



TO: The Honorable Kumar P. Barve, Chair
Members, House Environment and Transportation Committee
The Honorable Regina T. Boyce

FROM: Pamela Metz Kasemeyer
J. Steven Wise

DATE: January 28, 2021

RE: **SUPPORT** – House Bill 127 – *Maryland Paint Stewardship*

The American Coatings Association (ACA) is a voluntary, non-profit trade association working to advance the needs of the paint and coatings industry and the professionals who work in it. The organization represents paint and coatings manufacturers, raw materials suppliers, distributors, and technical professionals. ACA advises members and advances positions on legislative, regulatory and judicial issues, based on a thorough evaluation of issues through experience and understanding of the paint and coatings industry. On behalf of ACA, we submit this letter of **support** for House Bill 127.

Postconsumer paint is often the number one product, by volume and cost, coming into Hazardous Household Waste (HHW) programs managed by Counties and municipalities. This legislation will enable the paint manufacturing industry to develop and implement a postconsumer paint management system for the collection, reuse, recycling, and proper disposal of leftover household paint that will divert the majority of this waste stream from landfills and relieve counties and municipalities of this burden. The paint industry has developed this program and is 100% supportive.

Nine states across the country currently have operating PaintCare programs, including our neighbor in Washington, DC. In these nine programs, PaintCare has successfully diverted leftover paint from landfills and greatly expanded the convenience and access for consumers to return leftover paint in a cost-effective manner. New York and Washington State just passed legislation, making them the 10th and 11th states.

To date, PaintCare programs have collected over 40 million gallons of leftover paint at over 1,700 permanent collection sites and 4250 HHW and paint collection days. The collected material is managed according to the EPA's highest and best use hierarchy and only a very small portion of the paint is unable to be reused, recycled or repurposed.

Key elements of this bill that would allow the program to commence include a sustainable financing structure that engages the manufacturer and the consumer along with protection from anti-trust regulations. In addition, the program requires significant outreach to educate consumers and, most importantly, the Maryland Department of the Environment has comprehensive oversight of the program, including financial accountability that is required to be verified by an independent auditor. Finally, the

volume of paint managed by the program must be accounted for in an annual report that allocates the volume by County, thereby enabling Counties to include the volumes managed in their recycling rates without the expense of managing the paint.

PaintCare has been recognized by a number of awards from notable environmental organizations. In 2018, Sustainable DC designated the program a Community Champion for providing convenient opportunities for residents and businesses to recycle leftover paint. The North East Recycling Coalition, of which Maryland is a member, awarded PaintCare the Northeast Recycling Council's 2018 Environmental Sustainability Leadership Award in recognition of its outstanding program operations in Connecticut, Maine, Rhode Island, and Vermont. A favorable report is requested.

For more information call:

Pamela Metz Kasemeyer

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PaintCare in the Media



WasteAdvantage^{magazine}

The Advantage in the Waste and Recycling Industry

PaintCare: "Painting Smarter"
February 1, 2019

"PaintCare has collected more than 30 million gallons of paint and helped local governments to save hundreds of thousands of dollars annually in paint management costs."

Waste



States' Waste Paint Problem Becomes a Solution for Recyclers, Retailers
July 5, 2018

"Key to continued progress has been a program run by nonprofit PaintCare, created by paint manufacturers, to address these end-of-life materials."

recycling today

NERC Names 2018 Environmental Sustainability Leadership Award Winners
October 31, 2018

"These programs conserve leftover latex and oil-based paint by offering the public convenient drop-off locations, diverting the paint from landfills and improper disposal."

Waste



Manufacturers Slow to Get On Board with Giving Their Products a Second Life
January 11, 2018

"...a few industry groups are taking the lead, including the paint, battery, food carton, thermostat and mattress industries."

PaintCare paint stewardship programs have also been covered by:

The New York Times



9NEWS.com
THE BUSINESS TIMES



centralmaine.com
KENNEBEC JOURNAL / Morning Sentinel
Pioneer Journal

PaintCare Recognized



Community Champion Designation

Awarded by Sustainable DC

November 26, 2018

As PaintCare began its third year of operations in the nation's capital, the city's Sustainable DC campaign designated the program a Community Champion for providing convenient opportunities for residents and businesses to recycle leftover paint.



Environmental Sustainability Leadership Award

Awarded by the North East Recycling Coalition

October 21, 2018

PaintCare was awarded the Northeast Recycling Council's 2018 Environmental Sustainability Leadership Award in recognition of its outstanding program operations in Connecticut, Maine, Rhode Island, and Vermont.



ASAE Power of A - Gold Award

Awarded by the American Society of Association Executives

October 5, 2016

The American Society of Association Executives recognized PaintCare and the American Coatings Association with its prestigious "Power of A" Gold Award. The award honors a select number of associations that distinguish themselves with innovative, effective, and broad-reaching programs that positively impact the nation and the world.



Bow & Arrow Award for Coalition Building

Awarded by the California Product Stewardship Council

August 9, 2016

The California Product Stewardship Council bestowed its 2016 Bow & Arrow Award on PaintCare's California program. The award recognizes a retail business, group of businesses, or chain that has initiated an outstanding "take back" program as an additional convenience and service to their customers.



Paint manufacturers created PaintCare Inc., a non-profit product stewardship organization, to plan and operate cost-effective and environmentally sound paint recycling programs in states with paint stewardship laws. Learn more at paintcare.org or call (855) 724-6809.

CALIFORNIA | CONNECTICUT | COLORADO | DISTRICT OF COLUMBIA | MAINE | MINNESOTA | OREGON | RHODE ISLAND | VERMONT



What Products are Covered?

Architectural paints (or *PaintCare Products*) are defined as interior and exterior architectural coatings sold in containers of 5 gallons or smaller. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM) or specialty coatings.

✓ 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

These products do not have fees when purchased and are not accepted at drop-off sites:

- 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

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



Large Volume Pick-Ups



A free service for anyone with 200+ gallons

In states with a paint stewardship program, PaintCare sets up conveniently located drop-off locations where households and businesses may take unwanted architectural paint for recycling or proper disposal at no charge. But, many companies, organizations, contractors, and others have accumulated large stockpiles of paint — too much to drop off at most PaintCare locations, especially retail stores. For those who have collected at least 200 gallons of paint, PaintCare provides a free Large Volume Pick-up service. These pick-ups enable businesses to get rid of paint responsibly, save money, and make more space available for their operations. PaintCare has performed 1,600 pick-ups across eight states and the District of Columbia, collecting over 1,100,000 gallons through this service alone.

WHAT BUSINESSES ARE SAYING AROUND NEW ENGLAND

“The PaintCare process was extremely user friendly. They brought a very large truck and gathered all of the paint in one trip. I cannot recommend strongly enough the PaintCare recycling process for any organization having 15 or 1,500 gallons of paint needing disposal. PaintCare also offers the added benefit of knowing that the paint will be disposed using an environmentally safe method.”

**- Scott Durepo, Property Manager
Durp LLC, Biddeford, ME**

“The process was very easy. I was able to clear my shop [of leftover paint] which improved the bottom line with my business insurance, lowered my inventory levels and made the shop safer.”

**- Jane A. Carney, President
Painting and Decorating, Inc.
New Britain, CT**

“As one of two contractors that sat in on the preliminary meetings prior to PaintCare's implementation and a sceptic in the system when I first sat in, I can tell you that we are in love with the program. We are about to schedule our second bulk pick-up. We have always considered ourselves to be an environmentally friendly company and PaintCare gives us the opportunity to easily stay compliant.”

**- Mark Adams, CEO
Southington Painting Company LLC, Plantsville, CT**

PaintCare Large Volume Pick-Ups by type in Connecticut, Maine, Rhode Island, and Vermont (as of September 2017). Totals represent multiple businesses per category.

ARTIST LOFTS

321 gallons

CHARITABLE ORGANIZATIONS

993 gallons

CHURCH

495 gallons

CONSTRUCTION

3,483 gallons

ELEVATOR COMPANY

1,467 gallons

EQUIPMENT SUPPLIER

814 gallons

GOVERNMENT

2,014 gallons

HOSPITAL

674 gallons

JANITORIAL

1,179 gallons

LUMBER YARD

2,200 gallons

NON-PROFIT / DISABILITIES

323 gallons

PAINTING CONTRACTOR

56,437 gallons

PRISON

3,392 gallons

PROPERTY MANAGER

9,443 gallons

QUARRY

300 gallons

REAL ESTATE

400 gallons

RESORT

222 gallons

RETAIL

2,333 gallons

SCHOOL

4,227 gallons

TRAINING CENTER

655 gallons

TRANSFER STATION

913 gallons

TRUCKING

470 gallons

UNIFORM RENTAL

527 gallons

UNIVERSITY / COLLEGE

9,020 gallons





Large Volume Pick-Up (LVP) Service

UPDATED — OCTOBER 2018

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

Who is PaintCare?

PaintCare Inc. is a non-profit 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 5 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 Volume Pick-Ups

For those who have accumulated a large volume of paint, PaintCare also offers a pick-up service. Large volume means at least 200 gallons, measured by container size (not content). On a case-by-case basis, PaintCare may approve a pick-up for less than 200 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 5 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 5 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 online or by email, fax, or regular mail. (Visit www.paintcare.org 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 requirements. 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.



Businesses, 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

To use the program for oil-based products, your waste must qualify as exempt under federal (40 CFR § 262.14) and state/local hazardous waste generator rules. Most notably, these rules require that your business (a) generates no more than 220 pounds (about 20-30 gallons, depending on type) of hazardous waste per month, and (b) accumulates no more than 2,200 pounds (approximately 220 gallons) of hazardous waste at any given time. If your business fails to qualify as an exempt generator, it will not be able to use the program for oil-based products. For more information on the federal hazardous generator rules, please go to www.paintcare.org/limits.

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 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
- ◆ 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



About PaintCare Fees

UPDATED — SEPTEMBER 2018

Laws in eight PaintCare States and the District of Columbia 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 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, 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 and Oregon*

\$ 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

**This chart represents new Oregon fees effective October 1, 2018.*

Minnesota

\$ 0.00 - Half pint or smaller
\$ 0.49 - Larger than half pint to smaller than 1 gallon
\$ 0.99 - 1 gallon up to 2 gallons
\$ 1.99 - Larger than 2 gallons up to 5 gallons

Vermont

\$ 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. Also, effective December 1, 2018, sales tax is not applied to the fee in Maine.

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 must still pay the fee, because it is part of the price of paint. However, the fee, like the rest of the product price, should not be taxed for sales tax exempt organizations.

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.



**10 YEARS
OF PAINT STEWARDSHIP**

Thank you for 10 years of success!



In 2009, Oregon passed the nation's first paint stewardship law, paving the way for PaintCare to operate a convenient and effective paint recycling program in that state. Over the next decade similar laws passed in California, Colorado, Connecticut, the District of Columbia, Maine, Minnesota, Rhode Island, Vermont, and, most recently, Washington. Thanks to partnerships with paint manufacturers, paint retailers, and state and local government agencies, together we can look back on ten years of success in reducing leftover paint, using up what's left, and recycling the rest!

1,765

**YEAR-ROUND
DROP-OFF SITES**



MORE THAN

38

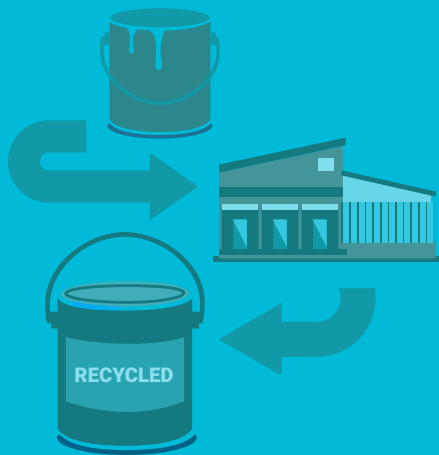
**MILLION GALLONS
COLLECTED TO DATE**

80% latex

20% oil-based

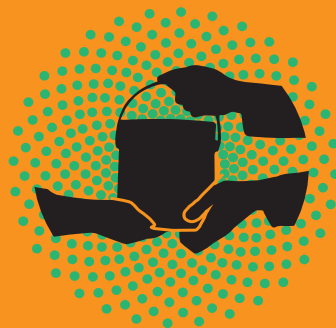
60%

Of total
latex paint
collected
was recycled
back into
paint



4.6%

**OF TOTAL PAINT
COLLECTED
WAS REUSED**



3,597

Large Volume Pick-Ups

Paint manufacturers created PaintCare to provide convenient places to recycle leftover paint, such as paint retail stores and paint drop-off events. To learn more or find a PaintCare drop-off site near you, visit www.paintcare.org or call (855) PAINT09.

Statistics shown here were calculated as of September 30, 2019 and represent a combination of all PaintCare programs to date.