



Connecticut Paint Stewardship Program

Annual Report July 1, 2016 – June 30, 2017



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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.

PROGRAM HIGHLIGHTS

Sites, Events and Service. PaintCare brought on eight new year-round paint drop-off sites in the reporting period – five paint retailers, two transfer stations and one reuse store and – ending the reporting period with 143 year-round. Of the 143 year-round drop-off sites, 102 are paint retailers, representing approximately 35% 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 the state's four seasonal household hazardous waste (HHW) drop-off facilities, 49 HHW drop-off events, two seasonal transfer stations, and provided 32 direct large volume pickups (LVP) from business and institutions that had accumulated more than 200 gallons of paint at their facilities.

Paint Collection Volume. The program processed 322,568 gallons of postconsumer paint in the reporting period, a 0.7% increase over last year. Latex paint made up 79% of total paint, of which 84% was made into recycled-content paint, 16% was unrecyclable and sent to landfill, and less than 1% was reused locally. Oil-based paint made up 21% of the paint, less than 1% was reused locally and the rest was used for fuel. In addition to paint, 198 tons of metal and plastic paint containers were recycled.

Expenses and Revenue. The program's financing mechanism remained the same, through a fee on new paint sales: 35 cents on pints and quarts; 75 cents on 1-gallon containers; and \$1.60 on 5-gallon containers. Approximately 5.9 million gallons of architectural paints were sold in Connecticut in the reporting period. The program collected \$3,619,770 in revenue from these sales, a decrease of 6.5% due to lower paint sales.

Expenses, including paint transportation and processing, outreach, staffing, and administrative costs were \$3,110,755. The program has accumulated \$3,073,687 in reserves through the end of the reporting period, the equivalent of 99% of annual expenses.

Total program cost per gallon (of processed paint) in the reporting period was \$9.64, 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 5.5%. This is 0.4 percentage points higher than the last reporting period, however, this increase is due to a decrease in paint sales (the denominator in the equation). It is not due to an increase in paint collection (the numerator in the equation).

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 (DEEP) approved PaintCare's program plan in the spring 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 DEEP 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. The program achieved both the volume and convenience requirements of the law in its first year, and continues to grow and mature.

The Connecticut law also calls for collaboration with existing HHW programs and allows for paint retailers to voluntarily participate as paint collection points. Since the start of the program, PaintCare has partnered with nearly every HHW program in the state. In this reporting period, the last of the four seasonal HHW facilities, operated by the Capital Region East Operating Committee (CREOC), joined the program. In addition, all retailers and transfer stations 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. 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 this reporting period, the program had grown to 143 year-round drop-off sites located throughout the state. These sites include 102 retail stores, 39 transfer stations, and two reuse stores. Three retail stores closed and two additional retailers decided to stop participating in the program during the reporting period. These sites are listed as "paint retailer (partial year)" in the table on the next page.

PaintCare also managed paint from the state's four seasonal HHW drop-off facilities, 49 HHW drop-off events and two seasonal transfer stations. In addition, PaintCare conducted 32 direct LVP from businesses and other sites that had accumulated more than 200 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 serve 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	YEAR 4 FY2017
Paint Retailers	100	104	102	102
Transfer Stations	25	32	37	39
Reuse Stores	2	2	1	2
Total	127	138	140	143

SUPPLEMENTAL SITES, EVENTS AND SERVICES

HHW Events	54	46	52	49
PaintCare Paint-Only Events	11	5	0	0
Seasonal HHW Facilities	3	3	3	4
Seasonal Transfer Stations	2	2	2	2
Paint Retailers and Reuse Stores (partial year)	0	4	7	5
Direct Large Volume Pick-Ups	34	25	28	32

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 five new retail drop-off sites in the reporting period, and also lost five (three stores closed and two left the program). Paint retailers are ideal locations to serve as 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 the 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 2017, there were 390 paint retailers, and 293 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 293 paint retailers, 102 (35%) 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.



PaintCare signage at Rings End in Norwalk (left) and Mansfield Supply in Storrs (right)

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 remaining HHW programs and added CREOC’s HHW drop-off facility and events to the program in the reporting period. The program also managed paint from 49 HHW drop-off events (from 47 locations). One of the HHW events was employer-sponsored for its employees. 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 HHW event 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 two 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 Eastford transfer station (left) and signage at the Essex transfer station (right)

A4. Reuse Stores

PaintCare identified six paint reuse stores in the state. A second reuse store was added to the program this reporting period. 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 names and addresses of the reuse stores that participated during the reporting period is included in the appendix.

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. In the spring 2017, PaintCare lowered the threshold amount from 300 to 200 gallons to qualify for a pick-up. PaintCare arranged 32 LVPs during the reporting period (from 28 sites). The primary users of the service were painting contractors, and also included large businesses, universities, state agencies, boards of education, and one household.

Painting contractors often store paint for future use or because it is expensive to dispose of. Universities and boards of education tend to have stored up old paint from repainting classrooms, offices, and other facilities. 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.



PaintCare cleaned out this accumulation of paint from a workshop in Wallingford.

B. CONVENIENCE CRITERIA

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 year-round (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 considers its baseline service level goal.

The 143 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 Dewberry, an engineering firm with expertise in geographic analysis and mapping.

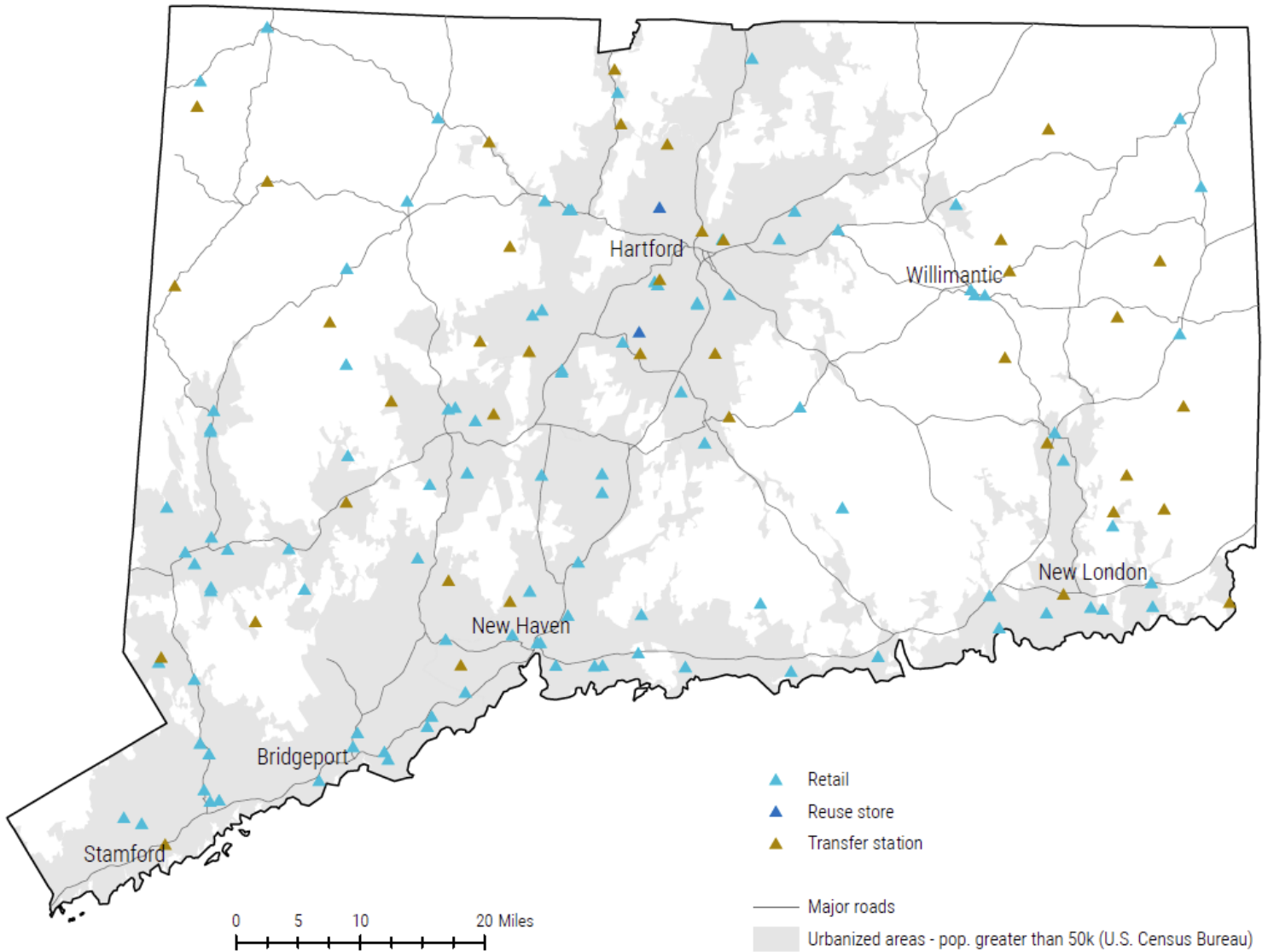
PaintCare has made an adjustment to how population center is defined for the density criterion, based on findings related to the initial program planning model. Beginning with this annual report, population center, which is meant to represent densely populated areas, will be measured using the U.S. Census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

Urbanized Areas are provided by the Census Bureau to delineate areas of concentrated population, i.e., an “urban footprint,” to distinguish between urban and rural areas. An Urbanized Area has a minimum of 50,000 residents. The Census Bureau uses documented and repeatable methodology and rules to identify and delineate Urbanized Areas and they are defined consistently nationwide.

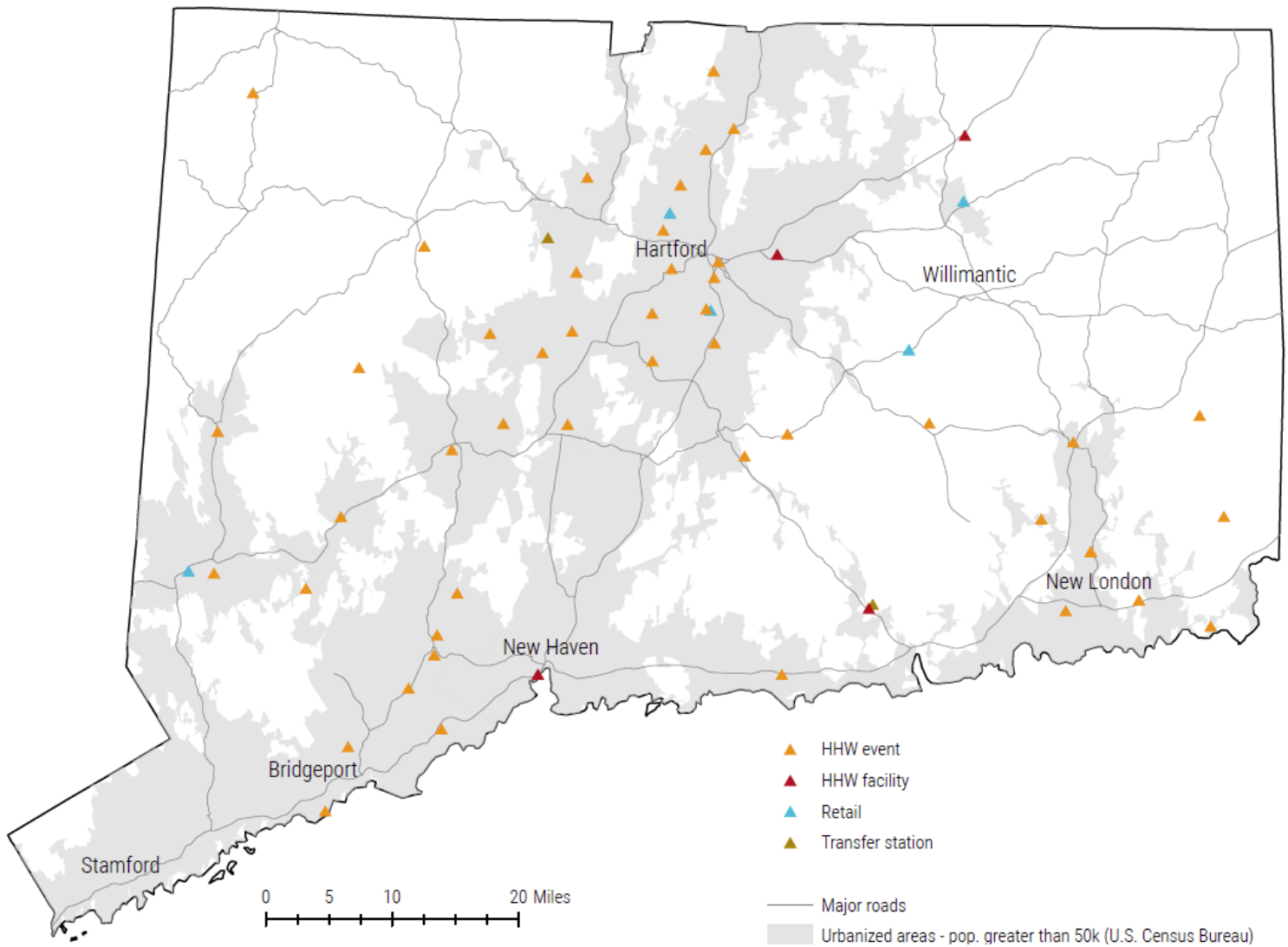
As discussed previously, prior to the PaintCare program, Connecticut households were only able to utilize the state’s HHW programs for their oil-based paints, and were directed to dry and dispose of latex paint. For businesses, options were even fewer. Through its drop-off sites and LVP service, the PaintCare program has significantly increased paint recycling opportunities for Connecticut residents and businesses.

The following maps show the locations of (1) year-round sites, (2) supplemental sites and events, (3) year-round sites and supplemental sites and events, and (4) LVP sites. (LVP sites were not included in any measure of convenience but are mapped for illustrative purposes.)

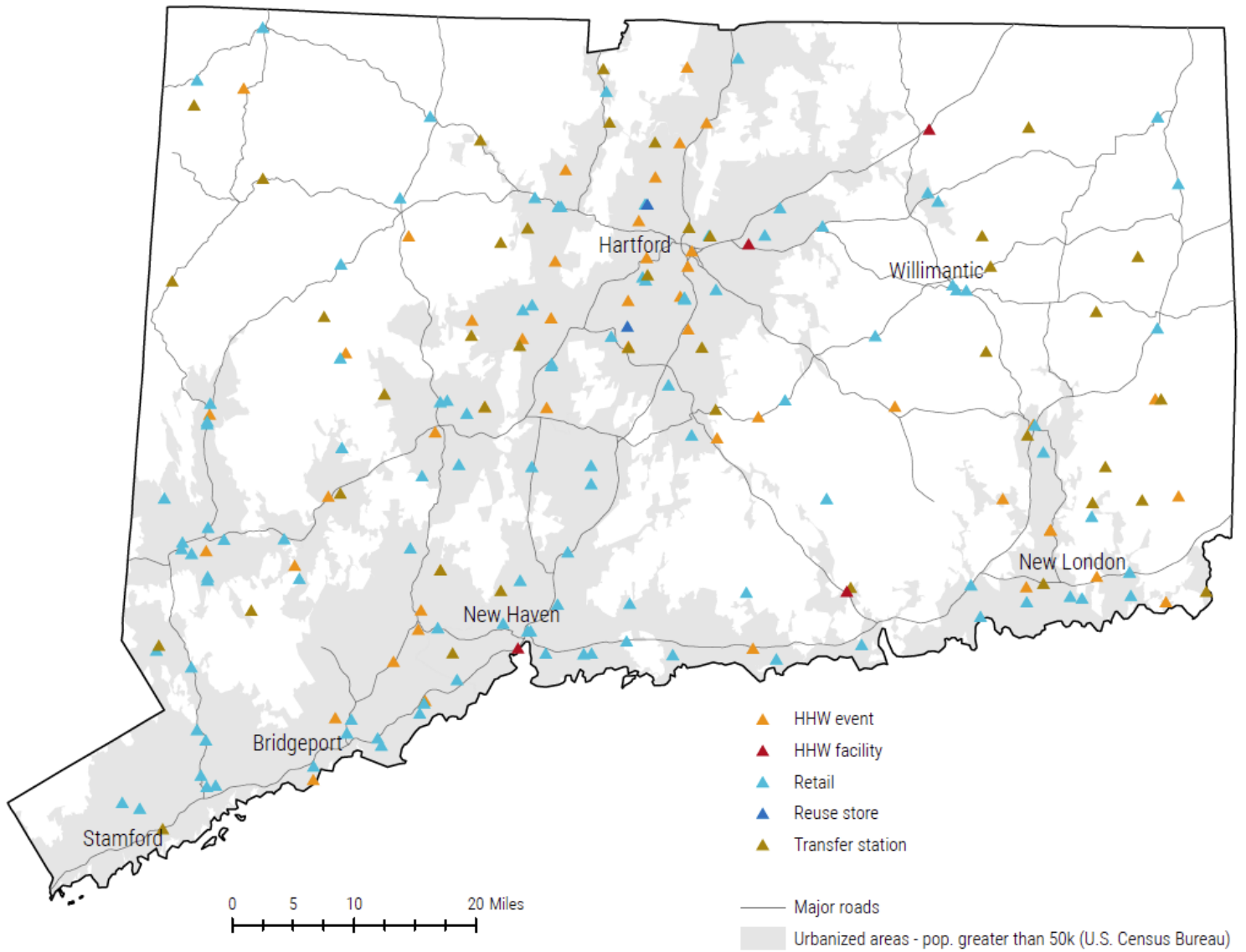
YEAR-ROUND SITES



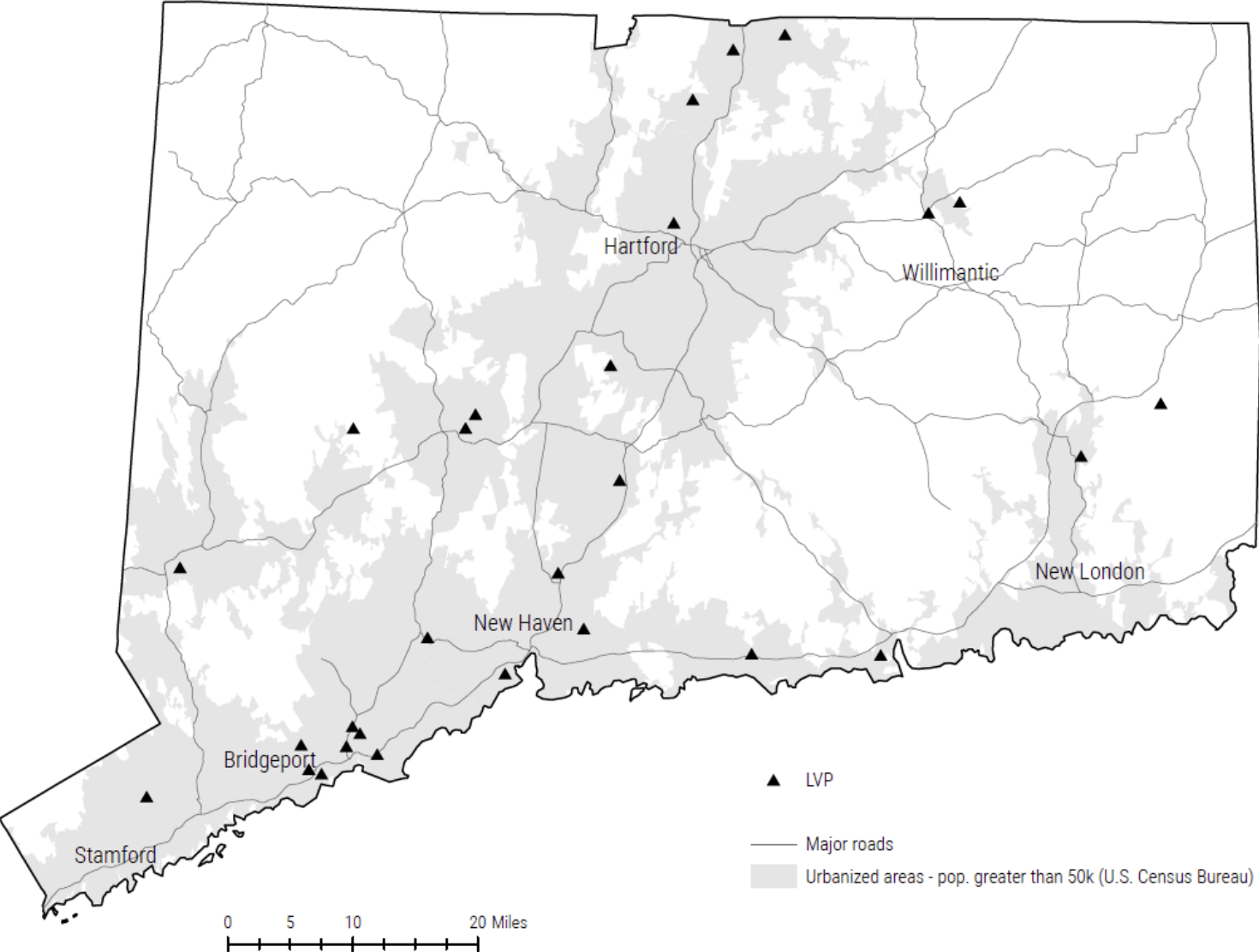
SUPPLEMENTAL SITES AND EVENTS



YEAR ROUND AND SUPPLEMENTAL SITES AND EVENTS



LARGE VOLUME PICK-UP SITES



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.

Except for the HHW programs whose staff and contractors were already familiar with managing waste paint, PaintCare provided all other sites with an 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 DEEP 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 DEEP 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 contracted with 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 their permitted facility in Bristol, CT 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.

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 numerous times, it may not be 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 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. A small amount of latex paint was managed via reuse.

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 facility in 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. MXI 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.

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

D3. Oil-Based Paint Processing

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. A small amount of oil-based paint was managed via reuse, sold to consumers at a lower price at reuse stores.

Energy Recovery. MXI transported oil-based to their Virginia facility where it was bulked and shipped to GeoCycle in Holly Hill, SC and subsequently to Holcim, a cement kiln, also located in Holly Hill, SC, to be used as a fuel.

Incineration. Clean Harbors transported oil-based paint to their own incinerators in El Dorado, AR, and Deer Park, TX, where it served as a fuel in the incineration process.

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 5,907,044 gallons in the reporting period, a 5.5% decrease over last year's sales.

B. PAINT COLLECTION AND MANAGEMENT

B1. Collection Volume and Recovery Rate

The program processed 322,568 gallons of paint during the reporting period. The recovery rate in the reporting period was 5.5% (5.5% of 5,907,044 gallons sold).

In the Connecticut program plan, 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). While the program has not reached a 6% recovery rate, it may be reaching a plateau. As the table below shows, though the recovery rate increased in the reporting period, this is due almost entirely to the decrease in paint sales, not to an increase in volume of paint collected or handled by the program (shown as gallons processed). Collection volume increased less than 1% in the reporting period which may suggest the program is reaching maturity and a steady state.

GALLONS SOLD AND PROCESSED

	YEAR 1 FY2014	YEAR 2 FY2015	YEAR 3 FY2016	YEAR 4 FY2017
Gallons Sold	5,755,458	5,950,874	6,251,274	5,907,044
Gallons Processed	241,300	275,940	320,414	322,568
Increase in Gallons Processed	N/A	14.4%	16.1%	0.7%
Recovery Rate	4.2%	4.6%	5.1%	5.5%

B2. Latex vs. Oil-Based Paint

Of the 322,568 gallons of paint processed in the reporting period, 79% (253,174 gallons) was latex paint and 21% (69,314 gallons) was oil-based paint.

B3. Paint Management Methods

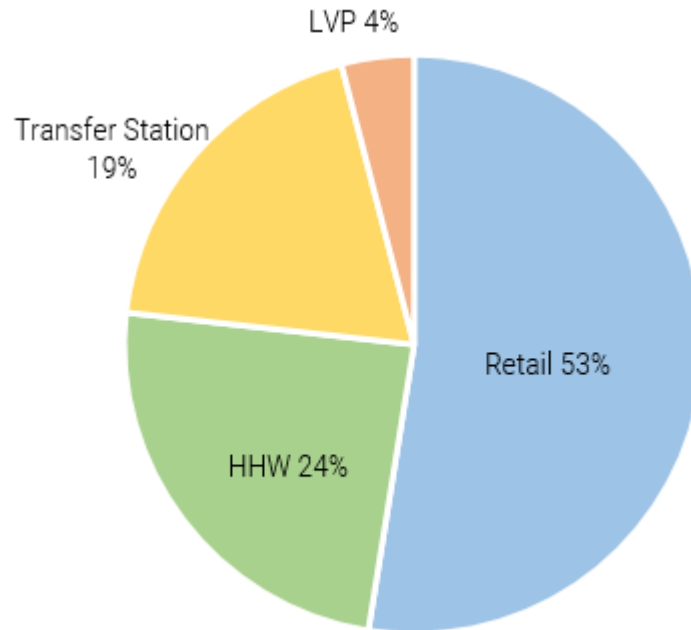
The following table shows the paint management methods and volumes in the first four reporting periods.

SUMMARY OF PAINT MANAGEMENT

	YEAR 1 FY2014		YEAR 2 FY2015		YEAR 3 FY2016		YEAR 4 FY2017	
LATEX PAINT DISPOSITION	(GAL)	%	(GAL)	%	(GAL)	%	(GAL)	%
Reuse	~ 500	< 1	244	< 1	245	<1	435	<1
Recycled Paint	136,959	81	178,753	82	198,702	80	212,239	84
Alternative Daily Landfill Cover	6,949	4	13,200	6	12,183	5	0	0
Fuel	10,206	6	0	0	0	0	0	0
Disposal	15,263	9	25,125	12	36,506	15	40,500	16
Subtotal Latex Paint	169,877	100	217,322	100	247,636	100	253,174	100
OIL-BASED PAINT DISPOSITION								
Fuel	71,423	100	58,618	100	72,778	100	69,394	100
Subtotal Oil-Based Paint	71,423	100	58,618	100	72,778	100	69,394	100
GRAND TOTAL	241,300		275,940		320,414		322,568	

B4. Collection by Program Type

The following pie chart shows the relative volume of paint collected by site/service type.



C. CONTAINER RECYCLING

Metal and plastic paint containers were recycled whenever possible. During the reporting period, the program recycled an estimated 198 tons of paint containers, bringing the total tons recycled since the start of the program to 672 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, 2017, 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. In Connecticut, 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. In Connecticut, 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 (recycled-paint project and various other projects), legal costs, travel, office supplies, and other logistical and professional support.

State Administrative Fees. PaintCare pays an administrative fee in the amount to \$20,000 to the DEEP 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. For the reporting period, Connecticut's allocation for corporate activity was 6.1%. These costs include but are not limited to corporate staffing, insurance, maintenance of data management systems, auditing fees, software licenses, legal fees, occupancy, and general communications. (Note: Corporate activity was referred to as administrative costs in the Connecticut program plan.)

B2. Financial Summary

The following table shows program revenue and expenses during the first four reporting periods of the program. The only significant change from the last reporting period was in the net assets at the end of the reporting period, which is discussed further in the sections below.

REVENUE AND EXPENSES

REVENUE	YEAR 1 FY2014	YEAR 2 FY2015	YEAR 3 FY2016	YEAR 4 FY2017
Larger than half pint to smaller than 1 gallon	\$ 408,243	\$ 470,065	\$ 473,053	\$ 471,923
1 gallon	2,403,101	2,463,209	2,600,642	2,381,951
Larger than 1 gallon up to 5 gallons	722,126	744,882	781,827	765,896
Total revenue	3,533,470	3,678,156	3,855,522	3,619,770

EXPENSES

Paint processing	935,657	1,173,310	1,378,563	1,380,383
Paint transportation	390,260	438,863	505,722	481,333
Collection supplies and support	315,780	393,719	347,619	373,436
Communications	256,452	346,529	460,292	474,641
Personnel, professional fees, and other	144,280	134,813	133,560	136,798
State administrative fees	40,000	20,000	20,000	20,000
Allocation of corporate activity	142,482	188,442	252,858	244,164
Total expenses	2,224,911	2,695,676	3,098,614	3,110,755

Allocation of investment activity *	0	1,643	10,956	0
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Change in net assets (revenue minus expenses)	1,308,559	984,123	767,864	509,014
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Net assets, beginning of reporting period	(495,872)	812,687	1,796,809	2,564,673
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Net assets, end of reporting period	\$ 812,687	\$ 1,796,810	\$ 2,564,673	\$ 3,073,687
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* As of January 2016, reserves are being held in a checking account, and no longer in an investment portfolio.

C. RESERVES POLICY

PaintCare's Reserves Policy 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 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. If the program reserves fall below the minimum threshold of 16% or rise 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.

At the end of the reporting period, the Connecticut program had built a surplus of \$3,073,687 or 99% of annual expenses. Though the Connecticut program is still relatively young, and its recovery rate lower than some other PaintCare programs, its paint collection network has been robust from the start and outreach has been steady and strong. Thus, it may be the case that the program is reaching maturity with consistent collection volumes and costs. The potential consequence of this is discussed further in the following section.

D. EVALUATION OF THE PROGRAM'S FUNDING MECHANISM

The Connecticut PaintCare fees on the sale of new paints are based on container sizes as follows:

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. Despite a decrease in sales compared to the last reporting period, the revenue generated during the reporting period was more than sufficient to cover expenses, and the program's reserves had grown to 99% of annual expenses – double PaintCare's target of 50% once a program is deemed mature.

If revenue and expenses have stabilized, the program will continue to increase its reserves at a rate of about 16% annually. With the current accumulated reserves, the program can absorb reasonable fluctuations in revenue (from decreased sales) and/or expenses (from increased collection volume and/or price increases) and remain stable. Thus, PaintCare will closely monitor revenue and expenses through the current reporting period, and if it appears that the program has stabilized and is not experiencing any significant financial changes, a fee decrease is likely to be proposed.

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.

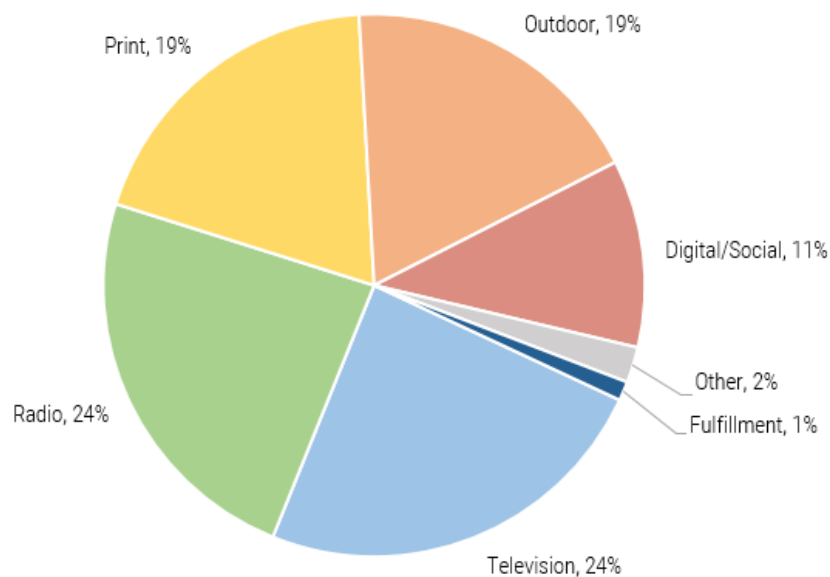
A. OUTREACH ACTIVITIES

A1. Introduction

PaintCare's outreach strategy includes a variety of activities targeted to retailers, painting contractors, municipal agencies, and the general public through direct contact and advertising. 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 by distributing brochures and other print-based materials to retailers and others (fulfillment) and using a variety of media, including print (newspapers), television, outdoor (billboards and sports sponsorships), radio, 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:



A2 Press Release

An Earth Day themed press release was issued in April of 2017. The release did not result in any press coverage that we are sure of; however, there was one Earth Day-related article on thehour.com (a news website in Norwalk) about all of Connecticut's product stewardship programs, including PaintCare.

A3 Print Materials for Consumers

PaintCare continued to distribute program brochures and other printed materials to retailers for them to make available to consumers in their stores. These materials include program brochures, mini cards, fact sheets (for painting contractors and the LVP service), and program posters.

During the reporting period, PaintCare fulfilled 46 requests for materials by mail and the Connecticut program manager delivered materials in person during site visits. PaintCare distributed a total of 4,700 brochures, mini cards, fact sheets, and posters during the reporting period.

PaintCare also provided 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. This year the counter mat used in all states was redesigned to allow for a state-specific insert that can be customized for each program.

Larger versions of 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

Several fact sheets were distributed in the months before the start of the program or introduced in previous reporting periods and are still used. Minor updates are made throughout the year. Current versions of the following fact sheets are available on PaintCare's website:

- ◆ How Does the Connecticut Paint Stewardship Program Affect Paint Retailers?

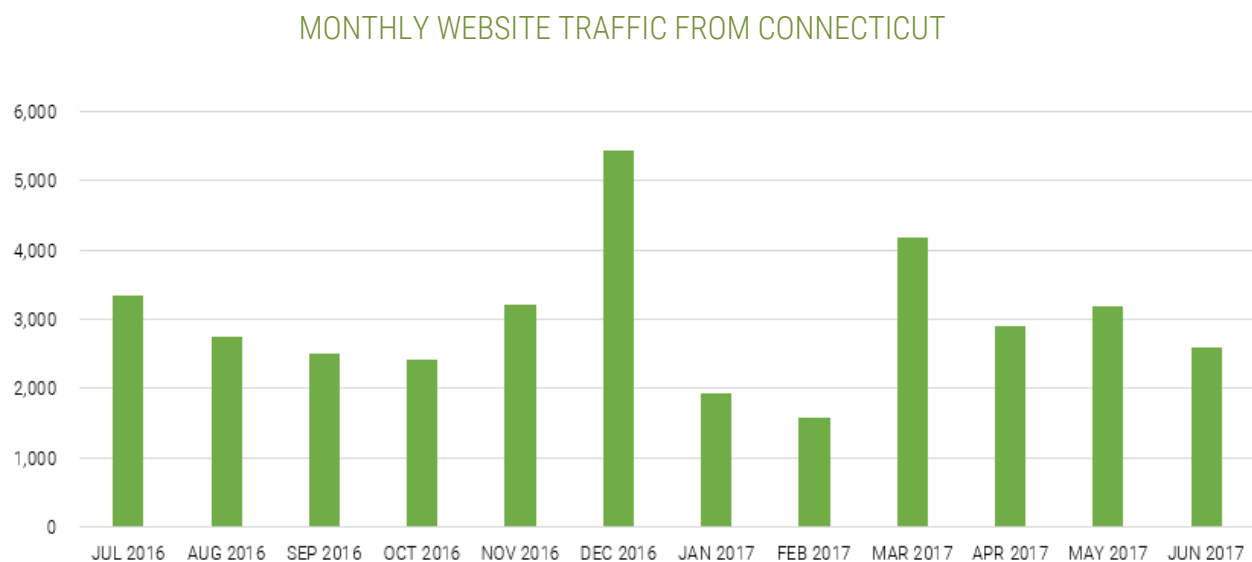
- ◆ How to Become a Retail Drop-Off Site
- ◆ About PaintCare Fees
- ◆ Information for HHW Programs
- ◆ Information for Solid Waste Transfer Stations, Recycling Facilities and Landfills
- ◆ Reuse Programs – Compensation and Reporting

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).

A chart showing monthly website traffic for the reporting period follows.



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 the following message in 10 spots per week in three-week time blocks approximately every other month for a total of 20 weeks: *"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 a narrator cleaning out his garage. The following spot ran in two week blocks each month from August to October and in May on conservative talk radio stations statewide in English. A Spanish version was use on Spanish language stations in Hartford, New Haven and Bridgeport.

"Is your garage full of old paint that you'll never use? I know mine is. Avocado Green, Hot Pink, Antique White? (That is a nice shade of white, though.) You know, it's easy to recycle paint all over Connecticut. Keep what you need and recycle the rest. Find a drop off site near you at paintcare.org"

A8. Television

In the reporting period, PaintCare ran an average of 16 broadcast television spots per week for two weeks in August and from mid-November to the end of December throughout most of the state. TV spots also ran for two weeks each month January-March and in June. Cable television was used in Fairfield County to avoid broadcasting into New York. The "Touchups" spot shows a woman repainting her walls after her child drew on them. While looking for the touch up paint in her garage, she realized that she had more paint that she would ever use, and takes it to be recycled.



Still frames from "Touchups" television commercial

A9. Print Advertising

PaintCare ran print ads in the fall 2016 and spring 2017 throughout the state to advertise retail drop-off sites; each site was promoted four times during this period. This year PaintCare used a combination of Red Plum circulars and newspapers. Red Plum circulars (sometimes called shared mail or direct mail) arrive in the mail to homes within a group of zip codes, so each ad was customized to advertise the drop off sites in those zip

codes. Red Plum is not available in all parts of Connecticut, so newspaper ads were used in areas where Red Plum was not available.



PAINT RECYCLING MADE *easy*

It's Free!

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 all year-round, including these sites in your area:

Colony Paint 282 Boston Post Road Milford, CT 06460 (203) 874-8014	PPG Paints 773 Bridgeport Avenue Milford, CT 06460 (203) 301-0670	Sherwin-Williams 575 Boston Post Road Orange, CT 06477 (203) 876-7000
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TO FIND OTHER DROP-OFF LOCATIONS:
www.paintcare.org • (855) 724-6809

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



PAINT RECYCLING MADE *easy*

It's Free!

Do you know where to recycle or dispose of your paint?
There are 145 PaintCare sites in Connecticut where households and businesses can recycle or dispose of unwanted paint, stain and varnish all year round, including these sites in your area:

NORWALK PPG Paints 106 Main Street (203) 750-9553 Rings End 149 Westport Avenue (203) 663-4450 Sherwin-Williams 304 Main Avenue (203) 845-8850	STAMFORD Keoughs Paint & Hardware 907 High Ridge Road (203) 322-1641 Sherwin-Williams 1150 Hope Street (203) 329-8100 WILTON Rings End 129 Danbury Road (203) 761-0688 Wilton Hardware 21 River Road (203) 529-3650
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TO FIND OTHER DROP-OFF LOCATIONS:
www.paintcare.org • (855) 724-6809

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

Examples of print advertising: Red Plum (left) and newspaper (right)

A10. Digital Advertising

PaintCare ran digital banner ads on Pandora radio and a variety of news related websites in two week campaigns July and September-December 2016, and in February, April and June 2017.



**KEEP WHAT YOU NEED.
RECYCLE the REST.**

Learn More

paintcare

The image also shows a smartphone displaying the same advertisement, with the text "Army Grant Radio" at the top and "Your station will be right back..." at the bottom.

Digital ads used on Pandora radio

A11. Outdoor

PaintCare ran billboards on Interstate 91 in Hartford in August 2016 and on Interstate 91 in New Haven in September 2016 as well as May and June 2017.



Digital Billboard used near Hartford in January 2017

A12. Sports Sponsorships

College Level. PaintCare repeated sponsorships this reporting period with Quinnipiac Ice Hockey (February-April) and UConn Basketball (February -March), including digital signage during the games and PA announcements during games.

- ◆ *"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."*



Message circling the digital ribbon inside the UConn basketball stadium (above).

Hartford Marathon. This year PaintCare also sponsored the 2016 Hartford Marathon on October 8, 2016. This sponsorship included onsite signage, logo inclusion on website, and video playing at the finish line. It also included a booth that was staffed by PaintCare team members who handed out literature and promotional items. Additionally, the marathon hired an artist to paint an event-themed painting using some leftover house paint to attract people to visit the PaintCare booth.

A13. Face-to-Face

The Connecticut program manager continued to visit with retail drop-off sites regularly to make sure there were no problems or concerns, 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 facility and transfer station partners to check on operational issues and answer questions.

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

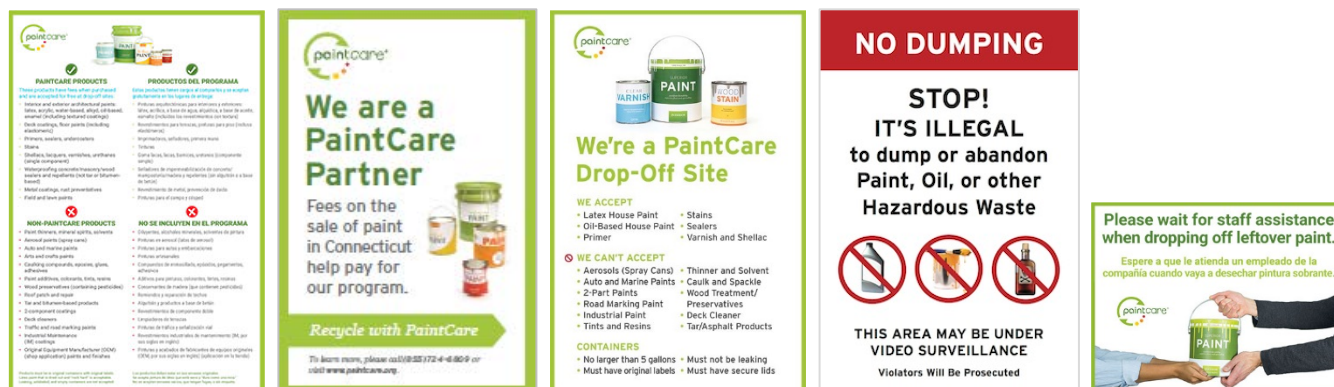
- ◆ Connecticut Conference of Municipalities (Hartford) to explain the program to government officials
- ◆ Solid Waste Advisory Committee (Connecticut Department of Energy and Environmental Protection) meeting (Hartford) presentation about the 2016 annual report
- ◆ Connecticut Recyclers Coalition Conference (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 (Providence, RI) tabling to answer questions about the program, hand out informational brochures, and provide information regarding the LVP service
- ◆ 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
- ◆ Earth Day events at Pratt and Whitney and USB
- ◆ Hartford Marathon (see section A12)

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 has developed several 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 have been included in previous annual reports. These signs can now be found online at www.paintcare.org/signs.



A15. Joint Outreach Projects

PaintCare offers creative and financial support to HHW and transfer station programs that are PaintCare partners. PaintCare provided support to the Housatonic Resource Recovery Association during the reporting period by providing partial funding for two newspaper ads to promote HHW events and for their recycling newsletter. More information about joint outreach is available from PaintCare's website.

B. AWARENESS SURVEY

PaintCare conducted a baseline Paint Usage and Disposal Survey in Connecticut prior to the start of the program using Survey Monkey, an online survey instrument. The survey is used to evaluate awareness of paint recycling options over time, and it is repeated each year.

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 responses for the last four rounds of surveys is included in the appendix.

Here are some highlights of the surveys:

- ◆ There is a trend showing that respondents store less paint. In general, each year fewer respondents said that they had 5 or more gallons of paint, and more respondents said they had 0-5 gallons.
- ◆ Another trend is that fewer respondents reported that the paint in their home came from either (1) someone they hired to paint left it behind, or (2) it was there when they moved in. With many easy-to-find year-round drop-off sites open several days a week, it may be that painting contractors are more likely to take away leftover paint when the job is done, and home sellers are more likely to clean out their old paint storage areas throughout the year or when then get ready to sell.
- ◆ The percentage of respondents who said they had (or would) dry out unwanted paint and dispose of it in the trash decreased each year. Prior to PaintCare, drying and disposing of latex paint was

recommended by the state and local government programs as the way to get rid of unwanted latex paint.

- ◆ The percentage of respondents who said they had (or would) take unwanted paint to an HHW program decreased each year – and the percentage who said they had (or would) take it to a paint store increased each year. Prior to PaintCare, very few paint stores took back paint, so this is an indicator of awareness of the options provided by PaintCare’s retail partners.
- ◆ The percentage of respondents who said they know that paint can be recycled increased each year. This year it was 44%.
- ◆ The percentage of respondents who said they know where to take paint for recycling or disposal increased most years. This year 59% of respondents said they know where to take old paint.

C. RECOMMENDATIONS

PaintCare should continue to conduct outreach through a variety media activities, including television, radio, digital and print advertising to increase awareness across the state. PaintCare endeavors to reach the general public – all households, businesses, and institutions 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 number of visitors using mobile devices to access PaintCare’s website has shifted and is now 80%, compared to 20% two years ago. In response, PaintCare has made the website, and especially the site locator, much more mobile device friendly in the past year and should continue this endeavor.

PaintCare should continue to promote sites in print. Although newspaper circulation has decreased, PaintCare drop-off sites appreciate this kind of 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.

The program manager should identify new events and other face-to-face outreach opportunities (e.g., home shows, meetings of painting contractor and other associations, etc.) to raise awareness of the program.

Appendix Section A



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 1

City/Town	Site Name	Address	Type
Year-Round Sites		143 Sites	
Avon	Carr Hardware	320 W Main St	Retail
Avon	Mahers Paint & Wallpaper	369 W Main St	Retail
Avon	Sherwin-Williams	353 W Main St	Retail
Barkhamsted	Regional Refuse Disposal District One	31 New Hartford Rd	Transfer Station
Berlin	New Britain Recycling Center	642 Christian Ln	Transfer Station
Bethel	Rings End	9 Taylor Ave	Retail
Bethel	Stony Hill Hardware	34 Stony Hill Rd	Retail
Bethel	True Value of Bethel	211 Greenwood Ave	Retail
Bethlehem	True Value of Bethlehem	101 Main St S	Retail
Bloomfield	Greater Hartford Habitat for Humanity Restore	500 Cottage Grove Rd	Reuse Store
Bolton	England True Value Hardware	661 Boston Tpke Rte 44	Retail
Branford	Branford Building Supplies	1145 Main St	Retail
Branford	Rings End	25 E Industrial Rd	Retail
Branford	Sherwin-Williams	2 Liesl Ln	Retail
Bridgeport	PPG Paints	1739 Main St	Retail
Bridgeport	Sherwin-Williams	46 Glenwood Ave	Retail
Bristol	Bristol Transfer Station	685 Lake Ave	Transfer Station
Bristol	City Hardware	750 Farmington Ave	Retail
Bristol	Sherwin-Williams	1197 Farmington Ave	Retail
Brookfield	Sherwin-Williams	2 Federal Rd	Retail
Brooklyn	Brooklyn Transfer Station	95 Ruckstella Rd (off Beecher Rd)	Transfer Station
Burlington	Burlington Transfer Station	66 Belden Rd	Transfer Station
Canaan	C A Lindell True Value Hardware & Lumber	59 Church St	Retail
Canterbury	Canterbury Transfer Station	111 Kinne Rd	Transfer Station
Canton	Larsen Ace Hardware	220 Albany Turnpike	Retail
Cheshire	R W Hine Hardware	231 Maple Ave	Retail



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 2

City/Town	Site Name	Address	Type
Clinton	Stewards Ace Hardware	114 E Main St	Retail
Cornwall	Cornwall Transfer Station	24 Furnace Brook Rd	Transfer Station
Cromwell	Sherwin-Williams	50 Berlin Rd	Retail
Danbury	PPG Paints	211 White St	Retail
Danbury	Sherwin-Williams	1 Padanaram Rd	Retail
Darien	Darien Transfer Station	126 Ledge Rd	Transfer Station
Derby	Sherwin-Williams	656 New Haven Ave	Retail
East Haddam	Shagbark True Value Hardware	21 Mt Parnassus Rd	Retail
East Hampton	East Hampton Ace Hardware	25 E High St	Retail
East Hartford	East Hartford Transfer Station	61 Ecology Dr	Transfer Station
East Hartford	Sherwin-Williams	275 Park Ave	Retail
East Haven	Goodys Hardware	540 Main St	Retail
East Lyme	Cash True Value Home Center	300 Flanders Rd	Retail
Eastford	Eastford Transfer Station	264 Westford Rd	Transfer Station
Enfield	Sherwin-Williams	85 Freshwater Blvd	Retail
Fairfield	Sherwin-Williams	695 Post Rd	Retail
Glastonbury	Katz Hardware	2687 Main St	Retail
Granby	Beman True Value Hardware	20 Hartford Ave	Retail
Granby	Granby Transfer Station	103 Old Stagecoach Rd	Transfer Station
Griswold	Griswold Transfer Station	1148 Voluntown Rd Rte 138	Transfer Station
Groton	Johnson True Value Hardware	40 Fort Hill Rd	Retail
Groton	Sherwin-Williams	750 Long Hill Rd	Retail
Guilford	Page Hardware and Appliances	9 Boston St	Retail
Hamden	Hamden Transfer Station	231 Wintergreen Ave	Transfer Station
Hamden	Sherwin-Williams	2100 Dixwell Ave	Retail
Hartford	Hartford Transfer Station	180 Leibert Rd	Transfer Station
Kent	Kent Transfer Station	46 Maple St	Transfer Station
Killingly	Sherwin-Williams	1062 N Main St	Retail



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 3

City/Town	Site Name	Address	Type
Killingworth	Killingworth True Value Hardware	228 Route 81	Retail
Lakeville	Ed Herringtons Inc	11 Farnum Rd	Retail
Lebanon	Lebanon Transfer Station	175 Exeter Rd	Transfer Station
Ledyard	Holdridge Home & Garden True Value Hardware	749 Colonel Ledyard Hwy	Retail
Ledyard	Ledyard Transfer Station	881 Colonel Ledyard Hwy (J Alfred Clark Way)	Transfer Station
Litchfield	True Value Hardware of Litchfield	348 Bantam Rd	Retail
Manchester	Sherwin-Williams	257 Broad St	Retail
Manchester	Sherwin-Williams	100 Tolland Tpke	Retail
Mansfield	Mansfield Transfer Station	221 Warrentown Rd Mansfield Center	Transfer Station
Middletown	Ace Home Center	480 S Main St	Retail
Milford	Colony Paint	282 Boston Post Rd	Retail
Milford	PPG Paints	773 Bridgeport Ave	Retail
Morris	Morris Transfer Station	254 Lakeside Rd	Transfer Station
Mystic	Cash True Value Home Center	9 Hendel Dr	Retail
Mystic	Mystic Paint and Decorating Center	50 Williams Ave	Retail
Naugatuck	H J Bushka Sons Lumber and Millwork	25 Great Hill Rd	Retail
Naugatuck	Sherwin-Williams	727 Rubber Ave	Retail
New Britain	John Boyle Company	152 S Main St	Retail
New Fairfield	Village Hardware	3 Durham Dr	Retail
New Haven	Grand Paint & Carpet Center	451 Grand Ave	Retail
New Haven	PPG Paints	390 East St	Retail
New Haven	Sherwin-Williams	454 Whalley Ave	Retail
New London	New London Transfer Station	63 Lewis St	Transfer Station
New Milford	H H Taylor & Sons True Value Hardware	85 Railroad St	Retail
New Milford	Rings End	140 Danbury Rd Rte 7	Retail
New Milford	Sherwin-Williams	116 Danbury Rd	Retail
Newington	ReCONNstruction Center	731 New Britain Ave	Reuse Store



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 4

City/Town	Site Name	Address	Type
Newtown	Newtown Hardware	61 Church Hill Rd	Retail
Newtown	Sherwin-Williams	255 S Main St	Retail
Niantic	Rings End	28 Hope St	Retail
North Branford	Country Paint and Hardware	2410 Foxon Rd	Retail
North Haven	North Haven Paint and Hardware	87 Quinnipiac Ave	Retail
North Haven	PPG Paints	310 Washington Ave	Retail
North Stonington	North Stonington Transfer Station	191 Wintechog Hill Rd	Transfer Station
North Windham	Windham Transfer Station	8 Industrial Park Dr	Transfer Station
Norwalk	PPG Paints	106 Main St	Retail
Norwalk	Rings End	149 Westport Ave	Retail
Norwalk	Sherwin-Williams	304 Main Ave	Retail
Norwich	Ace Home Center	146 W Town St	Retail
Norwich	Norwich Transfer Station	73 Rogers Rd	Transfer Station
Norwich	Sherwin-Williams	411 W Main St	Retail
Old Saybrook	Sherwin-Williams	783 Boston Post Rd	Retail
Orange	Orange Transfer Station	100 S Orange Center Rd	Transfer Station
Orange	Sherwin-Williams	575 Boston Post Rd	Retail
Oxford	Oxford Lumber & Building Materials	113 Oxford Rd	Retail
Pawcatuck	Stonington Transfer Station	152 Green Haven Rd	Transfer Station
Plainfield	Plainfield Hardware	20 Excalibur Blvd	Retail
Portland	Portland Transfer Station	33 Sand Hill Rd	Transfer Station
Preston	Preston Transfer Station	108 Ross Rd	Transfer Station
Putnam	Sherwin-Williams	239 Kennedy Dr	Retail
Redding Center	Redding Transfer Station	84 Hopewell Woods Rd	Transfer Station
Ridgefield	Keoghs Paint & Hardware	1 Ethan Allen Hwy	Retail
Ridgefield	Ridgefield Supply	29 Prospect St	Retail
Ridgefield	Ridgefield Transfer Station	55 South St	Transfer Station
Rocky Hill	Rocky Hill Transfer Station	2 Old Forge Rd	Transfer Station



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 5

City/Town	Site Name	Address	Type
Salisbury	Salisbury Transfer Station	309 Sharon Rd	Transfer Station
Simsbury	Simbury Transfer Station	74 Wolcott Rd	Transfer Station
Southbury	Southbury Transfer Station	231 Kettletown Rd	Transfer Station
Southington	PPG Paints	320 Queen St	Retail
Southington	Sherwin-Williams	405 Queen St	Retail
Stamford	Keoughs Paint & Hardware	907 High Ridge Rd	Retail
Stamford	Sherwin-Williams	1100 Hope St	Retail
Storrs	Mansfield Supply Inc	1527 Storrs Rd	Retail
Stratford	Rings End	160 Avon St	Retail
Stratford	Sherwin-Williams	425 Benton St	Retail
Terryville	Plymouth Transfer Station	175 Old Waterbury Rd	Transfer Station
Torrington	Sherwin-Williams	368 Winsted Rd	Retail
Wallingford	Sherwin-Williams	927 N Colony Rd	Retail
Wallingford	South Broad Paint Center	1267 S Broad St	Retail
Waterbury	PPG Paints	1225 Thomaston Ave	Retail
Waterbury	Schmidts & Serafines True Value	464 Chase Ave	Retail
Waterbury	Sherwin-Williams	997 Wolcott St	Retail
Waterford	Sherwin-Williams	99 Boston Post Rd	Retail
Watertown	Watertown Transfer Station	Old Baird Rd (off Hamilton)	Transfer Station
West Hartford	PPG Paints	80 South St	Retail
West Hartford	Sherwin-Williams	1077 New Britain Ave	Retail
West Hartford	West Hartford Transfer Station	25 Brixton St	Transfer Station
Wethersfield	Rings End	669 Silas Deane Hwy	Retail
Wethersfield	Sherwin-Williams	725 Silas Deane Hwy	Retail
Willimantic	Cash True Value Home Center	1561 Main St	Retail
Willimantic	O L Willard Co	196 Valley St	Retail
Willimantic	Sherwin-Williams	1320 Main St	Retail
Wilton	Rings End	129 Danbury Rd	Retail



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 6

City/Town	Site Name	Address	Type
Wilton	Wilton Hardware	21 River Rd	Retail
Windsor	Windsor Transfer Station	500 Huckleberry Rd	Transfer Station
Winsted	True Value of Winchester	276 Main St	Retail
Wolcott	Wolcott Transfer Station	48 Todd Rd	Transfer Station
Woodbridge	Woodbridge Transfer Station	85 Acorn Hill Rd Ext	Transfer Station
Woodbury	Ace Hardware of Woodbury	690 Main St S	Retail

Supplemental Sites and Events

58 Sites

Ansonia	Ansonia Public Works (NVCOG HHW Event)	1 N Division St	HHW Event
Avon	Avon Transfer Station	281 Huckleberry Hill Rd	Transfer Station
Berlin	New Britain Recycling Center (TROC HHW Event)	642 Christian Ln	HHW Event
Bethlehem	Bethlehem Elementary School (NVCOG HHW Event)	92 East St	HHW Event
Bloomfield	Bloomfield Public Works Bldg (MDC HHW Event)	21 Southwood Rd	HHW Event
Bloomfield	John Boyle Company (Dropped Jul 2016)	550 Cottage Grove Rd	Retail
Bridgeport	City of Bridgeport (HHW Event)	425 Thormes St	HHW Event
Bristol	Bristol Public Works Garage (TROC HHW Event)	95 Vincent P Kelly Dr	HHW Event
Clinton	DPW Garage (RiverCOG HHW Event)	117 Nod Rd	HHW Event
Colchester	Colchester Town Hall (SCRRA HHW Event)	127 Norwich Ave	HHW Event
Danbury	Danbury Public Works (HRRRA HHW Event)	53A Newtown Rd	HHW Event
Danbury	Deeps Hardware (Closed Feb 2017)	47 North St	Retail
East Hampton	Colchester-East Hampton WPCA (RiverCOG HHW Event)	20 Gildersleeve Dr	HHW Event
East Hartford	East Hartford WPCF (MDC HHW Event)	65 Pitkin St	HHW Event
Essex	Essex Transfer Station	5 Dump Rd	Transfer Station
Essex	RiverCOG HHW Facility	Dump Road (no street number)	HHW Facility
Fairfield	Veterans Park (RWA HHW Event)	909 Reef Rd	HHW Event
Falls Village	Public Works Garage (NHCOG HHW Event)	Railroad St (no street number)	HHW Event
Farmington	Farmington High School (HHW Event)	10 Monteith Dr	HHW Event
Gales Ferry	Former Gales Ferry Elem. School (SCRRA HHW Event)	7 Hurlbutt Rd	HHW Event
Gales Ferry	SCRRA Office (CESQG Event)	7 Hurlbutt Rd	HHW Event



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 7

City/Town	Site Name	Address	Type
Griswold	Griswold Highway Garage (SCRARRA HHW Event)	1148 Voluntown Rd Rte 138	HHW Event
Groton	Groton Transfer Station (SCRARRA HHW Event)	685 Flanders Rd	HHW Event
Hartford	MDC Operations Facility (MDC HHW Event)	125 Maxium Rd	HHW Event
Harwinton	Torrington WPCF (NHCOG HHW Event)	252 Bogue Rd	HHW Event
Hebron	Hebron Ace Hardware (Dropped Oct 2016)	81 Main St PO Box 151	Retail
Manchester	Manchester Public Works (CREOC HHW Facility)	311 Olcott St	HHW Facility
Middletown	Middlesex Community College (RiverCOG HHW Event)	100 Training Hill Rd	HHW Event
Milford	DPW Garage (RWA HHW Event)	83 Ford St	HHW Event
New Haven	Regional Water Authority (RWA HHW Facility)	90 Sargant Dr	HHW Facility
New London	New London High School (SCRARRA HHW Event)	490 Jefferson Ave	HHW Event
New Milford	John Pettibone School (HRRRA HHW Event)	2 Pickett District Rd	HHW Event
Newington	Newington Town Garage (MDC HHW Event)	281 Milk Ln (off of Fenn Rd)	HHW Event
Newtown	Newtown Public Works (HRRRA HHW Event)	4 Turkey Hill Rd	HHW Event
North Stonington	North Stonington Public Schools (SCRARRA HHW Event)	297 Rte 2	HHW Event
Norwich	Norwich Public Works Garage (SCRARRA HHW Event)	50 Clinton Ave	HHW Event
Oakdale	Tyl Middle School Montville (SCRARRA HHW Event)	166 Chesterfield Rd (off Rt 163)	HHW Event
Plainville	Plainville Roadway Garage (TROG HHW Event)	23 Granger Ln (off Rt 177)	HHW Event
Rocky Hill	Stevens School (MDC HHW Event)	322 Orchard St	HHW Event
Shelton	PerkinElmer (Employee HHW Event)	710 Bridgeport Ave	HHW Event
Shelton	Shelton Highway & Bridges Dept (HHW Event)	41 Myrtle St	HHW Event
Simsbury	Simsbury DPW (HHW Event)	66 Town Forest Rd	HHW Event
Southbury	Southbury Town Hall (NVCOG HHW Event)	501 Main St S	HHW Event
Southington	Southington Town Garage (TROG HHW Event)	1 Delta Bitta Dr	HHW Event
Stonington	Stonington Highway Dept (SCRARRA HHW Event)	86 Alpha Ave	HHW Event
Storrs	O L Willard Co (Closed Mar 2017)	1753 Storrs Rd	Retail
Suffield	Suffield Town Garage (HHW Event)	42 Ffyer PI	HHW Event
Terryville	Plymouth Town Hall (TROG HHW Event)	80 Main St	HHW Event
Waterbury	Kennedy High School (NVCOG Event)	422 Highland Ave	HHW Event



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 8

City/Town	Site Name	Address	Type
West Hartford	Emanuel Synagogue (MDC HHW Event)	160 Mohegan Dr	HHW Event
West Hartford	West Hartford Public Works Garage (MDC HHW Event)	Oakwood Ave	HHW Event
Wethersfield	United Paint & Wallpaper (Sold Mar 2017)	669 Silas Deane Hwy	Retail
Wethersfield	Wethersfield High School (MDC HHW Event)	411 Wolcott Hill Rd	HHW Event
Willington	MidNEROC HHW Facility	57 Hancock Rd	HHW Facility
Windsor	Poquonock WPCF (MDC HHW Event)	1222 Poquonock Ave	HHW Event
Windsor Locks	Windsor Locks Public Works Garage (MDC HHW Event)	6 Stanton Rd	HHW Event
Wolcott	Wolcott Youth Center (TROC HHW Event)	48 Todd Rd	HHW Event
Woodbridge	Woodbridge Transfer Station (RWA HHW Event)	89 Acorn Hill Rd	HHW Event

Large Volume Pick-Up Sites

28 Sites

Bridgeport	Construction	LVP
Bridgeport	Elevator Company	LVP
Bridgeport	Painting Contractor	LVP
Bridgeport	Painting Contractor	LVP
Danbury	Painting Contractor	LVP
East Haven	Painting Contractor	LVP
Enfield	Prison	LVP
Enfield	Town Government	LVP
Fairfield	School	LVP
Fairfield	University	LVP
Griswold	Painting Contractor	LVP
Hartford	University / College	LVP
Kensington	Painting Contractor	LVP
Madison	Government - Town	LVP
Mansfield	University / College	LVP
New Canaan	Household in New Canaan	LVP
North Haven	Painting Contractor	LVP
Norwich	Painting Contractor	LVP



PAINTCARE SITES

FY2017 PAINTCARE SITES IN CONNECTICUT - PAGE 9

City/Town	Site Name	Address	Type
Old Saybrook	Hardware Store		LVP
Storrs	University		LVP
Stratford	Painting Contractor		LVP
Wallingford	Lumber Yard		LVP
Waterbury	Painting Contractor		LVP
Waterbury	School		LVP
West Haven	Painting Contractor		LVP
Windsor Locks	State Government		LVP
Wolcott	Painting Contractor		LVP
Woodbury	School		LVP

Appendix Section B

PaintCare Inc.

Financial Statements
and Independent Auditors' Report

June 30, 2017 and 2016

PaintCare Inc.

Financial Statements
June 30, 2017 and 2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
PaintCare Inc.

We have audited the accompanying financial statements of PaintCare Inc. ("PaintCare"), which comprise the statements of financial position as of June 30, 2017 and 2016, 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 from 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, 2017 and 2016, 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 15-16 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 of Rogers & Company LLC in black ink.

Vienna, Virginia
September 26, 2017

PaintCare Inc.

Statements of Financial Position
June 30, 2017 and 2016

	2017	2016
Assets		
Current assets:		
Cash	\$ 9,838,281	\$ 8,929,274
Accounts receivable, net	7,085,090	7,544,382
Investments	38,769,008	32,059,997
Prepaid expenses	292,908	264,420
Total current assets	55,985,287	48,798,073
Property and equipment, net	252,362	392,509
Total assets	<u>\$ 56,237,649</u>	<u>\$ 49,190,582</u>
Liabilities and Net Assets		
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	\$ 7,607,589	\$ 7,487,539
Due to affiliate	716,410	693,054
Total liabilities	<u>8,323,999</u>	<u>8,180,593</u>
Net Assets		
Unrestricted	<u>47,913,650</u>	<u>41,009,989</u>
Total net assets	<u>47,913,650</u>	<u>41,009,989</u>
Total liabilities and net assets	<u>\$ 56,237,649</u>	<u>\$ 49,190,582</u>

PaintCare Inc.

Statements of Activities
For the Years Ended June 30, 2017 and 2016

	2017	2016
Operating Revenue and Support		
Paint recovery fees	\$ 59,300,725	\$ 58,879,273
Other income	184,944	90,777
	<hr/>	<hr/>
Total operating revenue and support	59,485,669	58,970,050
	<hr/>	<hr/>
Expenses		
Program and delivery services:		
Oregon	4,722,572	5,251,004
California	29,860,700	29,542,078
Connecticut	2,866,592	2,845,756
Rhode Island	684,354	693,830
Minnesota	5,031,911	5,378,962
Vermont	702,993	780,420
Maine	1,072,543	1,106,344
Colorado	5,107,754	4,391,847
District of Columbia	238,308	53,202
	<hr/>	<hr/>
Total program and delivery services	50,287,727	50,043,443
	<hr/>	<hr/>
General and administrative	4,071,368	4,201,864
	<hr/>	<hr/>
Total expenses	54,359,095	54,245,307
	<hr/>	<hr/>
Change in Net Assets from Operations	5,126,574	4,724,743
	<hr/>	<hr/>
Non-Operating Activities		
Interest and dividend income	695,508	695,054
Loss on disposal of property and equipment	(46,549)	(59,232)
Net realized and unrealized gain on investments	1,128,128	423,303
	<hr/>	<hr/>
Total non-operating activities	1,777,087	1,059,125
	<hr/>	<hr/>
Change in Net Assets	6,903,661	5,783,868
	<hr/>	<hr/>
Net Assets, beginning of year	41,009,989	35,226,121
	<hr/>	<hr/>
Net Assets, end of year	\$ 47,913,650	\$ 41,009,989
	<hr/>	<hr/>

See accompanying notes.

PaintCare Inc.

Statements of Cash Flows
For the Years Ended June 30, 2017 and 2016

	2017	2016
Cash Flows from Operating Activities		
Change in net assets	\$ 6,903,661	\$ 5,783,868
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	99,334	89,652
Loss on disposal of property and equipment	46,549	59,232
Net realized and unrealized gain on investments	(1,128,128)	(423,303)
Change in allowance for doubtful accounts receivable	12,726	(59,058)
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	446,566	(131,869)
Prepaid expenses	(28,488)	(170,097)
Increase (decrease) in:		
Accounts payable and accrued expenses	120,050	(1,164,255)
Due to affiliate	23,356	349,371
Net cash provided by operating activities	<u>6,495,626</u>	<u>4,333,541</u>
Cash Flows from Investing Activities		
Purchases of investments	(13,405,223)	(33,535,291)
Proceeds from sale of investments	7,824,340	28,955,483
Purchases of property and equipment	<u>(5,736)</u>	<u>(61,413)</u>
Net cash used in investing activities	<u>(5,586,619)</u>	<u>(4,641,221)</u>
Net Increase (Decrease) in Cash	909,007	(307,680)
Cash, beginning of year	<u>8,929,274</u>	<u>9,236,954</u>
Cash, end of year	<u><u>\$ 9,838,281</u></u>	<u><u>\$ 8,929,274</u></u>

See accompanying notes.

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

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, 2017 and 2016, 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, 2017 and 2016, an allowance of \$25,848 and \$13,122, respectively, was recognized.

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

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.

Communications Costs

PaintCare holds communication-related contracts for advertising, marketing, and consumer awareness. Communications costs are charged to operations when incurred. Communications expenses were \$5,203,245 and \$7,147,325 for the years ended June 30, 2017 and 2016, respectively.

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

2. Summary of Significant Accounting Policies (continued)

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.

Measure of Operations

PaintCare includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities, and excludes realized and unrealized gains and losses on investments, interest and dividends, and loss on disposal of property and equipment.

Recently Issued Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*. The update changes the manner by which nonprofit organizations classify net assets as well as improves information presented in financial statements and notes about nonprofit organization liquidity, financial performance, and cash flows. The guidance is effective beginning in PaintCare's fiscal year 2019.

Reclassifications

Certain amounts in the June 30, 2016 financial statements have been reclassified to conform to the June 30, 2017 presentation. These reclassifications have no effect on the change in net assets previously reported.

Subsequent Events

In preparing these financial statements, PaintCare has evaluated events and transactions for potential recognition or disclosure through September 26, 2017, the date the financial statements were available to be issued.

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

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.

4. Accounts Receivable

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

	2017	2016
California	\$ 3,983,969	\$ 4,343,687
Colorado	813,388	905,527
Minnesota	791,527	843,006
Oregon	616,727	585,772
Connecticut	409,833	448,337
Maine	191,243	225,927
Rhode Island	116,765	94,883
District of Columbia	68,507	-
Vermont	118,979	110,365
Total accounts receivable	7,110,938	7,557,504
Less: allowance for doubtful accounts	(25,848)	(13,122)
Accounts receivable, net	<u>\$ 7,085,090</u>	<u>\$ 7,544,382</u>

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

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 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.

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.

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

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, 2017:

	Level 1	Level 2	Level 3	Total
Equities:				
Energy	\$ 641,681	\$ -	\$ -	\$ 641,681
Materials	474,488	-	-	474,488
Industrials	1,281,153	-	-	1,281,153
Consumer discretionary	1,366,919	-	-	1,366,919
Consumer staples	983,393	-	-	983,393
Health care	1,413,638	-	-	1,413,638
Financials	1,790,670	-	-	1,790,670
Information technology	2,064,283	-	-	2,064,283
Telecommunication				
service	278,341	-	-	278,341
Utilities	378,635	-	-	378,635
Real estate	467,823	-	-	467,823
Blend	710,039	-	-	710,039
Mutual funds:				
Fixed income	2,756,939	3,017,872	-	5,774,811
Corporate bonds	12,637,449	-	-	12,637,449
Cash equivalents	1,198,040	-	-	1,198,040
Government securities:				
U.S. Treasury	-	7,307,645	-	7,307,645
Total investments	\$ 28,443,491	\$ 10,325,517	\$ -	\$ 38,769,008

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

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, 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	\$ 21,626,467	\$ 10,433,530	\$ -	\$ 32,059,997

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

	2017	2016
Interest and dividend income	\$ 695,508	\$ 695,054
Net realized and unrealized gain	1,128,128	423,303
Total investment income	\$ 1,823,636	\$ 1,118,357

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

6. Property and Equipment

PaintCare held the following property and equipment at June 30:

	2017	2016
Software	\$ 421,822	\$ 421,822
Computer equipment	-	63,932
Furniture	-	22,008
Total property and equipment	421,822	507,762
Less: accumulated depreciation and amortization	(169,460)	(115,253)
Property and equipment, net	<u>\$ 252,362</u>	<u>\$ 392,509</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, 2017 and 2016, the total administrative fees charged by ACA to PaintCare were \$1,956,462 and \$1,720,000, respectively. At June 30, 2017 and 2016, PaintCare owed ACA \$716,410 and \$693,054, respectively, which is recorded as due to affiliate in the accompanying statements of financial position.

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

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, 2017

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	General and Administrative	Total
Operating Revenue and Support											
Paint recovery fees	\$ 4,625,604	\$ 34,996,367	\$ 3,619,770	\$ 933,217	\$ 5,405,122	\$ 849,926	\$ 1,473,308	\$ 6,956,690	\$ 440,721	\$ -	\$ 59,300,725
Other income	103,648	-	-	-	-	-	81,296	-	-	-	184,944
Total operating revenue and support	4,729,252	34,996,367	3,619,770	933,217	5,405,122	849,926	1,554,604	6,956,690	440,721	-	59,485,669
Expenses											
Program and delivery services:											
Collection support	17,287	3,025,711	373,436	99,116	210,544	72,887	142,640	525,763	34,675	-	4,502,059
Transportation and processing	4,405,460	21,726,877	1,861,716	456,393	4,523,534	560,497	735,789	3,683,548	83,421	-	38,037,235
Communications	98,254	3,753,494	474,641	88,715	113,166	8,583	18,210	606,972	41,210	-	5,203,245
Legal fees	7,507	141,732	4,886	3,131	-	283	-	-	-	-	157,539
State agency administrative fees	40,000	154,935	20,000	-	35,131	15,000	82,000	120,000	50,000	-	517,066
Other program expenses	154,064	1,057,951	131,913	36,999	149,536	45,743	93,904	171,471	29,002	-	1,870,583
Total program and delivery services	4,722,572	29,860,700	2,866,592	684,354	5,031,911	702,993	1,072,543	5,107,754	238,308	-	50,287,727
General and administrative:											
Legal fees	-	-	-	-	-	-	-	-	-	33,210	33,210
Management fees	-	-	-	-	-	-	-	-	-	1,956,462	1,956,462
Insurance	-	-	-	-	-	-	-	-	-	174,213	174,213
Other expense	-	-	-	-	-	-	-	-	-	1,907,483	1,907,483
Total general and administrative	-	-	-	-	-	-	-	-	-	4,071,368	4,071,368
Total expenses	4,722,572	29,860,700	2,866,592	684,354	5,031,911	702,993	1,072,543	5,107,754	238,308	4,071,368	54,359,095
Change in Net Assets from Operations	6,680	5,135,667	753,178	248,863	373,211	146,933	482,061	1,848,936	202,413	(4,071,368)	5,126,574
Non-Operating Activities											
Investment income	-	-	-	-	-	-	-	-	-	1,823,636	1,823,636
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-	(46,549)	(46,549)
Change in Net Assets Before Allocation of General and Administrative Activities	6,680	5,135,667	753,178	248,863	373,211	146,933	482,061	1,848,936	202,413	(2,294,281)	6,903,661
General and administrative allocation	(261,719)	(2,544,998)	(244,164)	(71,906)	(362,337)	(42,747)	(90,747)	(343,569)	(41,107)	4,003,294	-
Investment allocation	-	1,728,879	-	-	(75,844)	(27,358)	(6,545)	94,947	(5,066)	(1,709,013)	-
Total Change in Net Assets	(255,039)	4,319,548	509,014	176,957	(64,970)	76,828	384,769	1,600,314	156,240	-	6,903,661
Net Assets (Deficit), beginning 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
Net Assets (Deficit), end of year	\$ (489,292)	\$ 43,762,360	\$ 3,073,688	\$ 556,235	\$ (1,561,045)	\$ (588,831)	\$ 16,281	\$ 3,110,428	\$ 33,826	\$ -	\$ 47,913,650

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	-	-	-	-	-	-	-	-	-	2,278,256	2,278,256
Total general and administrative	-	-	-	-	-	-	-	-	-	4,201,864	4,201,864
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	4,201,864	54,245,307
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)	(4,201,864)	4,724,743
Non-Operating Activities											
Investment income	-	-	-	-	-	-	-	-	-	1,118,357	1,118,357
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-	(59,232)	(59,232)
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

Appendix Section C



Connecticut Paint Stewardship Program

Each year about 780 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-PaintCare Products

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

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



Recycle

with PaintCare



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 200 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 and 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.

Mini Card



**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.



What types of paint products can be recycled with PaintCare?



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 and smaller than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
More 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 — APRIL 2017

Rhode Island's Paint Stewardship Program began in June 2014.

The Rhode Island Paint Stewardship law required paint manufacturers to set up and operate a paint stewardship program in Rhode Island. The program is funded by a fee on each container of architectural paint sold in the state. The program sets up drop-off sites at retail stores and other sites throughout the state where households and businesses are able to take most types of leftover paint for recycling, free of charge.

Paint Stewardship

The American Coatings Association (ACA) worked with various stakeholders interested in the management of postconsumer paint to develop a Paint Stewardship Program in the United States. PaintCare Inc. is a nonprofit organization established by ACA to implement the program on behalf of paint manufacturers in states that adopt paint stewardship laws. PaintCare operates programs in California, Colorado, Connecticut, District of Columbia, Maine, Minnesota, Oregon, Rhode Island, and Vermont.

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.



Fees and Funding

As required by state law, a paint stewardship assessment ("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 leftover, postconsumer paint, and for the transportation, recycling, and proper disposal of that paint. The fees also pay for consumer education and program administrative costs.

Fee may vary from state to state. The Rhode Island fees per container are as follows:

\$ 0.00 — Half pint or smaller

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

\$ 0.75 — 1 Gallon

\$ 1.60 — Larger than 1 gallon up to 5 gallons

The law also requires that each distributor and retailer include the PaintCare Fee with their sale price of architectural paint sold in the state. Displaying the fee on invoices and receipts is not mandatory for distributors or retailers; however, PaintCare encourages them to show the fee and list it as PaintCare Fee to aid in customer and dealer education and to ensure transparency.

Notice for Painting Contractors

It is expected that contractors will pass the fees on to their customers in order to recoup the fees they pay on the product.

When estimating jobs contractors should take these fees into account by checking with your suppliers to make sure the quotes for paint products include the fees. You should also let your customers know that you will be including these fees in your quotes.

New Paint Drop-Off Sites

PaintCare has established 30 paint drop-off sites across Rhode Island. Most drop-off sites are at paint stores. Other sites may include solid waste transfer stations, recycling centers, and government-sponsored household hazardous waste programs. Participation as a drop-off site is voluntary.

Use of Retail Drop-Off Sites by Businesses

Retail drop-off sites provide a convenient and no cost recycling option for painting contractors and other businesses. Businesses that generate less than 220 pounds of hazardous waste* per month will be able to use these sites to recycle all PaintCare products (both water and oil-based) with some restrictions on quantities per month.

Larger businesses (those that generate more than 220 pounds of hazardous waste per month) may use the PaintCare sites for their water-based PaintCare products only; they are not able to use the sites for oil-based paint or other solvent-based products.

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



Pick-Up Service for Large Volumes

Businesses with at least 200 gallons of postconsumer paint to recycle may qualify to have their paint picked up by PaintCare at no additional cost. To learn more about this service or to request an appointment, please visit www.paintcare.org/pickup or call (855) 724-6809.

Contact

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

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



Large Volume Pick-Up (LVP) Service

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 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 or stockpile 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 Bulk 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 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 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

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

MORE INFORMATION

(855) 724-6809 or (855) PAINT09
www.paintcare.org or info@paintcare.org

PAINTCARE INC.
901 NEW YORK AVENUE NW, SUITE 300W
WASHINGTON, DC 20001

Connecticut Paint Usage & Disposal Surveys

Notes:

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

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

Surveys were conducted in June or July each year.

2014		2015		2016		2017	
%	Count	%	Count	%	Count	%	Count

1. How much leftover paint is in your home?

	263		222		230		232	
None	25.5	67	23.0	51	33.9	78	28.4	66
Less than 1 gallon	8.7	23	7.7	17	20.0	46	21.6	50
1-5 gallons (would fit in a cardboard box)	38.0	100	40.5	90	26.1	60	31.5	73
5-15 gallons (would fit in a shopping cart)	19.0	50	21.6	48	10.0	23	7.3	17
15-30 gallons (would fit in two shopping carts)	3.4	9	0.9	2	0.4	1	1.7	4
More than 30 gallons	0.4	1	0.5	1	0.4	1	0.0	0
Yes, but I don't know how much	4.9	13	5.9	13	9.1	21	9.5	22

2. Where did the paint come from?

	195		222		190		167	
I did some painting myself and had some leftover	81.0	158	59.9	133	78.9	120	73.1	122
I hired someone to paint and they left it behind	30.8	60	33.8	75	16.4	25	12.6	21
I found it in my home/business when I moved in	14.9	29	11.3	25	7.2	11	7.8	13
I am a painting contractor and it is from one of my jobs	1.0	2	0.5	1	5.9	9	0.6	1
I don't remember where the paint came from	1.5	3	9.0	20	3.3	5	1.2	2
Other	0.5	1	14.0	31	3.3	5	4.8	8

Other responses for June 2017 Survey:

Previous owner (1)
Household cleanouts (1)
I'm an artist (1)

It was a gift (1)
Relatives bought it for their house (1)
3 answered with the name of the store

3. What did you do with leftover paint?

	262		222		230		230	
Poured it down the drain	2.7	7	0.5	1	1.3	3	0.4	1
Put can(s) of liquid paint in the trash	10.3	27	3.6	8	3.0	7	2.6	6
Dried out the paint and put it in the trash	33.6	88	15.8	35	10.9	25	16.1	37
Stored it in the basement or garage intend to use	58.4	153	30.6	68	36.1	83	36.5	84
Took it to a paint store	3.4	9	5.0	11	4.3	10	7.0	16
Took it to a household hazardous waste event or facility	30.9	81	25.2	56	11.3	26	16.5	38
Gave it away to a family, friend or community organization	12.2	32	3.2	7	5.2	12	4.3	10
Left it behind when I moved	10.7	28	1.4	3	3.5	8	1.7	4
I don't know	3.8	10	4.1	9	4.8	11	3.5	8
I have never stored or disposed of leftover/unwanted paint	7.6	20	6.8	15	17.8	41	8.7	20
Other	1.1	3	4.1	9	1.7	4	2.6	6

Other responses for June 2017 Survey:

None of the above (3)
Put it in the trash (1)

Mixed together and used it (1)
Took to recycling center (3)

4. If you had unwanted paint, what would you do with it?

	257		222		230		229	
Pour it down the drain	0.4	1	0.5	1	1.3	3	1.3	3
Put can(s) of liquid paint in the trash	7.4	19	0.5	1	3.9	9	2.6	6
Dry out the paint and put it in the trash	15.2	39	18.0	40	15.2	35	14.4	33
Take it to a paint store	6.6	17	13.1	29	16.1	37	16.2	37
Take it to a household hazardous waste event or facility	44.7	115	43.2	96	24.8	57	32.8	75
Give it away to a family, friend or organization	8.6	22	5.4	12	18.3	42	15.7	36
I don't know	17.1	44	13.5	30	19.1	44	14.4	33
Other	2.7	7	5.9	13	1.3	3	2.6	6

Other responses for June 2017 Survey:

Bulk trash (1)

Look online for a place to recycle it (1)

Take it to a recycling center (2)

Use it for other projects (1)

5. Did you know that paint can be recycled?

		263		222		152		232
Yes	30.0	79	31.1	69	43.4	66	44.4	103
No	70.0	184	68.9	153	56.6	86	55.6	129

6. Have you ever taken paint to be recycled/disposed? If yes, when?

		188		153		176		226
Yes, at some point during the past year	6.5	17	12.6	28	7.0	16	9.3	21
Yes, more than one year ago	22.1	58	18.5	41	16.5	38	20.8	47
No	71.5	188	68.9	153	76.5	176	69.9	158

7. Do you know where to take unwanted paint?

		263		222		230		229
No	70.3	185	66.7	148	74.8	172	41.5	95
Yes	29.7	78	33.3	74	25.2	58	58.5	134
If yes, where?	-	47	-	38	-	28	38.4	88

Responses to "Where?" for June 2017 Survey:

Green Monster (1)

HHW facility or program (6)

Local recycling facility or company (19)

Paint store (29)

Public Works Dept. (1)

Recycling or HHW Event (12)

Town garage (3)

Transfer station or "town dump" (17)

8. How far is the closest paint store?

		263		222		230		225
Less than 1 mile	17.9	47	13.1	29	17.4	40	18.7	42
1-5 miles	57.4	151	64.9	144	43.0	99	50.7	114
5-10 miles	18.3	48	15.8	35	23.9	55	20.0	45
10-20 miles	3.0	8	3.2	7	6.5	15	4.9	11
20-30 miles	0.8	2	1.4	3	0.4	1	0.4	1
Not sure	2.7	7	1.8	4	8.7	20	5.3	12

9. How far would you drive to recycle or dispose of unwanted paint?

		263		222		230		225
20-30 miles	3.8	10	5.4	12	7.8	18	3.1	7
10-20 miles	23.6	62	18.9	42	21.3	49	20.0	45
5-10 miles	40.3	106	32.9	73	26.1	60	40.0	90
1-5 miles	25.5	67	34.7	77	24.8	57	21.8	49
Less than 1 mile	3.0	8	2.7	6	5.7	13	2.2	5
Not sure	3.8	10	5.4	12	14.3	33	12.9	29

10. What county do you live in?

		159		222		230		233
Fairfield	27.0	43	26.6	59	14.3	33	18.0	42
Hartford	15.7	25	25.2	56	27.4	63	25.3	59
Litchfield	4.4	7	7.2	16	6.5	15	8.2	19
Middlesex	8.2	13	6.8	15	4.8	11	5.6	13
New Haven	28.9	46	18.9	42	26.1	60	27.0	63
New London	7.5	12	9.9	22	7.8	18	8.6	20
Tolland	3.8	6	3.6	8	8.3	19	3.4	8
Windham	4.4	7	1.8	4	4.8	11	3.9	9

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

		260		222		230		225
Urban / Major City	11.2	29	6.8	15	13.9	32	13.3	30
Suburban	53.8	140	48.6	108	38.3	88	40.9	92
Small City or Town	23.5	61	27.9	62	33.5	77	32.4	73
Rural / Countryside	11.2	29	14.9	33	14.3	33	13.3	30
Other (please specify)	0.4	1	1.8	4	0.0	0	0.0	0

12. What type of dwelling do you live in?

	262	222	230	225
Single-family house	74.4 195	78.8 175	60.4 139	62.7 141
Two- or Three-family house	6.9 18	6.3 14	12.6 29	13.3 30
Condominium or apartment building with many units	17.6 46	14.4 32	23.5 54	22.2 50
Manufactured or Mobile Home	0.0 0	0.0 0	2.6 6	0.9 2
Other (please specify)	1.1 3	0.5 1	0.9 2	0.9 2

13. Do you paint professionally?

	263	222	230	229
Yes	2.3 6	2.3 5	12.2 28	3.5 8
No	97.7 257	97.7 217	87.8 202	96.5 221

14. What is your age?

	263	222	230	225
Under 21	3.8 10	1.4 3	3.5 8	0.0 0
21-40	30.0 79	12.2 27	42.6 98	49.3 111
41-60	38.0 100	40.5 90	36.5 84	32.0 72
Over 60	28.1 74	42.8 95	17.4 40	18.7 42
Prefer not to say	- -	3.2 7	- -	0.0 0

15. Gender

	263	222	230	225
Male	47.1 124	45.0 100	36.5 84	46.7 105
Female	52.9 139	51.8 115	63.5 146	53.3 120
Prefer not to say	- -	3.2 7	- -	0.0 0

16. Educational Level

	263	222	230	225
Some High School	0.8 2	0.0 0	3.5 8	0.9 2
High School Graduate	5.3 14	6.3 14	23.9 55	16.4 37
Some College, Vocational, Trade, or Technical	28.1 74	26.1 58	38.3 88	45.3 102
4 year degree or higher	64.6 170	64.9 144	34.3 79	37.3 84
Prefer not to say	1.1 3	2.7 6	0.0 0	0.0 0

17. What is your household income?

	263	222	230	225
Less than \$50K	21.3 56	7.2 16	50.0 115	46.7 105
\$50 – 100K	24.3 64	32.9 73	30.0 69	35.6 80
\$100 – 150K	23.2 61	23.0 51	9.1 21	12.0 27
Over \$150K	9.9 26	20.7 46	4.8 11	3.6 8
Prefer not to say	21.3 56	16.2 36	6.1 14	2.2 5