebanon	Transfer Station
Holdridge Home & Garden True Value Hardware	749 Colonel Ledyard Hwy	Ledyard	Retail
Town of Ledyard	881 Colonel Ledyard Hwy (J Alfred Clark Way)	Ledyard	Transfer Station
True Value Hardware of Litchfield	348 Bantam Rd	Litchfield	Retail
Sherwin-Williams	100 Tolland Tpke	Manchester	Retail
Sherwin-Williams	257 Broad St	Manchester	Retail
Town of Mansfield	221 Warrenville Rd Mansfield Center	Mansfield	Transfer Station



YEAR-ROUND SITES

140 PAINTCARE CONNECTICUT DROP-OFF SITES 2016 - PAGE 3

Site Name	Address	City	Type
Ace Home Center	480 S Main St	Middletown	Retail
Colony Paint	282 Boston Post Rd	Milford	Retail
PPG Paints	773 Bridgeport Ave	Milford	Retail
Town of Morris	254 Lakeside Rd	Morris	Transfer Station
Cash True Value Home Center	9 Hendel Dr	Mystic	Retail
Mystic Paint and Decorating Center	50 Williams Ave	Mystic	Retail
H J Bushka Sons Lumber and Millwork	25 Great Hill Rd	Naugatuck	Retail
Sherwin-Williams	727 Rubber Ave	Naugatuck	Retail
John Boyle Company	152 S Main St	New Britain	Retail
Village Hardware	1 Brush Hill Rd	New Fairfield	Retail
Grand Paint & Carpet Center	451 Grand Ave	New Haven	Retail
PPG Paints	390 East St	New Haven	Retail
Sherwin-Williams	454 Whalley Ave	New Haven	Retail
City of New London	63 Lewis St	New London	Transfer Station
H H Taylor & Sons True Value Hardware	85 Railroad St	New Milford	Retail
Rings End	140 Danbury Rd Rte 7	New Milford	Retail
Sherwin-Williams	116 Danbury Rd	New Milford	Retail
ReCONNstruction Center	731 New Britain Ave	Newington	ReStore
Newtown Hardware (Do It Best)	61 Church Hill Rd	Newtown	Retail
Sherwin-Williams	255 S Main St	Newtown	Retail
Rings End	28 Hope St	Niantic	Retail
Country Paint and Hardware	2410 Foxon Rd	North Branford	Retail
North Haven Paint & Hardware	87 Quinnipiac Ave	North Haven	Retail
PPG Paints	310 Washington Ave	North Haven	Retail
Town of North Stonington	191 Wintechog Hill Rd	North Stonington	Transfer Station
Town of Windham	8 Industrial Park Dr	North Windham	Transfer Station
PPG Paints	106 Main St	Norwalk	Retail
Rings End	149 Westport Ave	Norwalk	Retail
Sherwin-Williams	304 Main Ave	Norwalk	Retail
Ace Home Center	146 W Town St	Norwich	Retail
City of Norwich	73 Rogers Rd	Norwich	Transfer Station
Sherwin-Williams	411 W Main St	Norwich	Retail



YEAR-ROUND SITES

140 PAINTCARE CONNECTICUT DROP-OFF SITES 2016 - PAGE 4

Site Name	Address	City	Type
Sherwin-Williams	783 Boston Post Rd	Old Saybrook	Retail
Sherwin-Williams	575 Boston Post Rd	Orange	Retail
Town of Orange	100 S Orange Center Rd	Orange	Transfer Station
Oxford Lumber & Building Materials	113 Oxford Rd	Oxford	Retail
Town of Stonington	152 Green Haven Rd	Pawcatuck	Transfer Station
Plainfield Hardware	20 Excalibur Blvd	Plainfield	Retail
Town of Portland	Sand Hill Rd	Portland	Transfer Station
Sherwin-Williams	239 Kennedy Dr	Putnam	Retail
Town of Redding	84 Hopewell Woods Rd	Redding Center	Transfer Station
Keoghs Paint & Hardware	1 Ethan Allen Hwy	Ridgefield	Retail
Ridgefield Supply	29 Prospect St	Ridgefield	Retail
Town of Ridgefield	55 South St	Ridgefield	Transfer Station
Town of Rocky Hill	2 Old Forge Rd	Rocky Hill	Transfer Station
Town of Salisbury	309 Sharon Rd	Salisbury	Transfer Station
Town of Simsbury	74 Wolcott Rd	Simsbury	Transfer Station
Town of Southbury	231 Kettletown Rd	Southbury	Transfer Station
PPG Paints	320 Queen St	Southington	Retail
Sherwin-Williams	405 Queen St	Southington	Retail
Keoghs Paint & Hardware	907 High Ridge Rd	Stamford	Retail
Sherwin-Williams	1100 Hope St	Stamford	Retail
Mansfield Supply Inc	1527 Storrs Rd	Storrs	Retail
O L Willard Co	1753 Storrs Rd	Storrs	Retail
Sherwin-Williams	425 Benton St	Stratford	Retail
Town of Plymouth	175 Old Waterbury Rd	Terryville	Transfer Station
Sherwin-Williams	368 Winsted Rd	Torrington	Retail
Sherwin-Williams	927 N Colony Rd	Wallingford	Retail
PPG Paints	1225 Thomaston Ave	Waterbury	Retail
Schmidts & Serafines True Value	464 Chase Ave	Waterbury	Retail
Sherwin-Williams	997 Wolcott St	Waterbury	Retail
Sherwin-Williams	99 Boston Post Rd	Waterford	Retail
Town of Watertown	Old Baird Rd	Watertown	Transfer Station
PPG Paints	80 South St	West Hartford	Retail



YEAR-ROUND SITES

140 PAINTCARE CONNECTICUT DROP-OFF SITES 2016 - PAGE 5

Site Name	Address	City	Type
Sherwin-Williams	1077 New Britain Ave	West Hartford	Retail
Sherwin-Williams	725 Silas Deane Hwy	Wethersfield	Retail
United Paint & Wallpaper	669 Silas Deane Hwy	Wethersfield	Retail
Cash True Value Home Center	1561 Main St	Willimantic	Retail
O L Willard Co	196 Valley St	Willimantic	Retail
Sherwin-Williams	1320 Main St	Willimantic	Retail
Rings End	129 Danbury Rd	Wilton	Retail
Wilton Hardware	21 River Rd	Wilton	Retail
Town of Windsor	500 Huckleberry Rd	Windsor	Transfer Station
True Value of Winchester	276 Main St	Winsted	Retail
Town of Wolcott	48 Todd Rd	Wolcott	Transfer Station
Town of Woodbridge	85 Acorn Hill Rd Ext	Woodbridge	Transfer Station
Ace Hardware of Woodbury	690 Main St S	Woodbury	Retail



SUPPLEMENTAL SITES AND EVENTS

64 PAINTCARE CONNECTICUT DROP-OFF SITES/EVENTS 2016 - PAGE 1

Site Name	Address	City	Type
Ansonia, Derby, Seymour	N Division St	Ansonia	HHW Event
Avon Hardware	320 W Main St	Avon	XXX
Town of Avon	281 Huckleberry Hill Rd	Avon	Transfer Station
Regional Refuse District #1	31 New Hartford Rd	Barkhamsted	HHW Event
NVCOG - Beacon Falls (Beacon Fall Fire Department)	35 N Main St	Beacon Falls	HHW Event
TROC - New Britain (Recycling Center)	642 Christian Ln	Berlin	HHW Event
MDC - Bloomfield (Public Works Bldg)	21 Southwood Rd	Bloomfield	HHW Event
City of Bridgeport	425 Thormes St	Bridgeport	HHW Event
TROC - Bristol (Public Works Garage)	95 Vincent P Kelly Dr	Bristol	HHW Event
TROC - Burlington Recycling Center	66 Belden Rd	Burlington	HHW Event
RiverCOG - Satellite Clinton	117 Nod Rd	Clinton	HHW Event
SCRRRA - Colchester (Johnston Middle School)	360 Norwich Ave	Colchester	HHW Event
HRRRA - Danbury (Public Works)	53A Newtown Rd	Danbury	HHW Event
RiverCog - Satellite East Hampton (WPCA)	20 Gildersleeve Dr	East Hampton	HHW Event
MDC - East Htfd (East Hartford WPCF)	65 Pitkin St	East Hartford	HHW Event
SCRRRA - East Lyme	8 Capitol Dr	East Lyme	HHW Event
River COG HHW Facility	Dump Road (no street number)	Essex	HHW Facility
Town of Essex	5 Dump Rd	Essex	Transfer Station
RWA- satellite Fairfield (Vets Park)	909 Reef Rd	Fairfield	HHW Event
NHCOG - Falls Village (Public Works Garage)	Railroad St (no street number)	Falls Village	HHW Event
Towns of Avon, Granby, Canton, Simsbury & Farmington	10 Monteith Dr	Farmington	HHW Event
SCRRRA - Ledyard	7 Hurlbutt Rd	Gales Ferry	HHW Event
SCRRRA - Griswold (Griswold Highway Garage)	1148 Voluntown Rd (Rt 138)	Griswold	HHW Event
SCRRRA - Groton	Groton TS 685 Flanders Rd	Groton	HHW Event
Urban Miners	30 Manila Ave	Hamden	XXX
MDC - Hartford MLK School	25 Ridgefield St	Hartford	HHW Event
NHCOG - Torrington (Torrington WPCF)	252 Bogue Rd	Harwinton	HHW Event
Town of Killingly (Westfield Ave High School)	79 Westfield Ave	Killingly	HHW Event
RWA - Satellite Madison	1288 Boston Post Rd	Madison	HHW Event
Tuxis Lumber Company	85 Bradley Rd	Madison	Retail
TROC - Meriden	55 Michael Dr	Meriden	HHW Event
RiverCog - Satellite Middletown (Middlesex Community College)	100 Training Hill Rd	Middletown	HHW Event
Regional Water Authority (RWA)	90 Sargant Dr	New Haven	HHW Facility



SUPPLEMENTAL SITES AND EVENTS

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Site Name	Address	City	Type
HRRRA (New Milford) New Milford Railroad Station	Railroad St and Bridge St	New Milford	HHW Event
MDC - Newington (Town Garage)	281 Milk Ln (off of Fenn Rd)	Newington	HHW Event
HRRRA - Newtown (Public Works)	4 Turkey Hill Rd	Newtown	HHW Event
PPG Paints	2 Montowese Ave	North Haven	XXX
SCRRRA - North Stonington (Public Works)	11 Wyassup Rd	North Stonington	HHW Event
SCRRRA - Norwich (Public Works Garage)	50 Clinton Ave	Norwich	HHW Event
SCRRRA - Montville (Tyl Middle School)	166 Chesterfield Rd (off Rt 163)	Oakdale	HHW Event
TROC - Plainville Roadway Garage	23 Granger Ln (off Rt 177)	Plainville	HHW Event
TROC - Prospect (Town Garage)	221 Cheshire Rd	Prospect	HHW Event
Town of Putnam (Putnam Middle School)	35 Wicker St	Putnam	HHW Event
MDC - Rocky Hill (RH WPCF)	80 Goff Brook Ln	Rocky Hill	HHW Event
MDC - Rocky Hill (Stevens School)	322 Orchard St	Rocky Hill	HHW Event
City of Shelton (Highway & Bridges Dept)	41 Myrtle St	Shelton	HHW Event
Towns of Avon, Granby, Canton, Simsbury & Farmington (Simsbury DPW)	66 Town Forest Rd	Simsbury	HHW Event
TROC - Southington (Town Garage)	1 Delta Bitta Dr	Southington	HHW Event
SCRRRA - Stonington (Highway Dept)	86 Alpha Ave	Stonington	HHW Event
Town of Stratford (Public Works)	550 Patterson Ave	Stratford	HHW Event
Town of Suffield Town Garage	42 Ff Tyler Place	Suffield	HHW Event
NVCOG - Thomaston (Thomaston High School)	185 Branch Rd	Thomaston	HHW Event
Paint Emporium	1114B N Colony Rd	Wallingford	Retail
Brass City Paint & Decorating	579 Wolcott St	Waterbury	XXX
John Boyle Company	176 Newington Rd	West Hartford	Retail
MDC - West Hartford Emanuel Synagogue	160 Mohegan Dr	West Hartford	HHW Event
MDC - West Htfd (Public Works Garage)	Oakwood Ave	West Hartford	HHW Event
MDC Wethersfield (Webb School)	51 Willow St	Wethersfield	HHW Event
MidNEROC	57 Hancock Rd	Willington	HHW Facility
MDC - Windsor Poquonock WPCF	1222 Poquonock Ave	Windsor	HHW Event
MDC - Windsor Locks (Public Works Garage)	6 Stanton Rd	Windsor Locks	HHW Event
RWA - satellite Woodbridge	89 Acorn Hill Rd	Woodbridge	HHW Event
NVCOG - Woodbury (Woodbury Middle School)	67 Washington Ave	Woodbury	HHW Event
Town of Woodstock (Woodstock Town Hall)	415 CT 169	Woodstock	HHW Event

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.

Handwritten signature in blue ink that reads "Rogers + Company PLLC". The signature is written in a cursive, flowing 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><u>\$ 49,190,582</u></u>	<u><u>\$ 44,221,598</u></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><u>\$ 49,190,582</u></u>	<u><u>\$ 44,221,598</u></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	4,261,096	3,164,681
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><u>\$ 8,929,274</u></u>	<u><u>\$ 9,236,954</u></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



Connecticut 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?

Connecticut'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-Program 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



CONNECTICUT

Places to Take Old Paint

Paint recycling is more convenient with PaintCare. We set up paint drop-off sites throughout Connecticut. 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 Connecticut Paint Stewardship Program Affect Paint Retailers?

UPDATED — JULY 2016

Connecticut's paint stewardship law requires paint manufacturers to establish a Paint Stewardship Program in Connecticut. Funding for the program comes from a fee applied to the price of architectural paint sold in Connecticut. The program started in July 2013.

Paint Stewardship Program in Connecticut

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 Connecticut 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 Connecticut and PaintCare's seven other states (California, Colorado, Maine, Minnesota, Oregon, 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. 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/ct.

REQUIREMENTS OF RETAILERS

1. Check Registered Manufacturers and Brands

Retailers may not sell architectural paints in Connecticut 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 and the Connecticut Department of Energy and the Environment publish lists of registered manufacturers and

brands on their websites so that retailers can confirm 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) must be applied by manufacturers to the wholesale price of all architectural paint sold in Connecticut. This fee pays for all aspects of running the program. It is paid by manufacturers to PaintCare and then passed to their dealers. Retailers should see the PaintCare Fee on invoices from suppliers after the program starts. The law also requires that retailers and distributors apply the fee to the purchase price of architectural paint they sell. The fee paid by the customer to the retailer offsets the fee charged by the manufacturer or distributor to the retailer. All manufacturers, distributors, and retailers selling architectural paint in the state must pay and pass down the fee, 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 up 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 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 and not given back as a deposit for the return of paint or empty paint cans — a common misunderstanding.

Must we show the fee on receipts?

No, but most stores do show the fee in order to explain the price increase. PaintCare encourages retailers to show the fee and list it as PaintCare Fee to aid in customer education and provide consistency across the program.

Do we return the fee if a product is returned?

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

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.

How will 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 trade painters, and conducts general outreach including newspaper, radio, television, and on-line advertising.

Contact

Laura Honis
Program Manager (Connecticut and Rhode Island)
(203) 747-4494
lhonis@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 Connecticut. The new law requires paint retailers to add a stewardship assessment (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.

Paint Stewardship Program in Connecticut

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, Maine, Minnesota, Oregon, Rhode Island, and Vermont. PaintCare is also planning 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/ct.

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

Laura Honis
Program Manager (Connecticut and Rhode Island)
(203) 747-4494
lhonis@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 — JULY 2016

A law benefiting household hazardous waste (HHW) programs in Connecticut took effect in July 2013.

The Connecticut Paint Stewardship Law, passed in 2011, requires paint manufacturers to establish a Paint Stewardship Program in Connecticut. Municipal HHW programs that participate can save money on paint management costs. Program funding comes from an assessment (fee) on the sale of architectural paint sold in Connecticut starting in July 2013.

Paint Stewardship Program in Connecticut

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 over 1,600 paint drop-off sites in eight states: California, Colorado, Connecticut, Maine, Minnesota, Oregon, Rhode Island, and Vermont. 140 of these sites are in Connecticut. 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 HHW programs 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 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/ct.

Benefits to HHW Programs

- ◆ Make recycling of leftover paint more convenient
- ◆ Savings on transportation and recycling/disposal
- ◆ Conserve resources and keep paint out of the solid waste stream
- ◆ Allow residents 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)

Drop-Off Site Responsibilities

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



Will 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 disposal 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 disposal costs.
- ◆ PaintCare may choose to only contract with one transporter to pick up paint from all PaintCare sites in Connecticut, whether retail or HHW. If your current hazardous waste transporter is not the same company, a second hauler will transport paint from your event or facility.

Water-Based (Latex) Paint Is a Resource

An important goal of the PaintCare program is to conserve resources and increase the volume of paint that is recycled. Many HHW programs in Connecticut do not accept water-based paint because it is expensive to manage and is not classified as hazardous.

Residents 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, all paint including latex will be treated as a resource and recycled to the maximum extent possible.

Contact

Laura Honis
Program Manager (Connecticut and Rhode Island)
(203) 747-4494
lhonis@paintcare.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 5 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



Information for Solid Waste Transfer Stations, Recycling Facilities and Landfills

UPDATED — JULY 2016

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

Paint Stewardship Program in Connecticut

A law passed in 2011 requires manufacturers of architectural paint to establish a Paint Stewardship Program in Connecticut. 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 Connecticut starting in July 2013.

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/ct.

Benefits to Transfer Stations

- ◆ Make recycling of leftover paint more convenient for your community
- ◆ Help Connecticut 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

Laura Honis
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(203) 747-4494
lhonis@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 Connecticut
help pay for
our program.



Recycle with PaintCare

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

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

Connecticut 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.

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?		263		222		230
None	25.5	67	23.0	51	33.9	78
Less than 1 gallon	8.7	23	7.7	17	20.0	46
1-5 gallons (would fit in a cardboard box)	38.0	100	40.5	90	26.1	60
5-15 gallons (would fit in a shopping cart)	19.0	50	21.6	48	10.0	23
15-30 gallons (would fit in two shopping carts)	3.4	9	0.9	2	0.4	1
More than 30 gallons	0.4	1	0.5	1	0.4	1
Yes, but I don't know how much	4.9	13	5.9	13	9.1	21
2. Where did the paint come from? (check all that apply)		195		222		190
I did some painting myself and had some leftover	81.0	158	59.9	133	78.9	120
I hired someone to paint and they left it behind	30.8	60	33.8	75	16.4	25
I found it in my home/business when I moved in	14.9	29	11.3	25	7.2	11
I am a painting contractor and it is from one of my jobs	1.0	2	0.5	1	5.9	9
I don't remember where the paint came from	1.5	3	9.0	20	3.3	5
Other	0.5	1	14.0	31	3.3	5
3. What did you do with leftover paint? (check all that apply)		262		222		230
Poured it down the drain	2.7	7	0.5	1	1.3	3
Put can(s) of liquid paint in the trash	10.3	27	3.6	8	3.0	7
Dried out the paint and put it in the trash	33.6	88	15.8	35	10.9	25
Stored it in the basement or garage intend to use	58.4	153	30.6	68	36.1	83
Took it to a paint store	3.4	9	5.0	11	4.3	10
Took it to a household hazardous waste event or facility	30.9	81	25.2	56	11.3	26
Gave it away to a family, friend or community organization	12.2	32	3.2	7	5.2	12
Left it behind when I moved	10.7	28	1.4	3	3.5	8
I don't know	3.8	10	4.1	9	4.8	11
I have never stored or disposed of leftover/unwanted paint	7.6	20	6.8	15	17.8	41
Other	1.1	3	4.1	9	1.7	4
4. If you had unwanted paint, what would you do with it?		257		222		230
Pour it down the drain	0.4	1	0.5	1	1.3	3
Put can(s) of liquid paint in the trash	7.4	19	0.5	1	3.9	9
Dry out the paint and put it in the trash	15.2	39	18.0	40	15.2	35
Take it to a paint store	6.6	17	13.1	29	16.1	37
Take it to a household hazardous waste event or facility	44.7	115	43.2	96	24.8	57
Give it away to a family, friend or organization	8.6	22	5.4	12	18.3	42
I don't know	17.1	44	13.5	30	19.1	44
Other	2.7	7	5.9	13	1.3	3

In 2014, 6 respondents did not answer the question.

5. Did you know that paint can be recycled?		263		222		152
Yes	30.0	79	31.1	69	43.4	66
No	70.0	184	68.9	153	56.6	86

In 2016, 78 respondents did not answer the question.

6. Have you ever taken paint to be recycled/disposed? If yes, when?		263		222		230
No	71.5	188	68.9	153	76.5	176
Yes, at some point during the past year	6.5	17	12.6	28	7.0	16
Yes, more than one year ago	22.1	58	18.5	41	16.5	38

7. Do you know where to take unwanted paint?		263		222		230
No	70.3	185	66.7	148	74.8	172
Yes	29.7	78	33.3	74	25.2	58
If yes, where? (please specify)	-	47	-	38	-	28

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

- City dump (6)
- Household hazardous waste event (2)
- Household hazardous waste facility (2)
- Paint Store (6)
- Public works dept.
- Recycling center (9)
- Did not specifically state location (2)

8. How far is the closest paint store?		263		222		230
Less than 1 mile	17.9	47	13.1	29	17.4	40
1-5 miles	57.4	151	64.9	144	43.0	99
5-10 miles	18.3	48	15.8	35	23.9	55
10-20 miles	3.0	8	3.2	7	6.5	15
20-30 miles	0.8	2	1.4	3	0.4	1
Not sure	2.7	7	1.8	4	8.7	20

9. How far would you drive to recycle or dispose of unwanted paint?		263		222		230
20-30 miles	3.8	10	5.4	12	7.8	18
10-20 miles	23.6	62	18.9	42	21.3	49
5-10 miles	40.3	106	32.9	73	26.1	60
1-5 miles	25.5	67	34.7	77	24.8	57
Less than 1 mile	3.0	8	2.7	6	5.7	13
Not sure	3.8	10	5.4	12	14.3	33

10. What county do you live in?		159		222		230
Fairfield	27.0	43	26.6	59	14.3	33
Hartford	15.7	25	25.2	56	27.4	63
Litchfield	4.4	7	7.2	16	6.5	15
Middlesex	8.2	13	6.8	15	4.8	11
New Haven	28.9	46	18.9	42	26.1	60
New London	7.5	12	9.9	22	7.8	18
Tolland	3.8	6	3.6	8	8.3	19
Windham	4.4	7	1.8	4	4.8	11

Note: In 2014 we asked respondents to type in their county, rather than choose from a list; 104 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.

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

	260	222	230
Urban / Major City	11.2	29	6.8
Suburban	53.8	140	48.6
Small City or Town	23.5	61	27.9
Rural / Countryside	11.2	29	14.9
Other (please specify)	0.4	1	1.8

In 2014, 3 people did not answer the question.

12. Where do you live?

	262	222	230
Single-family house	74.4	195	78.8
Two or Three-family house	6.9	18	6.3
Condominium or apartment building with many units	17.6	46	14.4
Manufactured or Mobile Home	0.0	0	0.0
Other (please specify)	1.1	3	0.5

In 2014, 1 respondent did not answer the question.

13. Do you paint professionally?

	263	222	230
Yes	2.3	6	2.3
No	97.7	257	97.7

14. What is your age?

	263	222	230
Under 21	3.8	10	1.4
21-40	30.0	79	12.2
41-60	38.0	100	40.5
Over 60	28.1	74	42.8
Prefer not to say	-	-	3.2

15. Gender

	263	222	230
Male	47.1	124	45.0
Female	52.9	139	51.8
Prefer not to say	-	-	3.2

16. Educational Level

	263	222	230
Some High School	0.8	2	0.0
High School Graduate	5.3	14	6.3
Some College, Vocational, Trade, or Technical	28.1	74	26.1
4 year degree or higher	64.6	170	64.9
Prefer not to say	1.1	3	2.7

17. What is your household income?

	263	222	230
Less than \$50K	21.3	56	7.2
\$50 – 100K	24.3	64	32.9
\$100 – 150K	23.2	61	23.0
Over \$150K	9.9	26	20.7
Prefer not to say	21.3	56	16.2