M3 SB 143/22 – EHE

3lr0679 CF HB 255

By: **Senators West, Elfreth, Brooks, and Lewis Young** Introduced and read first time: January 25, 2023 Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 23, 2023

CHAPTER _____

1 AN ACT concerning

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Maryland Paint Stewardship

3 FOR the purpose of requiring certain producers of architectural paint sold at retail in the 4 State or a certain representative organization to submit a plan for the establishment $\mathbf{5}$ of a Paint Stewardship Program to the Department of the Environment for approval on or before a certain date and in accordance with certain requirements; requiring a 6 7 certain plan to establish a certain assessment on architectural paint sold in the State 8 that is necessary to cover the Paint Stewardship Program's cost of collecting, 9 transporting, and processing postconsumer paint statewide; requiring the Office of 10 Recycling within the Department to review and approve certain plans, including a 11 certain assessment, submitted in accordance with the Paint Stewardship Program; 12 requiring certain producers and retailers or distributors to add a certain assessment 13to the cost of all architectural paint sold in the State beginning on a certain date; 14 requiring a certain producer or representative organization to implement a certain 15program within a certain amount of time after the Department approves a certain 16plan; prohibiting a producer or retailer from selling or offering for sale certain 17architectural paint under certain circumstances beginning on a certain date or after 18 a certain amount of time after the Department approves a certain plan, whichever 19is later; requiring the Department to complete a certain review and submit a certain 20report on or before a certain date; and generally relating to the Paint Stewardship 21Program.

- 22 BY repealing and reenacting, without amendments,
- 23 Article Environment
- 24 Section 9–1701(a), (i), and (m) and 9–1705

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



$rac{1}{2}$	Annotated Code of Maryland (2014 Replacement Volume and 2022 Supplement)
$3 \\ 4 \\ 5 \\ 6 \\ 7 \\ 8$	BY adding to Article – Environment Section 9–1701(b–1), (i–1), (o–1) through (o–3), and (r–2) through (r–4); and 9–1733 and 9–1734 to be under the new part "Part V. Paint Stewardship Program" Annotated Code of Maryland (2014 Replacement Volume and 2022 Supplement)
9 10 11 12 13 14	BY repealing and reenacting, with amendments, Article – Environment Section 9–1701(i–1), 9–1702, and 9–1707(f) Annotated Code of Maryland (2014 Replacement Volume and 2022 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
16	Article – Environment
17	9–1701.
18	(a) In this subtitle the following words have the meanings indicated.
19 20	(B–1) (1) "ARCHITECTURAL PAINT" MEANS INTERIOR AND EXTERIOR ARCHITECTURAL COATINGS SOLD IN CONTAINERS OF 5 GALLONS OR LESS.
$\begin{array}{c} 21 \\ 22 \end{array}$	(2) "ARCHITECTURAL PAINT" DOES NOT INCLUDE INDUSTRIAL COATINGS, ORIGINAL EQUIPMENT COATINGS, OR SPECIALTY COATINGS.
23	(i) "Director" means the Director of the Office of Recycling.
24 25 26	(I-1) "DISTRIBUTOR" MEANS A COMPANY THAT HAS A CONTRACTUAL RELATIONSHIP WITH ONE OR MORE PRODUCERS TO MARKET AND SELL ARCHITECTURAL PAINT TO RETAILERS IN THE STATE.
27 28 29	[(i-1)] (I-2) "Food residuals" means material derived from the processing or discarding of food, including pre- and post-consumer vegetables, fruits, grains, dairy products, and meats.
30	(m) "Office" means the Office of Recycling within the Department.
31 32 33	(0-1) "PAINT STEWARDSHIP ASSESSMENT" MEANS THE AMOUNT ADDED TO THE PURCHASE PRICE OF ARCHITECTURAL PAINT SOLD IN THE STATE THAT IS NECESSARY TO COVER THE PAINT STEWARDSHIP PROGRAM'S COST OF

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1 COLLECTING, TRANSPORTING, AND PROCESSING POSTCONSUMER PAINT 2 STATEWIDE.

3 (O-2) "POSTCONSUMER PAINT" MEANS ARCHITECTURAL PAINT NOT USED
 4 AND NO LONGER WANTED BY A PURCHASER.

5 (O-3) "PRODUCER" MEANS A MANUFACTURER OF ARCHITECTURAL PAINT 6 THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES THE PAINT IN THE STATE UNDER 7 THE PRODUCER'S OWN NAME OR BRAND.

8 (R-2) "REPRESENTATIVE ORGANIZATION" MEANS A NONPROFIT 9 ORGANIZATION CREATED BY PRODUCERS TO IMPLEMENT A PAINT STEWARDSHIP 10 PROGRAM.

11 (R-3) "RETAILER" MEANS ANY PERSON THAT OFFERS ARCHITECTURAL PAINT
 12 FOR SALE AT RETAIL IN THE STATE.

13 (R-4) "SALE" OR "SELL" MEANS ANY TRANSFER OF TITLE FOR 14 CONSIDERATION, INCLUDING REMOTE SALES CONDUCTED THROUGH SALES 15 OUTLETS, CATALOGUES, THE INTERNET, OR ANY OTHER SIMILAR ELECTRONIC 16 MEANS.

17 9–1702.

18 (a) There is an Office of Recycling created within the Department.

19 (b) The Secretary shall appoint a Director and sufficient staff to perform the 20 functions of the Office. After July 1, 1989, the number of staff shall be as provided in the 21 budget.

22 (c) The Secretary may adopt regulations to carry out the provisions of this 23 subtitle.

24 (d) The Office shall:

(1) Assist the counties in developing an acceptable recycling plan required
 under § 9–1703 of this subtitle and § 9–505 of this title, including technical assistance to
 the local governments;

28 (2) Coordinate the efforts of the State to facilitate the implementation of 29 the recycling goals at the county level;

30 (3) Review all recycling plans submitted as part of a county plan as 31 required under § 9–505 of this title and advise the Secretary on the adequacy of the 32 recycling plan;

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1 (4) Administer the Statewide Electronics Recycling Program under Part IV 2 of this subtitle; [and]

3 (5) Promote the development of markets for recycled materials and 4 recycled products in the State in accordance with § 9–1702.1 of this subtitle; AND

5 (6) REVIEW AND APPROVE PLANS AND ANNUAL REPORTS, INCLUDING 6 THE PAINT STEWARDSHIP ASSESSMENT, SUBMITTED IN ACCORDANCE WITH A PAINT 7 STEWARDSHIP PROGRAM ESTABLISHED UNDER PART V OF THIS SUBTITLE.

8 (e) Beginning on January 1, 1990, and biannually thereafter, the Office shall, in 9 coordination with the Maryland Environmental Service, study and report to the Governor 10 and, subject to § 2–1257 of the State Government Article, the General Assembly on:

11 (1) The identification and location of recycling centers, including an 12 analysis of existing recycling centers and the need to expand these facilities or construct 13 new recycling centers;

14 (2) Programs necessary to educate the public on the need to participate in 15 recycling efforts;

16 (3) The economics and financing of existing and proposed systems of waste 17 disposal and recycling;

18 (4) State procurement policies for the purchase of recycled materials;

19 (5) Programs necessary to reduce the amount of solid waste generated for 20 disposal by a State agency or unit;

(6) The liaison role with local governments, the federal government, and
the private sector;

23 (7) The percentage reduction in the amount of solid waste that has been24 achieved by each county; and

25 (8) Economically feasible methods for the recycling of scrap automobile 26 tires, batteries, and white goods.

(f) (1) By December 1, 1988, the Office shall, in coordination with the Maryland Environmental Service and the Governor's Task Force on Solid Waste, make recommendations to the General Assembly for the financing of a comprehensive system of recycling at the State and local level, including funding for recycling centers, recycling equipment, recycling education, and marketing strategies.

32 (2) After the financing recommendations are made under paragraph (1) of 33 this subsection, each county may submit to the Office and the Governor a detailed request

1 for funds necessary to assist in the development and implementation of a recycling plan 2 under guidelines developed by the Office.

3 (g) In studying feasible methods for the management and recycling of used tires 4 under subsection (e)(9) of this section, the Office of Recycling shall consult with the 5 appropriate industry, including representatives of:

- 6 (1) Tire manufacturers;
- 7 (2) Tire dealers; and
- 8 (3) Tire recyclers.
- 9 9-1705.

10 (a) Beginning on July 1, 1990, and biannually thereafter, each county which has 11 not achieved the percentage of reduction in its solid waste stream required by this article 12 shall, as a part of its solid waste plan update, provide a report to the Department which 13 shall include:

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(1) The total amount, by weight, of solid waste collected;

15 (2) The total amount, by weight, of solid waste disposed of at solid waste 16 acceptance facilities;

- 17 (3) The amount and types of materials recycled;
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(4) The methods of disposal of solid waste used, other than recycling; and

19 (5) The percentage reduction in the solid waste stream that has been 20 achieved.

(b) A county that has achieved the percentage of solid waste stream reduction
required by this article shall provide the report described in subsection (a) of this section to
the Department annually, on a calendar year basis.

24 (c) All reports shall be provided within 90 days after the close of the annual or 25 biannual reporting period.

26 9–1707.

- 27 (f) (1) There is a State Recycling Trust Fund.
- 28 (2) The Fund shall consist of:
- 29 (i) The newsprint recycling incentive fee;

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$\frac{1}{2}$	(ii) The telephone directory recycling incentive fee collected under §9–1709 of this subtitle;
$\frac{3}{4}$	(iii) The covered electronic device manufacturer registration fee collected under § 9–1728 of this subtitle;
$5 \\ 6$	(IV) THE PAINT STEWARDSHIP PROGRAM PLAN AND ANNUAL REPORT REVIEW FEES COLLECTED UNDER § 9–1733(B) AND (H) OF THIS SUBTITLE;
7	[(iv)] (V) All fines and penalties collected under this subtitle;
8	[(v)] (VI) Money appropriated in the State budget to the Fund; and
9 10	[(vi)] (VII) Any other money from any other source accepted for the benefit of the Fund.
11	(3) The Secretary shall administer the Fund.
12 13	(4) The Treasurer shall hold the Fund separately and the Comptroller shall account for the Fund.
$\begin{array}{c} 14\\ 15\\ 16\end{array}$	(5) At the end of each fiscal year, any unspent or unencumbered balance in the Fund that exceeds \$2,000,000 shall revert to the General Fund of the State in accordance with § 7–302 of the State Finance and Procurement Article.
17	(6) In accordance with the State budget, the Fund shall be used only:
18 19	(i) To provide grants to the counties to be used by the counties to develop and implement local recycling plans;
$20 \\ 21 \\ 22$	(ii) To provide grants to counties that have addressed methods for the separate collection and recycling of covered electronic devices in accordance with § $9-1703(c)(1)$ of this subtitle;
$\begin{array}{c} 23\\ 24 \end{array}$	(iii) To provide grants to municipalities to be used by the municipalities to implement local covered electronic device recycling programs; [and]
25 26 27 28	(IV) TO COVER THE COSTS OF THE PAINT STEWARDSHIP PROGRAM PLAN REVIEW UNDER § 9–1733(B) OF THIS SUBTITLE, THE ANNUAL REPORT REVIEW UNDER § 9–1733(H) OF THIS SUBTITLE, AND ASSOCIATED COSTS FOR PROGRAM COMPLIANCE OVERSIGHT; AND
29 30	[(iv)] (V) To carry out the purposes of the land management administration.

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1 (7) (i) The Treasurer shall invest the money in the Fund in the same 2 manner as other State money may be invested.

3 (ii) Any investment earnings of the Fund shall be credited to the 4 General Fund of the State.

- 5 9-1731. RESERVED.
- 6 **9–1732. RESERVED.**
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PART V. PAINT STEWARDSHIP PROGRAM.

8 **9–1733.**

9 (A) (1) ON OR BEFORE JULY 1, 2024, PRODUCERS OF ARCHITECTURAL 10 PAINT SOLD AT RETAIL IN THE STATE, OR A REPRESENTATIVE ORGANIZATION 11 ACTING ON A PRODUCER'S BEHALF, SHALL SUBMIT A PLAN FOR THE 12 ESTABLISHMENT OF A PAINT STEWARDSHIP PROGRAM TO THE DEPARTMENT FOR 13 APPROVAL.

14(2)THE PLAN SHALL MINIMIZE PUBLIC SECTOR INVOLVEMENT IN,15AND FINANCIAL RESPONSIBILITY FOR, THE MANAGEMENT OF POSTCONSUMER16PAINT BY:

- 17
- (I) **REDUCING ITS GENERATION;**
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(II) **PROMOTING ITS REUSE AND RECYCLING; AND**

(III) NEGOTIATING AND EXECUTING AGREEMENTS TO COLLECT,
 TRANSPORT, REUSE, RECYCLE, PROCESS FOR RESOURCE RECOVERY, AND DISPOSE
 OF POSTCONSUMER PAINT.

- 22(3) THE PLAN SHALL PROVIDE FOR CONVENIENT AND AVAILABLE23STATEWIDE COLLECTION OF POSTCONSUMER PAINT THAT:
- 24(I) PROVIDES FOR COLLECTION RATES AND CONVENIENCE25EQUAL TO OR GREATER THAN THE COLLECTION PROGRAMS AVAILABLE TO26CONSUMERS PRIOR TO THE PAINT STEWARDSHIP PROGRAM;
- (II) IDENTIFIES EACH PRODUCER PARTICIPATING IN THE
 PAINT STEWARDSHIP PROGRAM AND THE BRANDS OF ARCHITECTURAL PAINT SOLD
 IN THE STATE THAT ARE COVERED BY THE PROGRAM;
- 30(III)DESCRIBES HOW THE PAINT STEWARDSHIP PROGRAM MAY31BE IMPLEMENTED IN COORDINATION WITH EXISTING HOUSEHOLD HAZARDOUS

1 WASTE COLLECTION INFRASTRUCTURE IN A MANNER THAT IS MUTUALLY 2 AGREEABLE; AND

3 (IV) PROVIDES GEOGRAPHIC MODELING TO DETERMINE THE
 4 NUMBER AND DISTRIBUTION OF SITES FOR COLLECTION OF POSTCONSUMER PAINT
 5 BASED ON THE FOLLOWING CRITERIA:

6 **1.** At least 90% of the residents of the State 7 Shall have a collection site within a 15-mile radius; and

8 2. UNLESS OTHERWISE APPROVED BY THE 9 DEPARTMENT, ONE ADDITIONAL COLLECTION SITE SHALL BE ESTABLISHED FOR 10 EVERY 50,000 RESIDENTS.

11(4)THE PLAN MAY IDENTIFY A RETAILER AS A POSTCONSUMER PAINT12COLLECTION SITE IF:

13(I)THE RETAILER VOLUNTEERS TO ACT AS A POSTCONSUMER14PAINT COLLECTION SITE;

15 (II) THE RETAILER IS IN COMPLIANCE WITH ALL APPLICABLE 16 LAWS AND REGULATIONS; AND

17 (III) THE SITE LOCATION OF THE RETAILER IS CONSISTENT WITH 18 MAINTAINING A COST-EFFECTIVE NETWORK OF POSTCONSUMER PAINT 19 COLLECTION LOCATIONS.

20 (5) THE PLAN SHALL ESTABLISH:

21 (I) A UNIFORM PAINT STEWARDSHIP ASSESSMENT FOR ALL 22 ARCHITECTURAL PAINT SOLD IN THE STATE; AND

(II) A MECHANISM FOR PAINT PRODUCERS PARTICIPATING IN A
 PAINT STEWARDSHIP PROGRAM TO REMIT TO THE REPRESENTATIVE
 ORGANIZATION PAYMENT OF THE PAINT STEWARDSHIP ASSESSMENT FOR EACH
 CONTAINER OF ARCHITECTURAL PAINT SOLD IN THE STATE.

27 (6) THE TOTAL AMOUNT OF THE PAINT STEWARDSHIP ASSESSMENT 28 MAY NOT EXCEED THE COSTS OF IMPLEMENTING AND SUSTAINING THE PAINT 29 STEWARDSHIP PROGRAM.

30(7)(I)THE PAINT STEWARDSHIP ASSESSMENT SHALL BE31EVALUATED BY AN INDEPENDENT FINANCIAL AUDITOR, AS DESIGNATED BY THE

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1 DEPARTMENT, TO ENSURE THE COSTS OF IMPLEMENTING AND SUSTAINING THE 2 PAINT STEWARDSHIP PROGRAM ARE COVERED BUT NOT EXCEEDED.

3 (II) THE COST OF ANY WORK PERFORMED BY AN INDEPENDENT
 4 FINANCIAL AUDITOR SHALL BE FUNDED BY THE PROGRAM.

5 (8) PAINT STEWARDSHIP ASSESSMENTS MAY BE USED ONLY TO 6 IMPLEMENT AND SUSTAIN THE PAINT STEWARDSHIP PROGRAM.

7 (9) A PRODUCER OR REPRESENTATIVE ORGANIZATION SHALL
 8 SUBMIT A REVISED PLAN OR AMENDMENT TO THE PLAN TO THE DEPARTMENT FOR
 9 APPROVAL:

10 (I) EVERY 5 YEARS, ON REQUEST OF THE DEPARTMENT; OR

11 (II) WHEN THE DEPARTMENT REQUIRES A CHANGE TO THE 12 AMOUNT OF THE PAINT STEWARDSHIP ASSESSMENT.

13 (B) (1) THE DEPARTMENT SHALL REVIEW:

14(I) THE PAINT STEWARDSHIP PROGRAM PLAN REQUIRED15UNDER SUBSECTION (A) OF THIS SECTION; AND

16 (II) THE WORK PRODUCT OF THE INDEPENDENT FINANCIAL 17 AUDITOR DESIGNATED BY THE DEPARTMENT TO EVALUATE PAINT STEWARDSHIP 18 ASSESSMENTS.

19 (2) THE PRODUCER OR REPRESENTATIVE ORGANIZATION THAT 20 SUBMITS A PLAN FOR APPROVAL SHALL PAY A PLAN REVIEW FEE TO THE 21 DEPARTMENT TO BE DEPOSITED IN THE STATE RECYCLING TRUST FUND UNDER § 22 9–1707 OF THIS SUBTITLE THAT COVERS THE DEPARTMENT'S COST OF PLAN 23 REVIEW, INCLUDING ASSOCIATED COSTS FOR PROGRAM COMPLIANCE OVERSIGHT, 24 AS DETERMINED BY THE DEPARTMENT.

25(3) IF THE DEPARTMENT DETERMINES THAT THE PAINT 26STEWARDSHIP PROGRAM PLAN, INCLUDING THE PAINT **STEWARDSHIP** ASSESSMENT, COMPLIES WITH THE REQUIREMENTS OF SUBSECTION (A) OF THIS 27SECTION AND THAT IT DEMONSTRATES A NET BENEFIT COMPARED TO THE 2829COLLECTION PROGRAMS AVAILABLE TO CONSUMERS IN 2022, THE DEPARTMENT 30 SHALL APPROVE THE PROGRAM.

31 (4) THE DEPARTMENT SHALL LIST ON ITS WEBSITE THE PRODUCERS 32 AND BRANDS IMPLEMENTING OR PARTICIPATING IN AN APPROVED PAINT 33 STEWARDSHIP PROGRAM.

1 (C) (1) A PRODUCER OR REPRESENTATIVE ORGANIZATION SHALL 2 IMPLEMENT ITS PAINT STEWARDSHIP PROGRAM PLAN WITHIN 6 MONTHS AFTER 3 THE PLAN'S APPROVAL BY THE DEPARTMENT.

4 (2) BEGINNING JANUARY 1, 2025, OR 6 MONTHS AFTER PLAN 5 APPROVAL, WHICHEVER IS LATER:

6 (I) A PRODUCER OR RETAILER MAY NOT SELL OR OFFER FOR 7 SALE A BRAND OF ARCHITECTURAL PAINT TO ANY PERSON IN THE STATE, UNLESS 8 THE PRODUCER OF THE BRAND OR A REPRESENTATIVE ORGANIZATION OF WHICH 9 THE PRODUCER IS A MEMBER IS IMPLEMENTING AN APPROVED PAINT 10 STEWARDSHIP PROGRAM;

11(II) A PRODUCER SHALL ADD THE PAINT STEWARDSHIP12ASSESSMENT ESTABLISHED UNDER AN APPROVED PAINT STEWARDSHIP PROGRAM13TO THE COST OF ALL ARCHITECTURAL PAINT SOLD TO RETAILERS AND14DISTRIBUTED IN THE STATE; AND

15 (III) EACH RETAILER OR DISTRIBUTOR SHALL ADD A PAINT 16 STEWARDSHIP ASSESSMENT TO THE PURCHASE PRICE OF ALL ARCHITECTURAL 17 PAINT SOLD IN THE STATE.

18 **(D)** A PRODUCER OR REPRESENTATIVE ORGANIZATION PARTICIPATING IN 19 AN APPROVED PAINT STEWARDSHIP PROGRAM SHALL PROVIDE CONSUMERS WITH 20 EDUCATIONAL MATERIALS REGARDING THE PROGRAM THAT INCLUDE:

21(1) INFORMATION REGARDING AVAILABLE END-OF-LIFE22MANAGEMENT OPTIONS FOR ARCHITECTURAL PAINT OFFERED THROUGH THE23PROGRAM; AND

24(2) INFORMATION THAT NOTIFIES CONSUMERS THAT AN25ASSESSMENT TO COVER THE COSTS OF IMPLEMENTING AND SUSTAINING THE26PROGRAM IS INCLUDED IN THE PURCHASE PRICE OF ALL ARCHITECTURAL PAINT27SOLD IN THE STATE.

(E) FOLLOWING THE IMPLEMENTATION OF THE PAINT STEWARDSHIP PROGRAM, A RETAILER COMPLIES WITH THE REQUIREMENTS OF THIS SECTION IF, ON THE DATE THE ARCHITECTURAL PAINT WAS ORDERED FROM THE PRODUCER OR ITS AGENT, THE PRODUCER OF THE PAINT BRAND IS LISTED ON THE DEPARTMENT'S WEBSITE AS IMPLEMENTING OR PARTICIPATING IN AN APPROVED PAINT STEWARDSHIP PROGRAM. 1 (F) A POSTCONSUMER PAINT COLLECTION SITE THAT IS IDENTIFIED IN THE 2 PLAN MAY NOT CHARGE AN ADDITIONAL FEE FOR THE DISPOSAL OF PAINT WHEN IT 3 IS OFFERED FOR DISPOSAL.

4 (G) A PRODUCER OR REPRESENTATIVE ORGANIZATION THAT ORGANIZES 5 THE COLLECTION, TRANSPORT, AND PROCESSING OF POSTCONSUMER PAINT IN 6 ACCORDANCE WITH AN APPROVED PAINT STEWARDSHIP PROGRAM SHALL BE 7 IMMUNE FROM LIABILITY FOR ANY CLAIM OF A VIOLATION OF ANTITRUST, 8 RESTRAINT OF TRADE, OR UNFAIR TRADE PRACTICE ARISING FROM CONDUCT 9 UNDERTAKEN IN ACCORDANCE WITH THE PROGRAM.

10 (H) (1) BEGINNING APRIL 1, 2025, AND ANNUALLY THEREAFTER, THE 11 PRODUCER OR REPRESENTATIVE ORGANIZATION SHALL SUBMIT A REPORT TO THE 12 DEPARTMENT THAT DETAILS THE PAINT STEWARDSHIP PROGRAM, INCLUDING:

13 (I) A DESCRIPTION OF THE METHODS USED TO COLLECT, 14 TRANSPORT, AND PROCESS POSTCONSUMER PAINT IN THE STATE;

15(II) THE VOLUME OF POSTCONSUMER PAINT COLLECTED IN16EACH COUNTY IN THE STATE;

(III) THE VOLUME AND TYPE OF POSTCONSUMER PAINT
COLLECTED IN THE STATE BY METHOD OF DISPOSITION, INCLUDING REUSE,
RECYCLING, AND OTHER METHODS OF PROCESSING OR DISPOSAL, THAT INCLUDES
AN ACCOUNTING OF THE VOLUME OF POSTCONSUMER PAINT COLLECTED IN THE
STATE FOR EACH COUNTY IN THE STATE;

(IV) THE TOTAL COST OF IMPLEMENTING AND SUSTAINING THE
 PROGRAM, AS DETERMINED BY AN THE INDEPENDENT FINANCIAL AUDIT FUNDED
 BY THE PAINT STEWARDSHIP ASSESSMENT; AND

(V) <u>THE TOTAL FEES COLLECTED IN EACH COUNTY IN THE</u>
 STATE, AS DETERMINED BY THE INDEPENDENT FINANCIAL AUDIT FUNDED BY THE
 PAINT STEWARDSHIP ASSESSMENT; AND

28(VI)SAMPLES OF EDUCATIONAL MATERIALS USED TO INFORM29CONSUMERS OF ARCHITECTURAL PAINT.

30 (2) THE PRODUCER OR REPRESENTATIVE ORGANIZATION THAT 31 SUBMITS A REPORT REQUIRED UNDER THIS SECTION SHALL PAY A REPORT REVIEW 32 FEE TO THE DEPARTMENT TO BE DEPOSITED IN THE STATE RECYCLING TRUST 33 FUND UNDER § 9–1707 OF THIS SUBTITLE THAT COVERS THE DEPARTMENT'S COST 34 OF REPORT REVIEW, INCLUDING ASSOCIATED COSTS FOR PROGRAM COMPLIANCE 35 OVERSIGHT, AS DETERMINED BY THE DEPARTMENT. 1 (3) THE PRODUCER OR REPRESENTATIVE ORGANIZATION SHALL 2 MAKE AVAILABLE TO EACH COUNTY THE INFORMATION REQUIRED UNDER 3 PARAGRAPH (1)(III) OF THIS SUBSECTION IN A MANNER THAT PROVIDES A COUNTY 4 WITH SUFFICIENT TIME TO INCLUDE THE INFORMATION IN THE REPORTS TO THE 5 DEPARTMENT UNDER § 9–1705 OF THIS SUBTITLE.

6 (I) (1) THE DEPARTMENT SHALL REVIEW THE ANNUAL REPORT 7 REQUIRED UNDER SUBSECTION (H) OF THIS SECTION AND:

8 (I) EVALUATE THE TOTAL COSTS OF THE PAINT STEWARDSHIP 9 PROGRAM, INCLUDING ALL EXPENSES AND REVENUES, TO DETERMINE WHETHER 10 THE PAINT STEWARDSHIP ASSESSMENT MEETS OR EXCEEDS THE COSTS OF THE 11 PROGRAM IN ACCORDANCE WITH SUBSECTION (A)(5) OF THIS SECTION; AND

12(II)DETERMINE WHETHER THE PLAN IS BEING IMPLEMENTED13IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION.

14(2) IF THE **DEPARTMENT DETERMINES** THAT THE PAINT STEWARDSHIP ANNUAL REPORT, INCLUDING 15THE PAINT STEWARDSHIP 16ASSESSMENT, COMPLIES WITH THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION, THE DEPARTMENT SHALL APPROVE THE ANNUAL REPORT. 17

18(3) THE PRODUCER OR REPRESENTATIVE ORGANIZATION SHALL19MAKE THE APPROVED ANNUAL REPORT AVAILABLE TO THE PUBLIC.

(J) (1) FINANCIAL, PRODUCTION, OR SALES DATA REPORTED TO THE
DEPARTMENT BY A PRODUCER OR THE REPRESENTATIVE ORGANIZATION SHALL BE
KEPT CONFIDENTIAL BY THE DEPARTMENT AND MAY NOT BE SUBJECT TO PUBLIC
INSPECTION.

24 (2) THE DEPARTMENT MAY RELEASE SUMMARY DATA THAT DOES 25 NOT DISCLOSE FINANCIAL, PRODUCTION, OR SALES DATA OF A PRODUCER, 26 RETAILER, OR REPRESENTATIVE ORGANIZATION.

27 **9–1734.**

28 (A) THE PROVISIONS OF § 9–342 OF THIS TITLE APPLY TO ENFORCE 29 VIOLATIONS OF THIS PART.

(B) THE DEPARTMENT SHALL DEPOSIT ANY PENALTY COLLECTED UNDER
 THIS SECTION INTO THE STATE RECYCLING TRUST FUND ESTABLISHED UNDER §
 9–1707 OF THIS SUBTITLE.

- <u>SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1,</u>
 <u>2027, the Department of the Environment shall:</u>
- 3 (1) review the costs and benefits of the Maryland Paint Stewardship 4 Program, comparing the Program to paint stewardship programs and extended producer 5 responsibility programs in other states, and making recommendations if necessary for 6 improvements to the Program; and
- 7 (2) submit a report on the findings of the review required under item (1) of
 8 this section to the Governor and, in accordance with § 2–1257 of the State Government
 9 Article, the Senate Committee on Education, Energy, and the Environment and the House
 10 Environment and Transportation Committee.
- SECTION 2 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 July 1, 2023.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.