



AmericanCoatings
ASSOCIATION

**Testimony of the
American Coatings Association
in Support of SB. 325**

**Senate Committee on Education, Energy and the Environment
February 6, 2024**

The American Coatings Association (ACA) fully supports House Bill 1 which establishes a paint stewardship program in Maryland. Paint stewardship programs are currently operating in 10 states and the District of Columbia. Many thanks to our sponsor, Senator Brooks, and to this committee for its support in prior sessions since you previously voted favorably on a nearly identical proposals last session.

ACA is a voluntary, nonprofit trade association working to advance the needs of the paint and coatings industry and the professionals who work in it. ACA represents paint and coatings manufacturers, raw materials suppliers, distributors, and technical professionals. ACA serves as an advocate for members on legislative, regulatory and judicial issues, and provides forums for the advancement and promotion of the industry through education and professional development.

PaintCare, is a non-profit 501(c)(3) organization that represents paint manufacturers in developing and operating paint stewardship programs. PaintCare undertakes the responsibility for ensuring an environmentally sound and cost-effective program by developing and implementing strategies to reduce the generation of post-consumer architectural paint; promoting the reuse of post-consumer architectural paint; and providing for the collection, transport, and processing of post-consumer architectural paint using the hierarchy of “reduce, reuse, recycle,” and proper disposal.

What Does PaintCare Do?

PaintCare establishes a network of convenient drop-off locations for consumers and eliminates a considerable financial burden on local governments by assuming the cost of transportation of leftover architectural paint. Maryland residents will be able to drop-off their leftover paint free of charge at retail locations that voluntarily agree to participate as drop-off locations. The legislation requires PaintCare to provide a specific level of convenience which includes density and geographic parameters. PaintCare makes it as easy as possible for consumers to drop off leftover paint by building on the existing infrastructure for leftover paint disposal by

adding retail outlets as an option for drop off sites. In addition, for residents or institutions that have large amounts of paint (typically over 100 gallons), PaintCare offers a large-volume pickup service, which collects such paint on site, free of charge. In our current program states, businesses such as painting contractors, schools, hospitals, hotels, prisons, warehouses, and government operations use this service very effectively. PaintCare then contracts with haulers and transporters to pick up leftover paint from these collection sites and transports it directly to processors. A significant portion of the collected leftover paint is diverted from landfills as it is either re-used, recycled or burned for energy recovery.

Why is Legislation Needed to Implement PaintCare?

PaintCare is a cost-effective and successful program, in part, because the authorizing legislation provides two necessary elements for the paint industry to develop and operate a product stewardship program. These elements are 1. a level playing field among all producers and retailers, and 2. the need for a sustainable financing system engaging the consumer. The legislation requires all manufacturers selling paint in the state to participate in the program. Consequently, there are no “free

riders”. Not only are all manufacturers required to participate – they are required to participate in a uniform manner, which levels the playing field for manufacturers, distributors and retailers of all sizes. This language also provides for protection from any claims of unfair trade practices due to these requirements.

The legislation also mandates that a sustainable financing mechanism be developed. Revenue to PaintCare is based upon the sale of new paint at retail stores. PaintCare works with a financial auditor to develop a budget for a new program and develops a fee schedule for new paint purchased in retail outlets. This fee, which in current programs, ranges between \$.60 to \$1.25 per gallon, finances the entire PaintCare program in the state, including establishment of retail drop off sites, costs of transportation, outreach materials, state program staff, and other ancillary expenses. The fee, which depends on the size of the container purchased, is collected at the point of purchase of new paint and is assessed on every container, regardless of brand or location of purchase.

What is the Role of the Oversight Agency?

Once legislation is adopted, PaintCare staff will work with the oversight agency to develop a program plan for the state of Maryland. PaintCare will submit the plan, which will include the fee schedule along with the financial auditor's report, to the agency for approval. Once the agency approves the plan, PaintCare will begin implementation by recruiting retail sites, building the list of registered brands of paint, developing training materials for retailers, contracting with transporters and developing outreach to the citizens of Maryland.

At the end of the year, PaintCare will provide an annual report for review by the agency. This report will include extensive financial information along with a report from an auditor. PaintCare works hard to maintain transparency regarding its operation and financial data. All of this information will be posted on PaintCare's website page dedicated to Maryland.

PaintCare Successes in Current Program States

ACA and the paint industry are committed to finding a viable solution to the issue of post-consumer paint, which is often the number one product, by volume and cost, coming into Hazardous Household Waste (HHW)

programs. This legislation will enable the paint manufacturing industry to develop and implement a post-consumer paint management system for the collection, reuse, recycling, and proper disposal of this paint in Maryland that is cost-effective and successfully diverts more than 85% of the collected material from landfills. Here are a few highlights from the 11 existing programs:

Collection volume > almost 72 **million** gallons of postconsumer architectural paint since 2010 (**7 million** annually)

Sites > **2,513** year-round drop off sites, **1,949** are paint retailers (77%)

Large volume pick-ups > More than **9,590** from painting contractors, hotels, universities, and other businesses and institutions (avg. 378 gallons per pick up)

PaintCare events > 356 held in underserved communities

Manufacturers > **199** architectural paint manufacturers participate in PaintCare

- **Awards and Recognition** >

- PaintCare was one of the recipients of the Environmental Initiative Award at the 2023 SEAL (Sustainability, Environmental Achievement and Leadership) Business Sustainability Awards.
<https://sealawards.com/sustainability-award-2023/>
- “Best Paint Recycling Initiative- USA,” BUILD’s Recycling and Waste Management Awards 2020. Awarded to PaintCare via email on September 16th, 2020. Link: <https://www.build-review.com/awards/recycling-waste-management-awards/>
- “Best Public/Private Partnership,” CalRecycle Used Oil/HHW Awards. Awarded to PaintCare’s California program at annual symposium March 26, 2020.
- “Outstanding Industry Partner,” North American Hazardous Materials Management Association (NAHMMA). September 17, 2019. Awarded to PaintCare at the NAHMMA national conference in Denver, CO.
- Program of the Year Award 2019, Maine Resource Recovery Association. April 29, 2019. External link TBD.
- “Community Champion” recognition in Washington, D.C. November 26, 2018. Awarded to PaintCare Washington, D.C. External Link:

<https://us4.campaign-archive.com/?u=659c4ece0c1135dfd98ca6386&id=18e3097cd0>

- Northeast Recycling Coalition (NERC), Environmental Sustainability Leadership Award. October 31, 2018. Awarded to PaintCare Connecticut, Maine, Rhode Island, Vermont. External link: <https://nerc.org/about-nerc/awards-and-recognition>
- ASAE Power of A Gold Award. October 5, 2016. External Link: <https://www.thepowerofa.org/awards-2016/>
- California Product Stewardship Council, Arrow Awards, Bow & Arrow Award for Coalition Building. August 9, 2016. Awarded to California program. External Link: <https://calpsc.org/about-us/arrow-awards/2016-arrow-award-winners/>
- CRRA Award for Outstanding Household Hazardous Waste, Universal, Electronic Recycling earned May 2021. External link TBD.
- PaintCare was one of the recipients of the [Environmental Initiative Award](#) at the 2023 SEAL (Sustainability, Environmental Achievement and Leadership) Business Sustainability Awards. The SEAL

Environmental Initiative Award category recognizes businesses that demonstrate environmental and sustainability initiatives.

We are anxious to begin to develop a program for the commonwealth of Maryland. Please support House Bill 1, so we can get to work.