



Connecticut Paint Stewardship Program

FY2020 Annual Report (July 1, 2019-June 30, 2020)



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Executive Summary

CONNECTICUT PAINT STEWARDSHIP LAW

PaintCare is the representative stewardship organization of the Connecticut Paint Stewardship Program codified in Sections 22a-904 and 22a-904a of the Connecticut General Statutes. The Connecticut program began in July 2014.

The broad goals of the program are for paint manufacturers to implement and manage the finances of a statewide paint stewardship program to reduce the generation of postconsumer paint, promote using up leftover paint, and facilitate the recycling and proper disposal of unwanted postconsumer paint. The program aims to increase opportunities to properly manage leftover paint, offer cost-saving opportunities to local governments, and manage the paint collected in an environmentally and economically sound manner.

PROGRAM HIGHLIGHTS

Sites and Services. The program added eight new year-round paint drop-off sites – four paint retailers and four transfer stations – ending the year with 154 year-round sites. Of the 154 year-round sites, 107 were retailers, representing 42% of likely retail participants. The remaining sites included 46 transfer stations, and one reuse store. At the end of the year, all Connecticut residents lived within 15 miles of a year-round drop-off site.

The program also managed paint from supplemental sites that included four seasonal HHW facilities, 37 HHW drop-off events, two seasonal transfer stations, and two retailers and one reuse store that accepted paint for part of the year. In addition, the program provided 39 direct large volume pick-ups (LVP) from businesses and others that had accumulated more than 200 gallons of paint at their locations and had one site set up as a recurring large volume pick-up (RLVP) site.

Paint Collection Volume. The program collected 350,184 gallons of postconsumer paint.

Paint Processing. Latex paint was 78% of the paint processed: a small amount was reused, 83% was made into recycled-content paint, and 17% was solidified and landfilled. Oil-based paint was 22% of the paint processed: a small amount was reused, 92% was processed via energy recovery, and 8% was processed via incineration.

Revenue and Expenses. The program is financed through a fee on new paint sales: 35 cents on pint and quart containers; 75 cents on 1-gallon containers; and \$1.60 on 5-gallon containers. Approximately 5.9 million gallons of architectural paints were sold in the state and the program collected \$3,643,393 in revenue from these sales.

Expenses, including paint transportation and processing, communications, staffing, and administration were \$3,076,868. The program ended the year with net assets of \$3,953,191. Total program cost per gallon of paint collected was \$8.79.

Paint Recovery Rate. The recovery rate – the volume of postconsumer paint collected divided by the volume of new paint sales in the same period – was 5.9%.

Awards. PaintCare received the 2019 Outstanding Industry Partner Award from the North American Hazardous Materials Management Association (NAHMMA) in recognition of ten years of successful paint stewardship programs across multiple states.

Communications. Public outreach activities included the distribution of point of sale print materials, fact sheets, and signage, as well as messaging delivered via television, digital ads, outdoor ads, radio, streaming audio, online video, and print ads.

Public outreach activities were significantly impacted by the COVID-19 pandemic that began in March 2020. Most advertising campaigns scheduled for the second half of the year were canceled due to limitations in PaintCare's paint drop-off sites and services. PaintCare's website, social media, and limited advertising were used to provide updates to the public about PaintCare's availability and to promote paint reuse messaging.

Operations. Paint collection activities were impacted by the COVID-19 pandemic from March to June. A peak total of 62% of retailers and 37% of transfer stations suspended paint drop-off during this period. These sites were removed from the PaintCare site locator tool during this time. The LVP service was also suspended for a few months. Additionally, 21 HHW events were canceled and all four of the seasonal HHW facilities postponed their openings. As a result, paint collection and related expenses were down year over year.

PROGRAM PLAN AND ANNUAL REPORT

The state's paint stewardship law required the approval of a program plan prior to the start of the program. Program plans and annual reports are available on PaintCare's website.

Section 1. Paint Collection and Transportation

Annual Report Statutory Citation

Section 22a-904a(h) requires that PaintCare submit an annual report that includes, in relevant part:

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

A. DROP-OFF SITES AND SERVICES

The overall goal of the program is to increase recycling opportunities for households, businesses, and others with leftover paint. All suitable locations were invited to participate as paint drop-off sites, provided they meet the programs operational requirements, including adequate storage space for paint collection bins and willingness to accept all program products (latex and oil-based paints). PaintCare partners with paint retailers, hardware stores, lumber centers, material reuse stores, household hazardous waste programs, solid waste facilities (e.g., transfer stations, recycling centers, landfills), and other site types to serve as paint drop-off sites.

The program's drop-off sites and services are summarized in the following tables and described below. Sites that stopped participating in the program during the year are listed as "partial year."

YEAR-ROUND DROP-OFF SITES

SITE TYPE	FY 2017	FY 2018	FY 2019	FY 2020
Retailer	102	103	105	107
Reuse Store	2	2	2	1
Transfer Station	39	41	42	46
Total Sites	143	146	149	154

SUPPLEMENTAL DROP-OFF SITES

SITE TYPE	FY 2017	FY 2018	FY 2019	FY 2020
Household Hazardous Waste Event Site / Number of Events	46/48	49/50	45/46	36/37
Household Hazardous Waste Facility (Seasonal)	4	4	4	4
Retailer (Partial Year)	0	0	1	2
Reuse Store (Partial Year)	0	0	0	1
Transfer Station (Seasonal)	2	2	2	2
Total Sites	52	55	52	45

SERVICES

SITE TYPE	FY 2017	FY 2018	FY 2019	FY 2020
Direct Large Volume Pick-Up Site / Number of Pick-Ups	28/32	30/32	43/43	37/39
Recurring Large Volume Pick-Up Site	0	1	1	1
Private Event Site	1	1	1	0

All sites are listed in the appendix of this report.

Household Hazardous Waste Programs. PaintCare partners with household hazardous waste programs – either directly or indirectly – to cover the costs of their paint collection bins, transportation, processing and in some cases additional on-site paint management activities.

The southwest communities joined the program during this year, but their HHW events were canceled due to COVID-19. There are a few municipalities with single events that have chosen not to partner with PaintCare to reduce costs but are welcome to join the program at any time.

Paint Retailers. At the end of the year, PaintCare identified 373 paint retailers – including paint, hardware, and home improvement stores – with 255 considered potential drop-off sites. This number may change from year to year as stores open and close. PaintCare has been informed by the corporate headquarters of big box stores that they are not interested in serving as drop-off sites at this time, so they are not included in the count of potential retail drop-off sites.

Of the 255 potential retail drop-off sites, 107 (42%) were participating as drop-off sites at the end of the year. Four new retail drop-off sites were added, and two stopped participating in the program. Retail participation as a drop-off site is voluntary, and sites are not compensated.



PaintCare A-Frame Sign Outside of Ring's End in Norwalk

Reuse Stores. Some retail drop-off sites operate paint reuse programs by donating or selling good quality leftover paint back to the local community to use, rather than sending it downstream through PaintCare for processing. PaintCare provided compensation for reuse services.

PaintCare has identified six paint reuse stores in the state. One reuse store participated as a drop-off site and operated a reuse program. One stopped participating in the program.

Transfer Station. PaintCare partners with solid waste facilities, including transfer stations, recycling centers, and landfills to be paint drop-off sites for their customers. Four new transfer stations were added.



PaintCare Posters and Paint Collection Bins at the Cornwall Transfer Station

Large Volume Pick-Up Sites: PaintCare’s large volume pick-up service (LVP) provides a convenient option for painting contractors and others who have accumulated large volumes of paint. The minimum amount to receive a direct pick-up is 200 gallons. Typically, users of the service have accumulated paint over many years due to the institutional, logistical, and financial barriers to disposal. PaintCare has removed these barriers by providing a free and convenient service. Common users of this service include contractors, builders, property managers, academic institutions, and homeowners, and are further described in the appendix of this report.



Before and After of an LVP

Recurring Large Volume Pick-Up Sites: Some LVP sites receive pick-ups on an on-going basis. These recurring large volume pickup (RLVP) sites sign a contract with PaintCare to allow them to keep PaintCare collection bins on site and fill them as they accumulate leftover paint. In addition, staff at these locations are trained by PaintCare on how to segregate products and store them until picked up by a transporter.

B. CONVENIENCE CRITERIA

PaintCare analyzed the convenience level offered by drop-off sites and events using Geographic Information System (GIS) tools and 2010 U.S. Census Bureau population data (2020 census data was not yet available at the time of this report). Census Bureau data shows how population is distributed geographically in each state; Census Bureau Urbanized Areas represent densely populated areas.

Some sites (e.g., HHW facilities) have geographic limitations; they are only available to residents of their own city, county, or jurisdiction (i.e., residents of other jurisdictions are not allowed to use the site to drop off HHW/paint even if they live close by). For these sites, PaintCare tracks their service area restrictions and only counts the population for those residents who are (1) within a 15-mile radius, and (2) within the site's service area.

During the program planning phase, PaintCare identified approximately 93 optimally located, year-round drop-off sites as its baseline service level goal.

Distribution Criteria. Provide 95% of the state's residents access to a drop-off site within a 15-mile radius.

The program's 154 year-round drop-off sites provided 100% of the state's residents access to a drop-off site within 15 miles

Density Criteria. Provide one site for every 50,000 residents of an Urbanized Area.

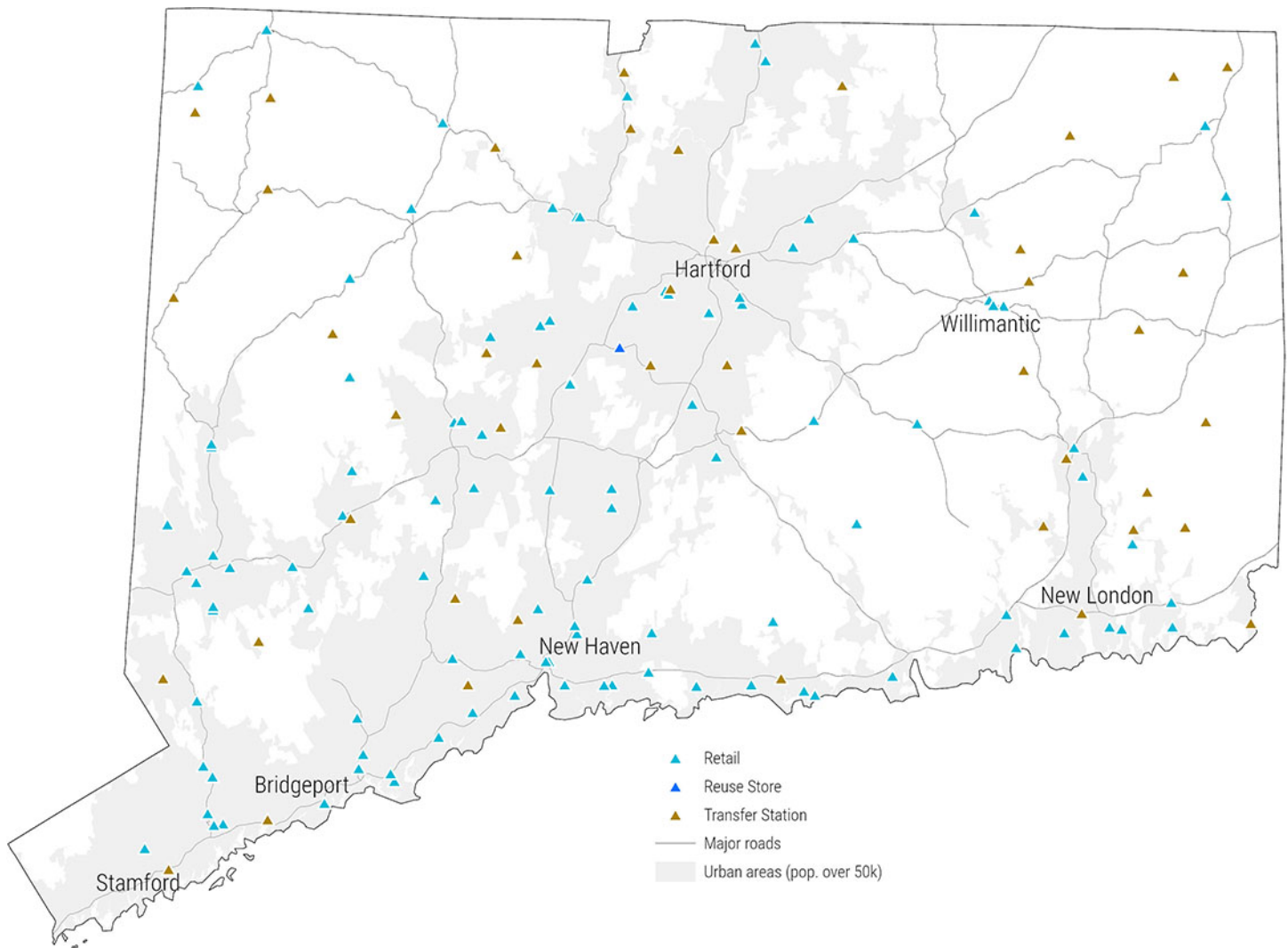
The following table shows the population centers in the state, the number of sites they require, and the level of service the program had at year-end.

SITES NEEDED IN URBANIZED AREAS

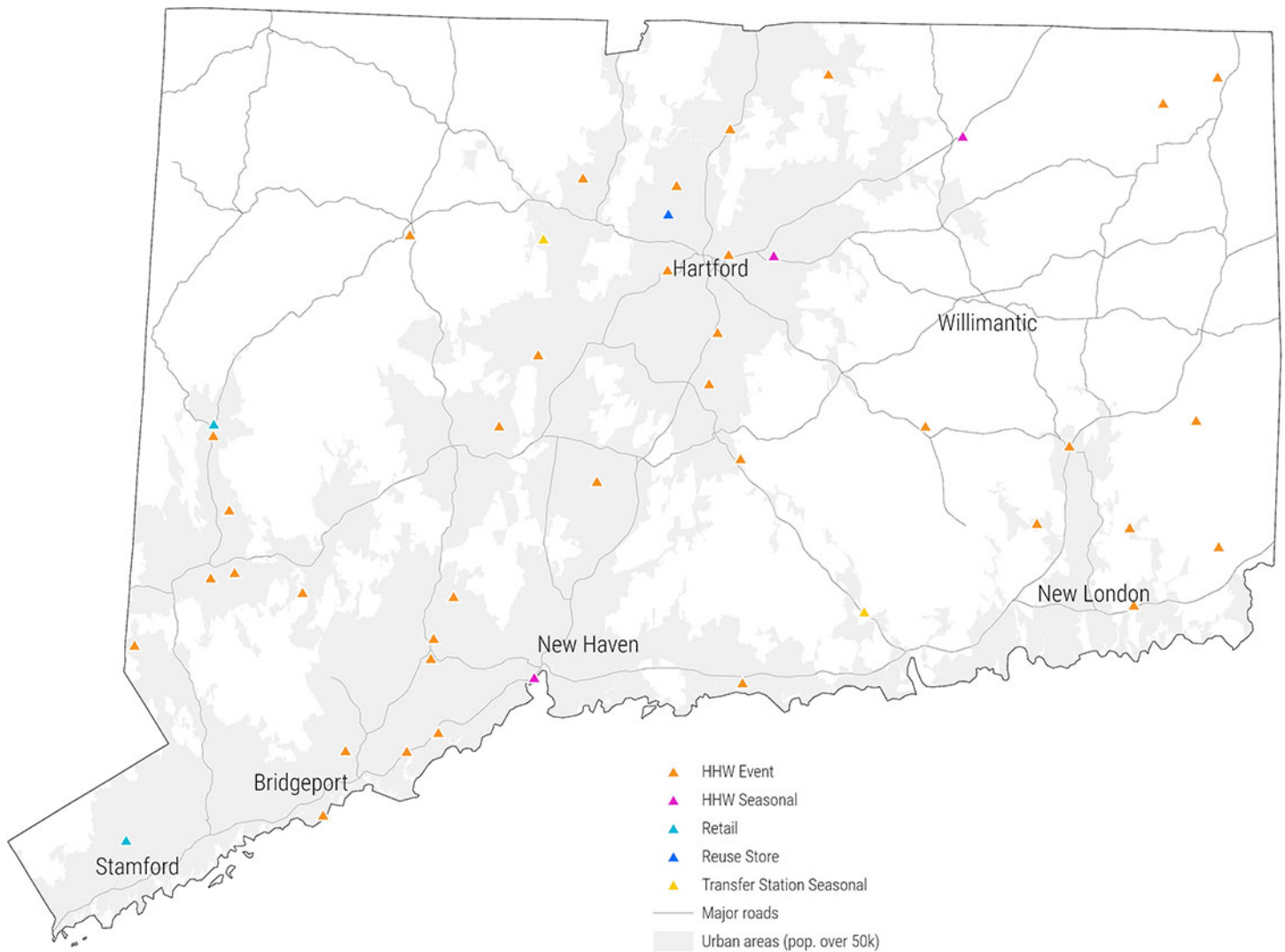
URBANIZED AREAS	POPULATION	SITES NEEDED	FY 2020 YEAR-ROUND SITES
Bridgeport--Stamford, CT--NY	908,299	18	24
Danbury, CT--NY	176,745	3	10
Hartford, CT	973,475	19	34
New Haven, CT	588,860	11	24
Norwich--New London, CT--RI	207,765	4	12
Springfield, MA--CT	97,454	1	3
Waterbury, CT	203,089	4	7

Maps. The following maps show the locations of the sites and services available during the year: (1) year-round sites; (2) supplemental sites; (3) year-round and supplemental sites; and (4) large volume pick-up sites, which were not included when analyzing the distribution or density criteria.

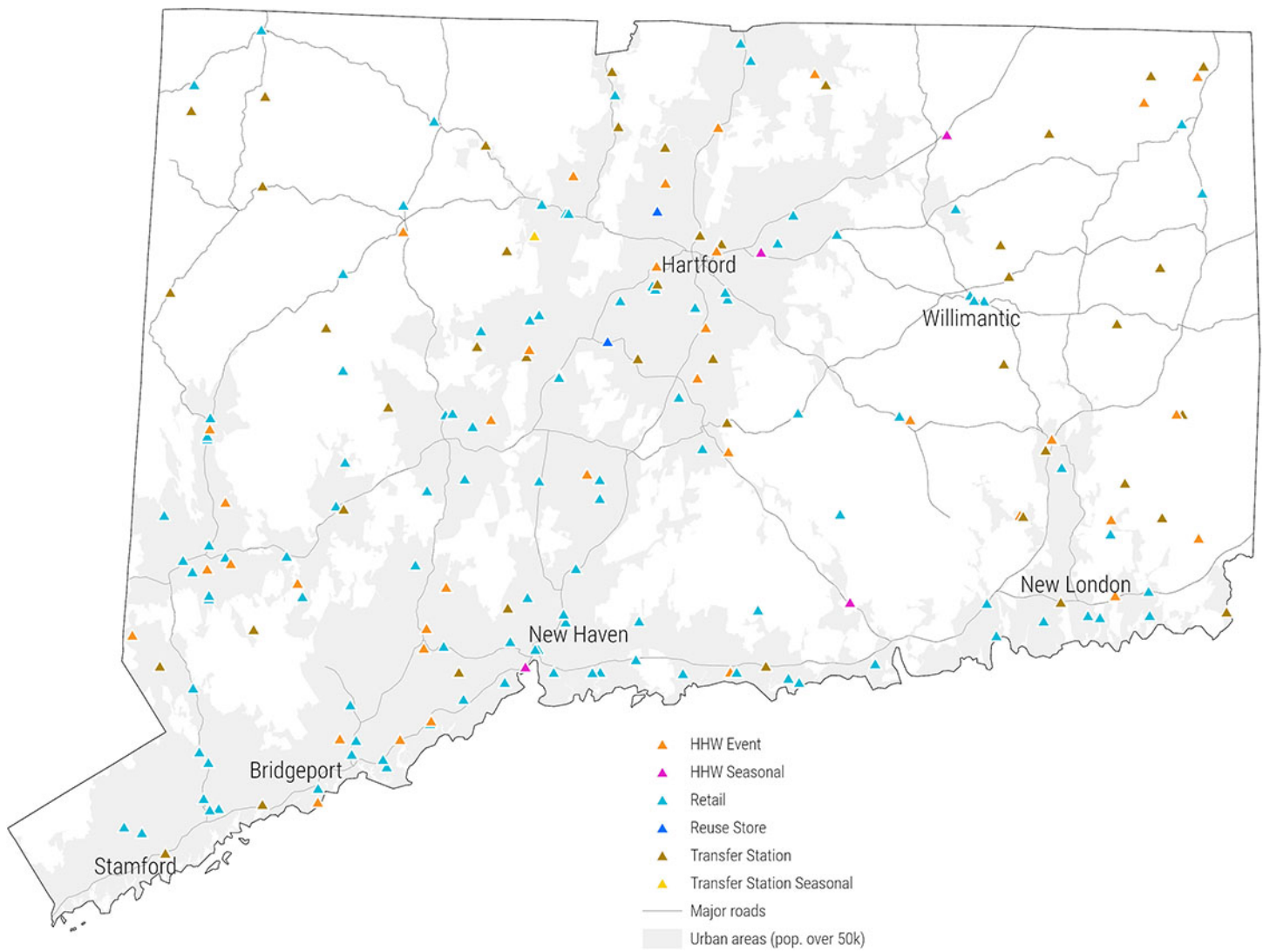
YEAR-ROUND DROP-OFF SITES



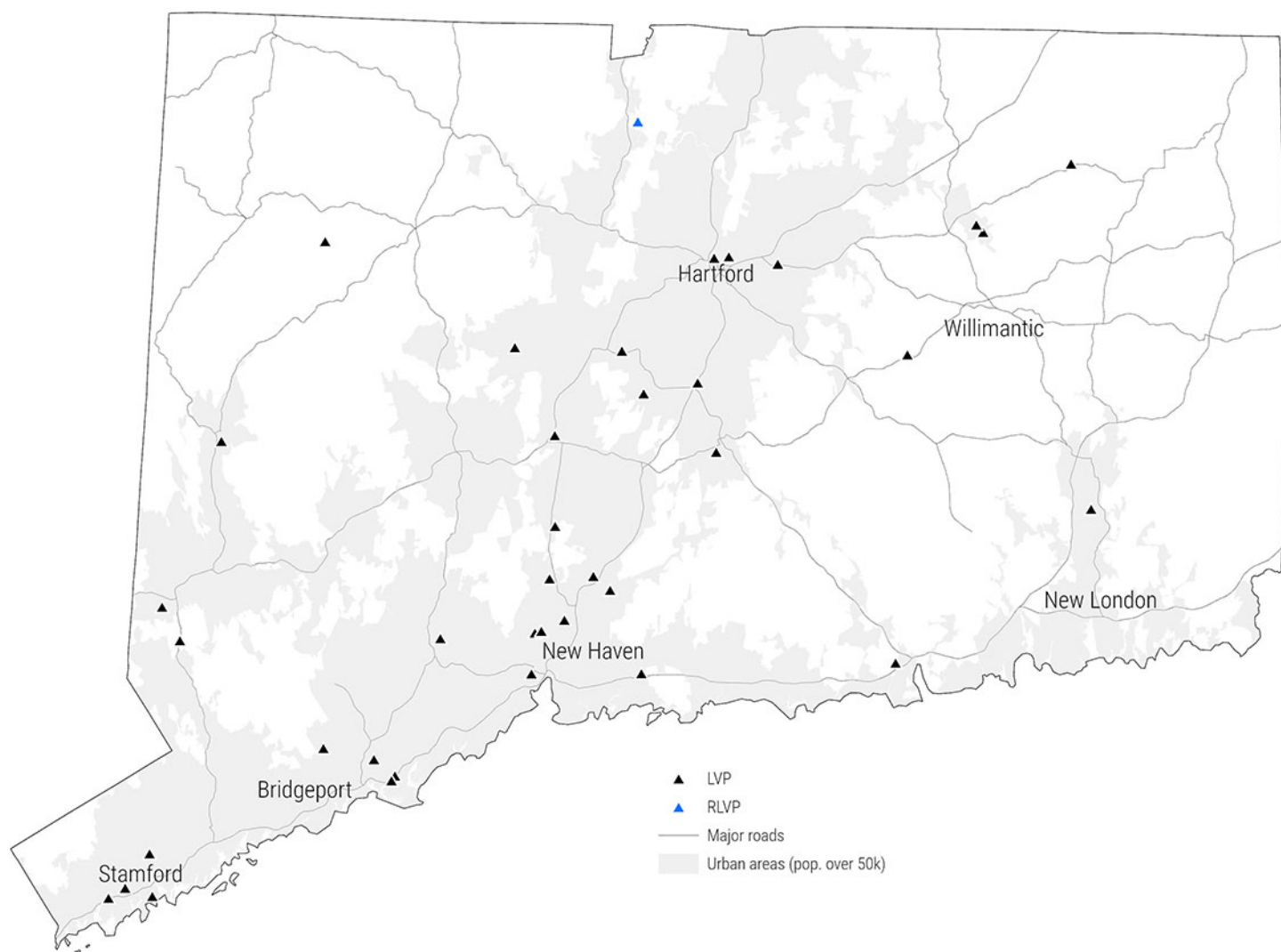
SUPPLEMENTAL DROP-OFF SITES



YEAR-ROUND AND SUPPLEMENTAL DROP-OFF SITES



LARGE VOLUME PICK-UP SITES



C. PAINT COLLECTION PROCEDURES

The program has agreements with owners or operators of all drop-off sites and events, and other partners. PaintCare agreements require that sites meet all requirements of local, state, and federal law, regulations, and policies.

All new sites (other than HHWs and LVPs) received an on-site, in-person training and program procedures manual. The training and program manual covered identification and screening for program products, storage, spill response, arranging to have paint picked up, record keeping, and other topics.

Site personnel are required to visually inspect – but not open – containers of paint to confirm that they are acceptable program products and then place them in spill proof collection bins provided by the program. Unlabeled and leaking containers are not accepted at retail or other non-HHW sites; however, trained staff at HHW facilities and events can accept and prepare them for management under their program to the extent permissible under applicable law.

PaintCare staff visit most drop-off sites on a regular basis to check on their operations and to provide additional training and consumer outreach material as needed.

Permits. The Department of Energy and Environmental Protection (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 the PaintCare program, and the haulers that operate the HHW events hold the required state permits for these events.

D. PAINT TRANSPORTATION

PaintCare contracted with four entities for transportation services. Individual sites are assigned to transporters based on costs and logistics.

TRANSPORTERS

NAME	SITE TYPES SERVED
Care Environmental	HHW Events
Clean Harbors	Retail, Reuse Transfer Station, LVP/RLVP, HHW Facilities and Events
MXI	HHW Facility and Events
Tradebe	HHW Facility and Events

Section 2. Paint Collection Volume and Processing Methods

Annual Report Statutory Citation

Section 22a-904a(h) requires that PaintCare submit an annual report that includes, in relevant part:

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

(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. COLLECTION VOLUME AND RECOVERY RATE

The recovery rate is a ratio of the volume (number of gallons) of paint managed in the program compared to the volume of paint sold in the program during the same time period.

In previous reports, PaintCare calculated the recovery rate using the volume of paint that was *processed* compared to the volume of paint sold during the same year. This year PaintCare is using the volume of paint *collected* compared to volume of paint sold to calculate the recovery rate.

The reason for this change is that using collection volume better aligns costs for paint management activities with the time period in which the expenses for paint management activities occur. Costs for paint management (including both transport and downstream processing costs) are incurred when paint is reported as having been collected from sites (i.e., shipped from the sites).

The following table provides the gallons of paint collected, gallons of new paint sales, and recovery rate based on gallons of paint collected in FY2019 and FY2020.

The COVID-19 pandemic reduced the volume of paint collected due to the temporary suspension of paint collection at many drop-off sites, cancelation of HHWs and stay-at-home orders.

GALLONS COLLECTED, SOLD, AND RECOVERY RATE

DESCRIPTION	FY 2019	FY 2020
Paint Collected (gallons)	383,663	350,184
New Paint Sold (gallons)	5,660,888	5,932,480
Recovery Rate	6.8%	5.9%

Paint Collected. Although some reports/invoices show paint volume in gallons or drums, they typically report the gross weight in pounds along with the number of bins (or other collection containers) of paint collected.

PaintCare or the transporter calculates the volume of paint collected by applying a formula that removes packaging weight and converts everything to gallons.

Recovery Rate. Recovery rates are calculated by dividing the amount of paint collected by the amount of new paint sold during the year. To see recovery rates from previous years, based on the volume of paint processed, refer to the previous annual reports.

B. PAINT PROCESSING METHODS AND VOLUME

The following tables show the paint processing methods and volumes for latex and oil-based paint processed from FY2017 to FY2020. As mentioned above, the processing volume differs from the collection volume because not all paint is processed in the same year that it is collected. The volumes reported as processed in one year include some paint that was collected at the end of the previous year.

LATEX PAINT PROCESSING METHODS

	FY 2017		FY 2018		FY 2019		FY 2020	
METHOD	(GAL)	%	(GAL)	%	(GAL)	%	(gal)	%
Reuse	435	<1	182	<1	432	<1	252	<1
Recycled-Content Paint	208,990	83	219,626	80	255,592	83	230,651	83
Disposal	43,749	17	44,372	16	54,019	17	47,421	17
Latex Total	253,174	100	575,089	100	311,043	100	278,324	100

OIL-BASED PAINT PROCESSING METHODS

	FY 2017		FY 2018		FY 2019		FY 2020	
METHOD	(GAL)	%	(GAL)	%	(GAL)	%	(gal)	%
Reuse	0	0	21	<1	56	<1	16	<1
Energy Recovery	16,274	23	24,209	36	41,675	52	71,437	92
Incineration	53,120	77	43,031	64	38,336	48	5,860	8
Oil-Based Total	69,394	100	67,261	100	80,067	100	77,313	100
Grand Total	322,568		342,350		391,110		355,637	

C. LATEX PAINT PROCESSING METHODS AND PROCESSORS

The following methods were used to process latex paint:

Reuse. Latex paint was sold or given away in original labeled containers without any alteration of the container contents.

Recycled-Content Paint. Latex paint was sorted, blended, and sometimes re-tinted into recycled-content paint for domestic or international sale.

Disposal. Latex paint that was not processed by the above methods was solidified and landfilled.

LATEX PAINT PROCESSORS

PROCESSOR	LOCATION	PROCESS
Reuse Store	Hartford, CT	Reuse
Clean Harbors	Cranston, RI	Recycled-Content Paint
GDB International	Monmouth Junction, NJ	Recycled-Content Paint
Lee County Solid Waste Facility	Bishopville, SC	Disposal
Modern Landfill	York, PA	Disposal
Seneca Meadows Landfill	Waterloo, NY	Disposal

D. OIL-BASED PAINT PROCESSING METHODS AND PROCESSORS

The following methods were used to process oil-based paint:

Reuse. Oil-based paint was sold or given away in original labeled containers without any alteration of the container contents.

Energy Recovery. Oil-based paint was blended into a fuel for energy recovery.

Incineration. Oil-based paint was used as a fuel in the incineration process.

OIL-BASED PAINT PROCESSORS

PROCESSOR	LOCATION	PROCESS
Reuse Store	Hartford, CT	Reuse
Buzzi-Unicem	Cape Girardeau, MO	Energy Recovery
Buzzi-Unicem	Greencastle, IN	Energy Recovery

Clean Harbors	Deer Park, TX	Incineration
Clean Harbors	El Dorado, AR	Incineration

E. PAINT COLLECTION VOLUME BY SITE TYPE

The following table shows the relative volume of paint collected by site type.

COLLECTION BY SITE TYPE	
SITE TYPE	PERCENT
HHW Facilities/Events	29
Retailers	45
Transfer Stations	23
LVP/RLVPs	3
Total	100

F. CONTAINER RECYCLING

The following table shows the tons of metal and plastic paint containers recycled from FY2017 to FY2020.

CONTAINER RECYCLING				
	FY 2017	FY 2018	FY 2019	FY 2020
Tons	198	200	286	263

Section 3. Independent Audit and Financial Summary

Annual Report Statutory Citation

Section 22a-904a(h) requires that PaintCare submit an annual report that includes, in relevant part:

(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, 2020, and the changes in its net assets and its cash flows for the year ended in conformity with accounting principles generally accepted in the United States. The independent financial audit of the PaintCare program is available in the appendix of this report.

B. FINANCIAL SUMMARY AND DISCUSSION

B1. Expense Categories

Revenue is derived from fees on new paint sales. Expense categories are described here:

Paint Processing. PaintCare paid processing costs based on gross weights or by volume of full paint collection bins or drums from drop-off sites. Processing costs included the cost of sorting bins of comingled latex and oil-based paint from drop-off sites as well as the ultimate recycling or other processing methods.

Paint Transportation. Transportation costs were based on one or more of the following: the number of bins and drums picked up, number of stops, or mileage.

Collection Supplies and Support. Collection support expenses included paint collection bins, spill kits, training materials, signs, and other related costs for drop-off sites, events, and LVPs.

Communications. Communications expenses included advertising, printing and distribution of brochures and other outreach materials, media relations, and the awareness survey.

Personnel, Professional Fees and Other. Personnel, professional fees and other included the cost of program staff, travel, legal fees, office supplies, and other logistical and professional support.

State Agency Administrative Fees. These fees, required by the paint stewardship law, are paid to the state for oversight of the program.

Corporate Activity. Corporate activity costs include but are not limited to corporate staff, insurance, data management systems, annual financial audit, software licenses, legal fees for corporate or organization-wide issues, occupancy, and shared communications projects. These costs are shared across all PaintCare programs and allocated relative to population. At the end of the reporting year, the program's share of the corporate allocation was 6.1%. (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 from FY2017 to FY2020.

REVENUE AND EXPENSES

REVENUE	FY 2017	FY 2018	FY2019	FY 2020
Larger than half pint up to smaller than 1 gallon	\$471,923	\$444,863	\$424,568	\$468,454
1 gallon	2,381,951	2397,442	2,279,451	2,414,518
Larger than 1 gallon up to 5 gallons	765,896	747,138	741,240	760,421
Total Revenue	3,619,770	3,589,443	3,445,259	3,643,393
EXPENSES				
Paint Processing	1,380,383	1,476,997	1,590,660	1,450,967
Paint Transportation	481,333	508,186	542,606	537,228
Collection Supplies and Support	373,436	419,471	434,074	403,745
Communications	474,641	448,418	462,699	280,012
Personnel, Professional Fees, Other	136,799	141,129	126,490	112,149
State Agency Administrative Fees	20,000	20,000	20,000	20,000
Allocation of Corporate Activity	244,164	257,027	273,967	272,767
Total Expenses	3,110,756	3,271,228	3,450,496	3,076,868
Change in Net Assets	509,014	318,215	(5,237)	566,525
Net Assets, Beginning of Year	2,564,674	3,073,688	3,391,903	3,386,666
Net Assets, End of Year	\$3,073,688	\$3,391,903	\$3,386,666	\$3,953,191

Notable changes between the last two program years include:

- ◆ Expenses in the paint management categories – Paint Processing, Paint Transportation, and Paint Collection Supplies and Support – were lower due to reduced paint collection services from March-June due to COVID-19.

- ◆ Expenses in the category of Personnel, Professional Fees, Other, which includes staff travel, were lower due to COVID-19 travel restrictions.
- ◆ Communications expenses were lower because outreach activities were halted during the second half of the year while paint collection services were reduced due to COVID-19.
- ◆ Net assets increased to the strongest position to date, though the gain may be temporary.

C. RESERVES

Reserves represent the net assets (investments and/or checking account balance) of the program. Reserves provide the program with a balance that is sufficient to pay its bills in times of either higher than expected paint collection (higher expenses), lower than expected paint sales (lower revenue), or a combination of the two.

PaintCare's Reserves Policy sets a target reserve level as a percentage of annual expenses. The target is 100%. It also sets a range with minimum and maximum thresholds. The minimum threshold is 75% (nine months) of annual expenses and the maximum is 125% (15 months).

If reserves fall below the minimum threshold or rise beyond the maximum threshold, an evaluation of the program's expenses and revenue will be performed to determine if changes are needed to program operations, communications, and/or the fee structure to bring the reserve balance within range.

D. FINANCIAL METRICS

The following financial metrics are provided for the year:

- ◆ Total cost of the program: \$3,076,868
- ◆ Cost per gallon of paint collected: \$8.79
- ◆ Communications cost as percentage of total program cost: 9%
- ◆ Collection support/supplies, transportation, and processing costs as percentage of total program cost: 78%
- ◆ Program administration cost (corporate activity) as percentage of total program cost: 9%
- ◆ Reserve level: 128%

E. EVALUATION OF THE PROGRAM'S FUNDING MECHANISM

PaintCare fees placed 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 up to smaller than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
Larger than 1 gallon up to 5 gallons	\$ 1.60

Based on the program's financial performance, no adjustment to either the fee structure or the reporting system is presently necessary.

Section 4. Communications

Annual Report Statutory Citation

Section 22a-904a(h) requires that PaintCare submit an annual report that includes, in relevant part:

(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 public through direct contact and advertising. Outreach efforts during the first half of the year focused on encouraging the public to recycle their unwanted paint, and also included messages related to reducing paint waste by planning ahead for a paint purchase and using up leftover paint. During the second half of the year, efforts focused on informing the public about changes to PaintCare's services due to the COVID-19 pandemic and encouraging using up leftover paint.

Outreach was conducted by distributing brochures and other printed materials to retailers and others and using a variety of media including digital ads, streaming audio, outdoor ads, print ads, television, video, and social media. The main call-to-action of outreach materials directs readers to visit PaintCare's website to find a drop-off site using PaintCare's site locator search tool.

The relative amounts of spending dedicated to each of these outreach activities are summarized in the following table. The "other" category includes expenses related to joint outreach projects, awareness surveys, public relations, and supplies for face-to-face outreach.

RELATIVE SPENDING ON OUTREACH ACTIVITY TYPES

ACTIVITY	PERCENT
Digital Ads	21
Outdoor Ads	19
Point of Sale Print Materials	3
Print Ads	4
Radio	9
Streaming Audio	8
Television	27
Video	6
Other	3
Total	100

A2. Point of Sale Print Materials

PaintCare continued to distribute print materials to retailers for them to make available to consumers in their stores to educate them about the PaintCare program. Staff fulfilled requests for materials by mail, distributing a total of 1,524 brochures, mini cards, fact sheets, and posters during the year. Program staff also delivered additional materials in person during site visits.

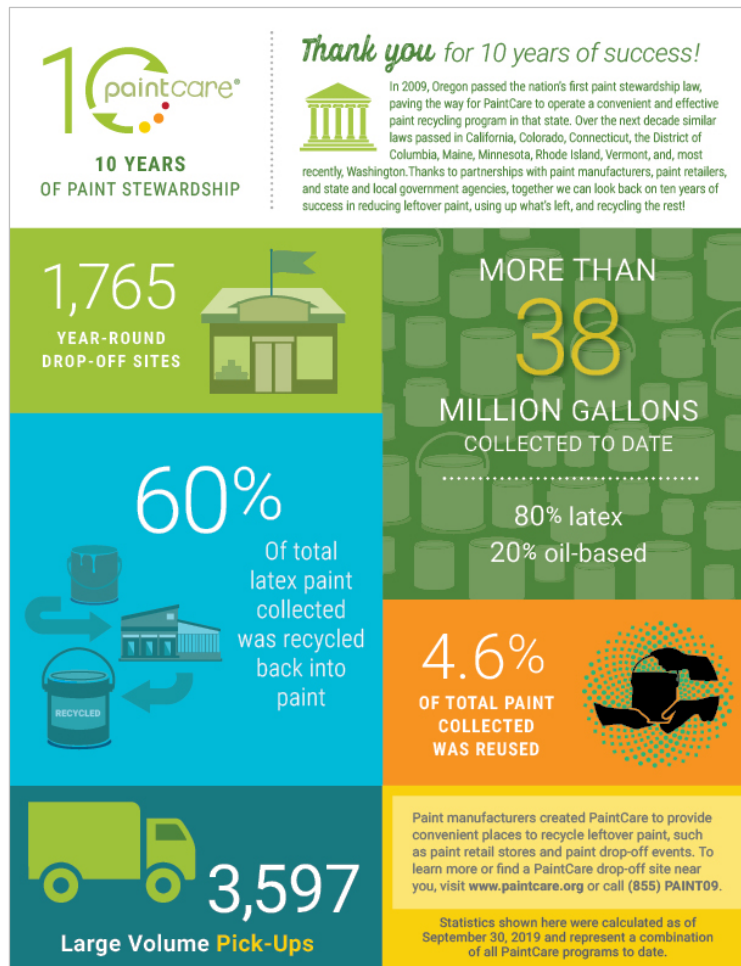
PaintCare provided counter mats to retailers for use in the paint department to reference when customers have questions. The counter mat is popular with retailers and more likely than the poster to be seen by customers while they wait for their paint to be mixed.

Larger versions of the materials shown below are included in the appendix of this report and available on the PaintCare website.



Brochure, Mini Card, Program Poster, Counter Mat, and Fact Sheets

In November 2019, PaintCare sent a mailing recognizing PaintCare's 10-year anniversary since the first paint stewardship law passed in Oregon in 2009. The mailing was sent to all known paint retailers in Connecticut, including both PaintCare drop-off sites and retailers that do not act as drop-off sites. The cover letter thanked retailers for their support and participation and reminded them how to order additional educational materials to distribute to paint consumers. Copies of PaintCare point of sale materials were enclosed in the package along with an infographic poster listing some of PaintCare's national paint management statistics to date. In total, 317 packets were sent to paint retail locations throughout the state, including 9,154 brochures, fact sheets, and mini cards.



Infographic Poster Recognizing PaintCare's 10th Anniversary

A3. Fact Sheets

Several fact sheets are available on PaintCare's website for different target audiences, and printed versions are distributed upon request. Minor updates are made throughout the year. Current versions of the fact sheets on PaintCare's website include:

- ◆ How Does the 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 Facilities Including Transfer Stations, Recycling Centers, and Landfills
- ◆ Reuse Programs – Compensation and Reporting
- ◆ Information about the Large Volume Pickup Service
- ◆ Information for Painting Contractors
- ◆ Information for Paint Purchasers

A4. Website

Most PaintCare advertising and outreach efforts direct the public to PaintCare's website for more information and to find a local PaintCare site. The website is easy to navigate and features content on buying the right amount of paint, storage and reuse tips, and recycling. It contains special pages for manufacturers and retailers, explains what products are covered by the program, and has a Connecticut page with sections for different audiences (Everyone, Contractors, Retailers, Waste Facilities, and Official Docs). PaintCare's website is updated throughout the year. The most frequently visited part of the website is the PaintCare site locator.

There were 37,276 page views of the Connecticut web page during the year.

PaintCare provides a web page of links to paint calculators from various sources, at www.paintcare.org/calculators. These calculators can be used by households and businesses to help them buy the right amount of paint.

PaintCare maintains a list of locations by state where the public can find recycled-content paint at www.paintcare.org/wp-content/uploads/docs/xx-recycled-paint-stores.pdf.

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



Two Examples of Storage Tip Videos: (1) Create a Tape Spout to Reduce Spills, (2) Use a Mallet to Close a Paint Can (Using a Hammer Can Damage the Can)

A5. Translations

PaintCare translates program brochures and fact sheets into languages other than English upon requests from paint retailers and other stakeholders. Translations of the program brochure and fact sheets including Information for Painting Contractors, PaintCare Products, Information about the Large Volume Pickup Service, and About PaintCare Fee are available in the following languages: Amharic, Arabic, Armenian, Chinese, Farsi, French, Hmong, Khmer, Korean, Lao, Polish, Portuguese, Russian, Spanish, Somali, Thai, Turkish, and Vietnamese. PaintCare maintains a Spanish language translation button on its website, making the site fully bilingual. Additionally, live interpretation in Spanish and other languages is available on PaintCare's telephone hotline by request.

A6. Signs for Drop-Off Sites

PaintCare provides several signs to drop-off sites to help them educate the public about the program, screen program products, and address any concerns about illegal dumping. Drop-off sites may order the following signs: Program Products (English/Spanish), Program Partner, Combination (program partner with simplified products list), No Dumping, and Please Wait for Assistance. Larger images of these signs can be viewed at www.paintcare.org/signs.



A7. Awards

In September, PaintCare received the Outstanding Industry Partner Award from the North American Hazardous Materials Management Association (NAHMMA). The award recognized PaintCare's ten years of successful paint stewardship programs across multiple states that support local government efforts to manage postconsumer paint. The award was announced at the NAHMMA national conference in Denver, CO on September 17, 2019.

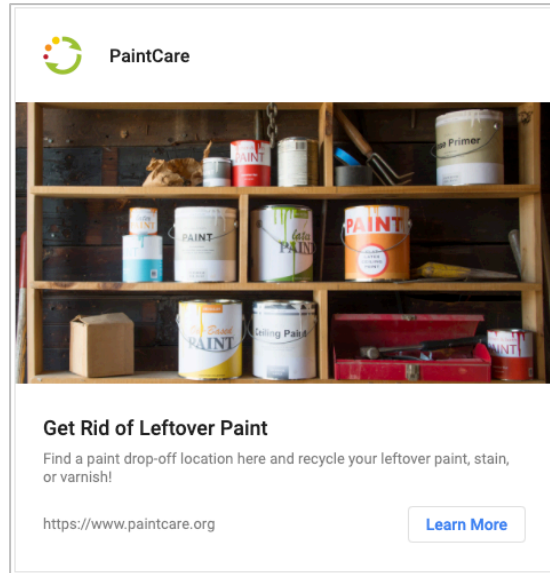
A8. Digital Display Advertising

In September, October, and November, PaintCare used digital display advertising to efficiently promote its messaging to target audiences and drive them to PaintCare's website and site locator tool. Ads targeted homeowners and paint consumers on a variety of popular websites across mobile, tablet, and desktop formats.



Example of PaintCare's Digital Ads

In October, PaintCare ran digital ads on Nextdoor, a platform that serves as an online message board for residents within specific neighborhoods. Ad messaging pushed residents to dispose of leftover paint by clicking through to PaintCare's website to find a nearby drop-off site.



Nextdoor Digital Platform Ad

In April, PaintCare ran a portion of its planned digital advertising that was secured in advance while most advertising was paused due to service decreases associated with the COVID-19 pandemic. The “native display” ad (appears to be embedded within the webpage article content) promoted paint reuse rather than immediate recycling due to pandemic guidance limiting discretionary travel.



Native Display Digital Ad

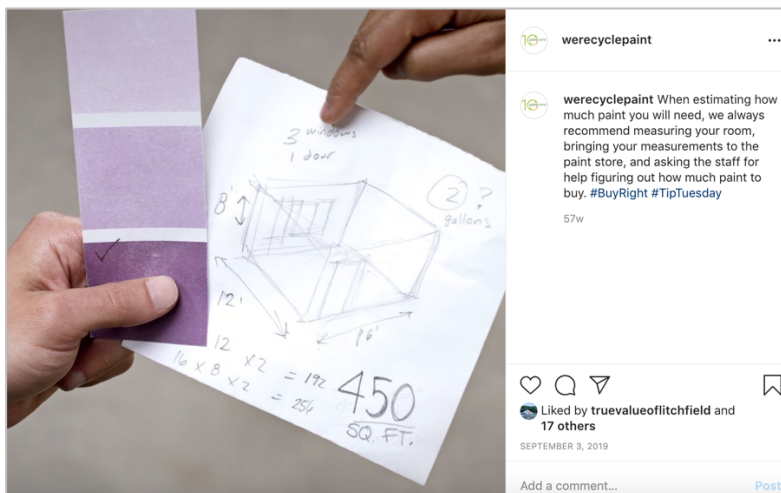
A9. Streaming Audio

In September, October, and November, PaintCare ran ads on the Pandora streaming audio service that were geotargeted to service users throughout the state. The following message ran on Pandora:

“Is your basement or garage full of old house paint that you know 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 for Connecticut households and businesses to recycle leftover paint, stain, and varnish. Most PaintCare drop-off locations are paint and hardware stores that take back leftover paint. Keep what you need and recycle the rest. Find a drop-off site near you at PaintCare dot org.”

A10. Social Media

Throughout the year PaintCare continued to grow its Facebook, Instagram, and Twitter presence and posted messaging to audiences on those platforms. Social media messages included promotion of PaintCare's three key messages: buy the right amount of paint, use up leftover paint, and recycle the rest with PaintCare.



Instagram Post About Measuring Before Buying Paint to Reduce Waste

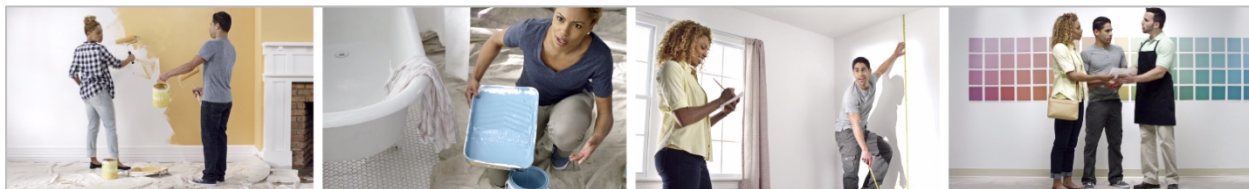
Social media were also used extensively from March onward to inform the public about temporary impacts on PaintCare's services and to advise them to consider refraining from dropping off paint until later.



Facebook Post Informing Followers About COVID-19 Impacts

A11. Video & Television

In September and October PaintCare ran video ads online. The video promoted the “Buy Right” message, or purchasing the right amount of paint to reduce potential waste. It showed a couple that has too little paint at first, then too much, then took measurements and asked for help at their paint store, and finally gets it “just right.”



Still Frames from Buy Right Video

In October and November, PaintCare ran the same video on broadcast, cable, and digital television spots throughout most of the state. Fairfield County was not included to avoid broadcasting into New York. The broadcast spots ran on the ABC, CBS, and FOX networks.

PaintCare’s video commercials can be viewed at www.paintcare.org/media, and on its YouTube and Vimeo channels.

A12. Radio

In October, November, and December PaintCare used underwriting of Connecticut Public Radio to promote its paint stewardship messaging to target audiences. The underwriting message was used in the “Environmental Sponsor” segment that airs on the popular news shows, *Morning Edition* and *All Things Considered*. The following message was used: *“Support comes from PaintCare. Learn how to buy the right amount of house paint, stain, and varnish; use up leftovers; and recycle the rest at more than one hundred and forty drop-off locations in Connecticut. More at Paint Care dot org.”*

A13. Print Advertising

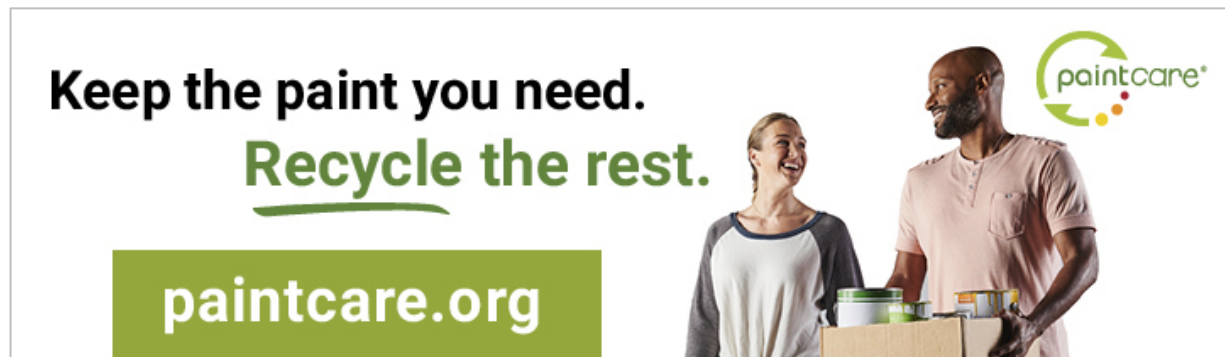
In November PaintCare ran an ad *Connecticut Magazine*. The ad directed the public to recycle paint by finding a nearby drop-off sites in their communities.



Print Newspaper Ad Promoting Drop-Off Sites

A14. Outdoor Advertising

In October, November, and December PaintCare used outdoor digital billboard placements to reach a large local audience with paint stewardship messaging. The digital billboard ad appeared in 22 locations throughout the state including sites in Bridgeport, Hartford, Meriden, New Britain, New Haven, Stratford, and Waterbury.



Digital Billboard Ad

In the second half of the year, PaintCare secured additional outdoor advertising through the Hartford Yard Goats minor league baseball team. PaintCare paid for a digital banner to run on stadium signage during games throughout the spring season. However, the Yard Goats season was canceled due to the COVID-19 pandemic. The ad will run during the spring 2021 season.

A15. Joint Outreach

PaintCare offers creative and financial support for outreach campaigns conducted by HHWs and government run solid waste facilities that are PaintCare partners. PaintCare provided support to the Housatonic Resource Recovery Association by providing partial funding for newspaper ads promoting HHW events in July, September, October, and November.

A16. Face-to-Face

PaintCare staff attended the following face-to-face activities:

DATE	EVENT	ACTIVITY
9/21/19-9/22/19	Better Home Show	Exhibitor, table/booth; provided program materials
10/29/19-10/30/19	NERC Conference	Sponsor and exhibitor, table/booth; provided program materials
10/30/19	Board of Realtors Trade Show	Exhibitor, table/booth; provided program materials
2/5/20-2/6/20	Northeast Retail Lumber Association Show	Exhibitor, 2,000+ attendees, table/booth; provided program materials

B. AWARENESS SURVEY

In March PaintCare ran its annual public awareness survey to measure the ongoing effectiveness of its outreach activities with the assistance of market research firm KB Insights. KB Insights analyzed the data to help PaintCare better understand trends and guide future outreach targeting. Data from all PaintCare programs was included in the analysis, providing comparison results between paint stewardship programs throughout the nation.

Following are some highlights from the survey results:

- ◆ 272 surveys were completed by Connecticut residents, allowing 90% confidence in the accuracy of the measured results for the population within +/-5%.
- ◆ 44% of Connecticut respondents knew that paint can be recycled. Of those 44% have taken paint somewhere to be managed in the past, and 73% would consider doing so again.
- ◆ Over half (56%) of Connecticut respondents purchased paint in the last year. Of those, 40% reported seeking help from paint retail staff and 59% reported taking measurements themselves in order to purchase the right amount of paint and reduce the amount leftover.
- ◆ 53% of Connecticut respondents reported that they will choose a sustainable option if they have leftover paint in the future, the highest rate among all PaintCare states. The options included

dropping it off at a paint retail store (14%) or HHW facility (28%) or giving it away to someone else who needs it (11%).

The full report for this year's awareness survey for all PaintCare programs is included in the appendix of this report.

Section 5. FY2021 and Future

This section of the annual report describes activities or plans for the program that have happened since July 1, 2020 or are being planned:

A. COMMUNICATIONS

Starting in August 2020, PaintCare ramped outreach activities back up to normal levels following the temporary pause caused by the COVID-19 pandemic as paint drop-off sites, events, and other services resumed full operation. PaintCare plans to continue robust public outreach activities in FY2021, using a range of digital, video, radio, print, outdoor, and social media strategies. In FY2021 PaintCare plans to repeat its awareness surveys of the general population to continue the measuring effectiveness of outreach activities. Additionally, PaintCare's digital banner ad for the Hartford Yard Goats baseball stadium, planned and paid for in FY2020, is scheduled to run during games in the Spring 2021 season.

Appendix Section A



PAINTCARE SITES

FY2020 PAINTCARE SITES IN CONNECTICUT - PAGE 1

City/Town	Site Name	Address	Type
1. Year-Round Sites		154 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 Dist 1	31 New Hartford Rd	Transfer Station
Berlin	New Britain Recycling Ctr	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
Bolton	England True Value	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 Trans Stn	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 Trans Stn	95 Ruckstella Rd (off Beecher	Transfer Station
Burlington	Burlington Trans Stn	66 Belden Rd	Transfer Station
Canaan	C A Lindell True Value	59 Church St	Retail
Canterbury	Canterbury Trans Stn	111 Kinne Rd	Transfer Station
Canton	Larsen Ace	220 Albany Turnpike	Retail
Cheshire	R W Hine Hardware	231 Maple Ave	Retail
Clinton	Clinton Paint & Decorating	252 E Main St Rte 1	Retail
Clinton	Clinton Trans Stn	115 Nod Rd	Transfer Station
Clinton	Stewards Ace	114 E Main St	Retail
Colchester	Hope Hardware & Plumbing Supply	212 Old Hartford Rd	Retail
Cornwall	Cornwall Trans Stn	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 Trans Stn	126 Ledge Rd	Transfer Station
Derby	Sherwin-Williams	656 New Haven Ave	Retail



PAINTCARE SITES

FY2020 PAINTCARE SITES IN CONNECTICUT - PAGE 2

City/Town	Site Name	Address	Type
East Haddam	Shagbark True Value	1 Mt Parnassus Rd	Retail
East Hampton	East Hampton Ace	25 E High St #3-4-5	Retail
East Hartford	East Hartford Trans Stn	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	300 Flanders Rd	Retail
Eastford	Eastford Trans Stn	264 Westford Rd	Transfer Station
Enfield	Carr Hardware	481 Enfield St	Retail
Enfield	Sherwin-Williams	85 Freshwater Blvd	Retail
Fairfield	Sherwin-Williams	695 Post Rd	Retail
Falls Village	Canaan Trans Stn	100 Rt 63 (Huntsville South)	Transfer Station
Glastonbury	Katz Hardware	2687 Main St	Retail
Glastonbury	Sherwin-Williams	2945 Main St	Retail
Granby	Beman True Value	20 Hartford Ave	Retail
Granby	Granby Trans Stn	103 Old Stagecoach Rd	Transfer Station
Griswold	Griswold Trans Stn	1148 Voluntown Rd Rte 138	Transfer Station
Groton	Johnson True Value	40 Fort Hill Rd	Retail
Groton	Sherwin-Williams	750 Long Hill Rd	Retail
Guilford	Page Hardware & Appliances	9 Boston St	Retail
Hamden	Hamden Trans Stn	231 Wintergreen Ave	Transfer Station
Hamden	Sherwin-Williams	2100 Dixwell Ave	Retail
Hartford	Hartford Trans Stn	180 Leibert Rd	Transfer Station
Kent	Kent Trans Stn	46 Maple St	Transfer Station
Killingly	Sherwin-Williams	1062 N Main St	Retail
Killingworth	Killingworth True Value	228 Route 81	Retail
Lakeville	Ed Herringtons Inc	11 Farnum Rd	Retail
Lebanon	Lebanon Trans Stn	175 Exeter Rd	Transfer Station
Ledyard	Holdridge Home & Garden	749 Colonel Ledyard Hwy	Retail
Ledyard	Ledyard Trans Stn	881 Colonel Ledyard Hwy	Transfer Station
Litchfield	True Value of Litchfield	348 Bantam Rd	Retail
Madison	Rings End	85 Bradley Rd	Retail
Manchester	Sherwin-Williams	257 Broad St	Retail
Manchester	Sherwin-Williams	100 Tolland Tpke	Retail
Mansfield Center	Mansfield Trans Stn	221 Warrenville Rd	Transfer Station
Middletown	Ace Home Ctr	480 S Main St	Retail
Milford	Colony Paint	282 Boston Post Rd	Retail



PAINTCARE SITES

FY2020 PAINTCARE SITES IN CONNECTICUT - PAGE 3

City/Town	Site Name	Address	Type
Morris	Morris Trans Stn	254 Lakeside Rd	Transfer Station
Mystic	Cash True Value	9 Hendel Dr	Retail
Mystic	Mystic Paint and Decorating	50 Williams Ave	Retail
Naugatuck	H J Bushka Sons	25 Great Hill Rd	Retail
Naugatuck	Sherwin-Williams	727 Rubber Ave	Retail
New Britain	John Boyle Company	152 S Main St	Retail
New Britain	ReCONNstruction Ctr	65 Burritt St	Reuse Store
New Fairfield	Village Hardware	3 Durham Dr	Retail
New Haven	Grand Paint & Carpet Ctr	451 Grand Ave	Retail
New Haven	PPG Paints	390 East St	Retail
New Haven	Sherwin-Williams	454 Whalley Ave	Retail
New London	New London Trans Stn	63 Lewis St	Transfer Station
New Milford	Rings End	140 Danbury Rd Rte 7	Retail
New Milford	Sherwin-Williams	116 Danbury Rd	Retail
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 & Hardware	2410 Foxon Rd	Retail
North Haven	North Haven Paint & Hardware	87 Quinnipiac Ave	Retail
North Haven	PPG Paints	310 Washington Ave	Retail
North Haven	Sherwin-Williams	2 Montowese Ave	Retail
North Stonington	North Stonington Trans Stn	191 Wintechog Hill Rd	Transfer Station
North Windham	Windham Trans Stat	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 Ctr	146 W Town St	Retail
Norwich	Norwich Trans Stn	73 Rogers Rd	Transfer Station
Norwich	Sherwin-Williams	411 W Main St	Retail
Oakdale	Montville Trans Stn	669 Rt 163	Transfer Station
Old Saybrook	Sherwin-Williams	783 Boston Post Rd	Retail
Orange	Orange Trans Stn	100 S Orange Center Rd	Transfer Station
Orange	Sherwin-Williams	575 Boston Post Rd	Retail
Oxford	Oxford Lumber	113 Oxford Rd	Retail
Pawcatuck	Stonington Trans Stn	151 Greenhaven Rd	Transfer Station
Portland	Portland Trans Stn	33 Sand Hill Rd	Transfer Station



PAINTCARE SITES

FY2020 PAINTCARE SITES IN CONNECTICUT - PAGE 4

City/Town	Site Name	Address	Type
Preston	Preston Trans Stn	108 Ross Rd	Transfer Station
Putnam	Sherwin-Williams	239 Kennedy Dr	Retail
Redding Center	Redding Trans Stn	84 Hopewell Woods Rd	Transfer Station
Ridgefield	Keoghs Paint & Hardware	1 Ethan Allen Hwy	Retail
Ridgefield	Ridgefield Trans Stn	55 South St	Transfer Station
Rocky Hill	Rocky Hill Trans Stn	2 Old Forge Rd	Transfer Station
Salisbury	Salisbury Trans Stn	309 Sharon Rd	Transfer Station
Simsbury	Simbury Trans Stn	74 Wolcott Rd	Transfer Station
Somers	Town of Somers	127 Egypt Rd	Transfer Station
Southbury	Chatfield True Value	190 Main St S	Retail
Southbury	Southbury Trans Stn	231 Kettletown Rd	Transfer Station
Southington	PPG Paints	320 Queen St	Retail
Southington	Sherwin-Williams	405 Queen St	Retail
Stamford	Sherwin-Williams	1100 Hope St	Retail
Storrs	Mansfield Supply	1527 Storrs Rd	Retail
Stratford	Rings End	160 Avon St	Retail
Stratford	Sherwin-Williams	425 Benton St	Retail
Terryville	Back to Basics True Value	31 Main St	Retail
Terryville	Plymouth Trans Stn	175 Old Waterbury Rd	Transfer Station
Thompson	Thompson Trans Stn	185 Pasay Rd	Transfer Station
Torrington	Sherwin-Williams	368 Winsted Rd	Retail
Trumbull	Rings End	921 White Plains Rd	Retail
Wallingford	Sherwin-Williams	927 N Colony Rd	Retail
Wallingford	South Broad Paint Ctr	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 Trans Stat	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 Trans Stat	25 Brixton St	Transfer Station
West Haven	Rings End	460 Elm St	Retail
Westport	Westport Trans Stat	300 Sherwood Island	Transfer Station
Wethersfield	Rings End	669 Silas Deane Hwy	Retail
Wethersfield	Sherwin-Williams	725 Silas Deane Hwy	Retail



PAINTCARE SITES

FY2020 PAINTCARE SITES IN CONNECTICUT - PAGE 5

City/Town	Site Name	Address	Type
Willimantic	Cash True Value	1561 Main St	Retail
Willimantic	O L Willard Company	196 Valley St	Retail
Willimantic	Sherwin-Williams	1320 Main St	Retail
Wilton	Rings End	129 Danbury Rd	Retail
Wilton	Wilton Hardware	21 River Rd	Retail
Windsor	Windsor Trans Stat	500 Huckleberry Rd	Transfer Station
Winsted	True Value of Winchester	276 Main St	Retail
Wolcott	Wolcott Trans Stat	48 Todd Rd	Transfer Station
Woodbridge	Woodbridge Trans Stat	85 Acorn Hill Rd Ext	Transfer Station
Woodbury	Ace of Woodbury	690 Main St S	Retail
Woodstock	Woodstock Trans Stat	49 Paine District Rd	Transfer Station

2. Supplemental Sites

45 Sites

Ansonia	Ansonia Public Works (NVCOG)	1 N Division St	HHW Event
Avon	Avon Trans Stn	281 Huckleberry Hill Rd	Transfer Station
Bethel	Walnut Hill Church (HRRRA Event)	156 Walnut Hill Rd	HHW Event
Bloomfield	Bloomfield Public Works Bldg (MDC)	21 Southwood Rd	HHW Event
Bloomfield	Habitat ReStore Greater Hartford	500 Cottage Grove Rd	Reuse Store
Bridgeport	Blackham School (City)	425 Thorne St	HHW Event
Bristol	Bristol Public Works Garage (TROC)	95 Vincent P Kelly Dr	HHW Event
Brookfield	Brookfield High School (HRRRA)	45 Long Meadow Hill Rd	HHW Event
Colchester	Colchester Town Hall (SCRRA)	127 Norwich Ave	HHW Event
Cromwell	Woodside Intermediate School	30 Woodside Dr	HHW Event
Danbury	Danbury Public Works (HRRRA)	54 Newtown Rd	HHW Event
East Hartford	East Hartford Trans Stn (MDC 2019)	61 Ecology Dr	HHW Event
Essex	Essex Trans Stn	5 Dump Rd	Transfer Station
Essex	RiverCOG HHW Facility	Dump Road (no street number)	HHW Seasonal
Fairfield	Veterans Park (RWA)	909 Reef Rd	HHW Event
Griswold	Griswold Highway Garage (SCRRA)	1148 Voluntown Rd Rte 138	HHW Event
Groton	Groton Trans Stn (SCRRA)	685 Flanders Rd	HHW Event
Ledyard	Ledyard (2017) (SCRRA)	889 Colonel Ledyard Hwy	HHW Event
Madison	Madison Town Garage (RWA)	16 Fort Path Rd	HHW Event
Manchester	Manchester Public Works (CREOC)	311 Olcott St	HHW Seasonal
Meriden	Meriden Trans Stn (RWA)	226 Evansville Ave	HHW Event
Middletown	Middlesex College (RiverCOG)	100 Training Hill Rd	HHW Event
Milford	DPW Garage (RWA)	83 Ford St	HHW Event
New Haven	Regional Water Authority (RWA)	90 Sargent Dr	HHW Seasonal



PAINTCARE SITES

FY2020 PAINTCARE SITES IN CONNECTICUT - PAGE 6

City/Town	Site Name	Address	Type
New Milford	H H Taylor & Sons True Value	85 Railroad St	Retail
New Milford	John Pettibone School (HRRRA)	2 Pickett District Rd	HHW Event
Newtown	Newtown Public Works (HRRRA)	4 Turkey Hill Rd	HHW Event
North Stonington	Wheeler High School (SCRRA)	298 Norwich Westerly Rd	HHW Event
Norwich	Norwich Public Works Garage	50 Clinton Ave	HHW Event
Oakdale	Tyl Middle School Montville	166 Chesterfield Rd (off Rt 163)	HHW Event
Ridgefield	Ridgefield High School (HRRRA)	700 N Salem Rd	HHW Event
Rocky Hill	Rocky Hill WPCF (MDC)	80 Goff Brook Ln	HHW Event
Shelton	Shelton Highway & Bridges Dept (City)	41 Myrtle St	HHW Event
Simsbury	Simsbury DPW (HHW Event)	66 Town Forest Rd	HHW Event
Somers	Somers Elementary School (CREOC)	5 Vision Blvd	HHW Event
Stamford	Keoughs Paint & Hardware (Dropped)	907 High Ridge Rd	Retail
Stratford	Town of Stratford (Public Works)	550 Patterson Ave	HHW Event
Thompson	Thompson Highway Dept (HHW)	225 Buckley Hill Rd	HHW Event
Torrington	Torrington Street Dept (NHCOG)	107 Arthur St	HHW Event
West Hartford	West Hartford Public Works (MDC)	17 Brixton St	HHW Event
Willington	MidNEROC HHW Facility	57 Hancock Rd	HHW Seasonal
Windsor Locks	Windsor Locks Public Works (MDC)	6 Stanton Rd	HHW Event
Wolcott	Wolcott Recycling Ctr (NVCOG)	48 Todd Rd	HHW Event
Woodbridge	Woodbridge Trans Stn (RWA)	89 Acorn Hill Rd	HHW Event
Woodstock	Woodstock Town Hall (Town)	415 CT 169	HHW Event

3. Large Volume Pick-Up Sites 38 Sites

Ansonia	[Painting Contractor]	LVP
Ashford	[Camp]	LVP
Berlin	[Painting Contractor]	LVP
Branford	[Construction]	LVP
Bridgeport	[Elevator Company]	LVP
Bristol	[Painting Contractor]	LVP
Cheshire	[Healthcare]	LVP
Cromwell	[Warehouse]	LVP
Danbury	[Corporate Headquarters]	LVP
Danbury	[Painting Contractor]	LVP
East Hartford	[Painting Contractor]	LVP
East Hartford	[Property Manager/Owner]	LVP
Fairfield	[University]	LVP



PAINTCARE SITES

FY2020 PAINTCARE SITES IN CONNECTICUT - PAGE 7

City/Town	Site Name	Address	Type
Goshen	[Household]		LVP
Granby	[Leasing Company]		RLVP
Hamden	[Assisted Living Facility]		LVP
Hamden	[Property Manager/Owner]		LVP
Hamden	[University]		LVP
Hebron	[School District]		LVP
Manchester	[Property Manager/Owner]		LVP
Middletown	[University]		LVP
New Britain	[Property Manager/Owner]		LVP
New Haven	[Hospital]		LVP
New Milford	[Photo Studio]		LVP
North Haven	[Painting Contractor]		LVP
North Haven	[Painting Contractor]		LVP
Northford	[Manufacturing]		LVP
Old Saybrook	[City Government]		LVP
Plantsville	[Painting Contractor]		LVP
Riverside	[Household]		LVP
Stamford	[Hospital]		LVP
Stamford	[Household]		LVP
Stamford	[Painting Contractor]		LVP
Storrs	[University]		LVP
Storrs	[University]		LVP
Stratford	[Painting Contractor]		LVP
Stratford	[Reuse Store]		LVP
Uncasville	[Casino]		LVP

PaintCare Inc.

Financial Statements
and Independent Auditors' Report

June 30, 2020 and 2019

PaintCare Inc.

Financial Statements
June 30, 2020 and 2019

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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, 2020 and 2019; the related statements of activities, functional expenses, and cash flows for the 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, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, PaintCare adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606) and FASB ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

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 19-20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is stylized, with the "R" being particularly large and the "Company" written in a cursive-like script.

Vienna, Virginia
September 22, 2020

PaintCare Inc.

Statements of Financial Position
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 17,994,309	\$ 15,596,294
Accounts receivable, net	8,029,728	6,964,498
Investments	55,468,532	48,051,007
Prepaid expenses	<u>129,663</u>	<u>296,043</u>
 Total current assets	 81,622,232	 70,907,842
Intangible assets, net	<u>211,183</u>	<u>274,538</u>
 Total assets	 <u><u>\$ 81,833,415</u></u>	 <u><u>\$ 71,182,380</u></u>
 Liabilities and Net Assets		
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	\$ 6,685,451	\$ 10,875,820
Grants payable	108,956	200,000
Due to affiliate	<u>822,407</u>	<u>800,081</u>
 Total liabilities	 <u>7,616,814</u>	 <u>11,875,901</u>
 Net Assets		
Without donor restrictions	<u>74,216,601</u>	<u>59,306,479</u>
 Total net assets	 <u>74,216,601</u>	 <u>59,306,479</u>
 Total liabilities and net assets	 <u><u>\$ 81,833,415</u></u>	 <u><u>\$ 71,182,380</u></u>

See accompanying notes.

PaintCare Inc.

Statements of Activities
For the Years Ended June 30, 2020 and 2019

	2020	2019
Operating Revenue		
Paint recovery fees	\$ 64,113,250	\$ 60,493,546
Total operating revenue	<u>64,113,250</u>	<u>60,493,546</u>
Expenses		
Program and delivery services:		
Oregon	4,205,973	4,365,660
California	27,805,205	30,763,747
Connecticut	2,804,101	3,176,529
Rhode Island	614,279	729,092
Minnesota	4,628,157	5,068,449
Vermont	685,630	792,567
Maine	1,109,199	1,300,761
Colorado	4,893,051	5,629,379
District of Columbia	303,130	413,169
Washington	79,453	7,064
New York	20,212	-
Total program and delivery services	<u>47,148,390</u>	<u>52,246,417</u>
General and administrative	<u>4,472,263</u>	<u>4,433,932</u>
Total expenses	<u>51,620,653</u>	<u>56,680,349</u>
Change in Net Assets from Operations	12,492,597	3,813,197
Non-Operating Activities		
Investment return, net	2,417,525	2,841,128
Loss on disposal of intangible assets	<u>-</u>	<u>(102,362)</u>
Total non-operating activities	<u>2,417,525</u>	<u>2,738,766</u>
Change in Net Assets	14,910,122	6,551,963
Net Assets, beginning of year	<u>59,306,479</u>	<u>52,754,516</u>
Net Assets, end of year	<u><u>\$ 74,216,601</u></u>	<u><u>\$ 59,306,479</u></u>

See accompanying notes.

PaintCare Inc.

Statement of Functional Expenses
For the Year Ended June 30, 2020

	Program and Delivery Services											General and Administrative	Total
	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington	New York		
Salaries and related benefits	\$ 117,155	\$ 895,093	\$ 95,999	\$ 29,632	\$ 202,568	\$ 40,165	\$ 85,538	\$ 189,394	\$ 13,990	\$ 38,947	\$ -	\$ 1,478,836	\$ 3,187,317
Collection support	14,197	2,851,573	403,745	82,767	327,444	67,242	113,422	452,439	25,748	-	-	-	4,338,577
Transportation and processing	3,970,365	20,707,061	1,988,195	392,796	3,946,928	553,840	814,784	3,572,663	171,742	-	-	-	36,118,374
Communications	23,990	2,772,951	280,012	97,985	100,965	4,749	3,680	504,032	46,672	1,054	-	15,654	3,851,744
State agency administrative fees	40,000	412,640	20,000	-	21,917	15,000	78,919	120,000	26,468	22,700	-	-	757,644
Management fees	-	-	-	-	-	-	-	-	-	-	-	2,151,495	2,151,495
Professional fees	3,354	14,443	2,996	747	1,593	400	495	4,196	398	193	-	127,560	156,375
Legal fees	7,018	13,072	378	-	-	-	251	10,581	10,507	8,930	8,834	73,726	133,297
Travel	9,958	103,383	6,062	6,321	17,337	3,797	8,617	27,093	7,494	4,813	6,533	104,692	306,100
Meetings	312	5,224	304	646	816	37	37	1,672	108	358	219	12,950	22,683
Office and supplies	3,146	7,964	377	263	2,150	308	90	1,708	3	1,205	-	25,617	42,831
Subscriptions and publications	702	2,516	12	4	1,126	5	11	470	-	208	-	55,894	60,948
Advertising and promotions	-	-	-	-	-	-	-	-	-	-	-	8,435	8,435
Professional development	2,274	19,204	5,852	2,870	5,313	50	2,206	8,005	-	723	4,626	36,425	87,548
Amortization	-	-	-	-	-	-	-	-	-	-	-	63,355	63,355
Insurance	-	-	-	-	-	-	-	-	-	-	-	235,948	235,948
Bank fees	893	-	169	226	-	-	964	-	-	-	-	81,676	83,928
Other expenses	12,609	81	-	22	-	37	185	798	-	322	-	-	14,054
Total Expenses	\$ 4,205,973	\$ 27,805,205	\$ 2,804,101	\$ 614,279	\$ 4,628,157	\$ 685,630	\$ 1,109,199	\$ 4,893,051	\$ 303,130	\$ 79,453	\$ 20,212	\$ 4,472,263	\$ 51,620,653

See accompanying notes.

PaintCare Inc.

Statement of Functional Expenses
For the Year Ended June 30, 2019

	Program and Delivery Services										General and Administrative	Total
	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington		
Salaries and related benefits	\$ 113,319	\$ 812,614	\$ 93,741	\$ 27,808	\$ 133,528	\$ 39,213	\$ 82,807	\$ 194,026	\$ 16,034	\$ 2,544	\$ 1,395,251	\$ 2,910,885
Collection support	20,381	3,134,672	434,073	100,440	448,281	81,970	145,009	506,813	38,858	-	-	4,910,497
Transportation and processing	4,085,078	22,661,082	2,133,266	471,744	4,214,375	636,180	933,710	3,989,607	216,039	-	-	39,341,081
Communications	59,874	3,394,905	462,698	105,153	187,698	9,375	23,502	610,488	104,388	-	61,056	5,019,137
State agency administrative fees	40,000	224,526	20,000	-	24,319	15,000	71,003	120,000	26,000	-	-	540,848
Management fees	-	-	-	-	-	-	-	-	-	-	2,151,624	2,151,624
Professional fees	2,700	25,432	5,596	769	2,950	2,829	3,541	37,900	496	-	94,447	176,660
Legal fees	350	201,033	11,511	15,144	10,078	263	9,505	3,339	1,186	-	23,632	276,041
Travel	21,803	156,565	9,951	5,527	14,731	7,134	17,143	49,160	9,095	4,502	157,311	452,922
Meetings	1,240	10,542	533	-	1,487	71	152	3,200	546	18	21,997	39,786
Office and supplies	1,040	3,443	229	288	1,019	246	314	1,968	163	-	30,954	39,664
Subscriptions and publications	931	5,002	292	81	1,530	119	252	1,718	4	-	81,761	91,690
Advertising and promotions	90	-	-	-	-	-	-	3,361	-	-	-	3,451
Professional development	1,653	27,506	2,716	856	4,971	127	2,773	7,458	51	-	25,531	73,642
Amortization	-	-	-	-	-	-	-	-	-	-	112,611	112,611
Insurance	-	-	-	-	-	-	-	-	-	-	220,261	220,261
Bank fees	1,185	-	1,572	979	-	-	205	-	-	-	56,681	60,622
Research and development grant	-	100,000	-	-	-	-	-	100,000	-	-	-	200,000
Other expenses	16,016	6,425	351	303	23,482	40	10,845	341	309	-	815	58,927
Total Expenses	\$ 4,365,660	\$ 30,763,747	\$ 3,176,529	\$ 729,092	\$ 5,068,449	\$ 792,567	\$ 1,300,761	\$ 5,629,379	\$ 413,169	\$ 7,064	\$ 4,433,932	\$ 56,680,349

See accompanying notes.

PaintCare Inc.

Statements of Cash Flows
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 14,910,122	\$ 6,551,963
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization	63,355	112,611
Loss on disposal of intangible assets	-	102,362
Net realized and unrealized gain on investments	(1,349,277)	(1,748,144)
Change in allowance for doubtful accounts receivable	-	21,272
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(1,065,230)	229,693
Prepaid expenses	166,380	(79,660)
Increase in:		
Accounts payable and accrued expenses	(4,190,369)	2,440,737
Grants payable	(91,044)	200,000
Due to affiliate	22,326	38,369
Net cash provided by operating activities	<u>8,466,263</u>	<u>7,869,203</u>
Cash Flows from Investing Activities		
Purchases of investments	(18,193,365)	(18,563,757)
Proceeds from sale of investments	12,125,117	17,470,774
Purchases of intangible assets	-	(316,775)
Net cash used in investing activities	<u>(6,068,248)</u>	<u>(1,409,758)</u>
Net Increase in Cash	2,398,015	6,459,445
Cash and Cash Equivalents, beginning of year	<u>15,596,294</u>	<u>9,136,849</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 17,994,309</u></u>	<u><u>\$ 15,596,294</u></u>

See accompanying notes.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

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. Similar legislation has subsequently been passed in other jurisdictions. The paint stewardship legislation guides 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.

PaintCare organized single-member limited liability companies (LLC) for the Oregon, Connecticut, Rhode Island, Maine, Colorado, District of Columbia, Washington, and New York 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. Net assets without donor restrictions represent funds that are not subject to donor-imposed stipulations and are available for support of PaintCare’s operations. At June 30, 2020 and 2019, all net assets were without donor restrictions.

Cash Equivalents

For the purpose of the statements of cash flows, PaintCare considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase.

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 both June 30, 2020 and 2019, an allowance of \$64,175 was recognized.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

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, net of investment management fees, are reported as a component of net investment return in the accompanying statements of activities.

Intangible Assets

PaintCare capitalizes certain costs associated with computer software developed or obtained for internal use in accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 350-40, *Internal Use Software*. PaintCare's policy provides for the capitalization of external direct costs of materials and services, and directly related payroll costs. Costs associated with preliminary project state activities, training, maintenance, and post implementation stage activities are expensed as incurred. Capitalized costs are amortized over the estimated useful life of five years on a straight-line basis.

Grants Payable

Grants payable represents amounts awarded to organizations for the Innovative Recycling Grant Competition. These funds were committed as of June 30, 2019 and will be paid out over a maximum period of three years on a reimbursement-only basis. Grants payable is included in the accompanying statements of financial position totaling \$108,956 and \$200,000 at June 30, 2020 and 2019, respectively.

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. The majority of PaintCare's revenue arrangements generally consist of a single performance obligation to transfer promised services. Revenue is recognized when PaintCare delivers the services. Based on PaintCare's evaluation process and review of its contracts with customers, the timing and amount of revenue previously recognized is consistent with how revenue is recognized under the new standard. No changes were required for the previously reported revenues as a result of the adoption.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

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.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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 net investment return and loss on disposal of intangible assets.

Reclassifications

Certain amounts in the 2019 financial statements have been reclassified to conform to the 2020 presentation. These reclassifications have no effect on the change in net assets previously reported.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

Change in Accounting Principles

FASB Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended, supersedes or replaces nearly all revenue recognition guidance under accounting principles generally accepted in the United States of America. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue. PaintCare has implemented Topic 606 and has adjusted, if applicable, the presentation in these financial statements accordingly. The amendments have been applied retrospectively to all periods presented. The implementation had no impact on the previously reported net assets.

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. PaintCare has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in these financial statements under a modified prospective basis. The implementation had no impact on the previously reported net assets.

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.

Subsequent Events

In preparing these financial statements, PaintCare has evaluated events and transactions for potential recognition or disclosure through September 22, 2020, the date the financial statements were available to be issued.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

3. Liquidity and Availability

PaintCare strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Management periodically reviews PaintCare's liquid asset needs and adjusts the cash and cash equivalent balances as necessary. Amounts in excess of operating liquidity needs are invested in money market funds and highly liquid securities.

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at June 30:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 17,994,309	\$ 15,596,294
Accounts receivable, net	8,029,728	6,964,498
Investments appropriated for current use	<u>34,660,675</u>	<u>28,595,981</u>
Total available for general expenditures	<u>\$ 60,684,712</u>	<u>\$ 51,156,773</u>

4. Concentration of Credit Risk

Financial instruments that potentially subject PaintCare to significant concentrations of credit risk consist of cash and cash equivalents, 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 Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). PaintCare has not experienced any credit losses on its cash and cash equivalents, and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

PaintCare Inc.

Notes to Financial Statements
June 30, 2020 and 2019

5. Accounts Receivable

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

	<u>2020</u>	<u>2019</u>
California	\$ 3,756,933	\$ 3,931,082
Colorado	1,119,812	761,606
Minnesota	1,381,682	749,761
Oregon	838,339	716,721
Connecticut	500,308	392,831
Maine	193,279	189,135
Rhode Island	118,954	113,726
District of Columbia	57,820	64,030
Vermont	126,596	109,781
Corporate	<u>180</u>	<u>-</u>
Total accounts receivable	8,093,903	7,028,673
Less: allowance for doubtful accounts	<u>(64,175)</u>	<u>(64,175)</u>
Accounts receivable, net	<u><u>\$ 8,029,728</u></u>	<u><u>\$ 6,964,498</u></u>

6. Investments and Fair Value Measurements

Net investment return consists of the following for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Interest and dividend income	\$ 1,224,635	\$ 1,238,869
Net realized and unrealized gain	1,349,277	1,748,144
Less: investment fees	<u>(156,387)</u>	<u>(145,885)</u>
Investment return, net	<u><u>\$ 2,417,525</u></u>	<u><u>\$ 2,841,128</u></u>

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

6. Investments and Fair Value Measurements (continued)

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 FASB ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

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, which are valued based on quoted prices in less active markets.

PaintCare Inc.

Notes to Financial Statements
June 30, 2020 and 2019

6. 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, 2020:

	Level 1	Level 2	Level 3	Total
<hr/>				
Equities:				
Energy	\$ 424,643	\$ -	\$ -	\$ 424,643
Materials	526,801	-	-	526,801
Industrials	1,508,670	-	-	1,508,670
Consumer discretionary	1,583,672	-	-	1,583,672
Consumer staples	1,240,399	-	-	1,240,399
Health care	2,002,096	-	-	2,002,096
Financials	1,948,502	-	-	1,948,502
Information technology	2,931,190	-	-	2,931,190
Telecommunication				
service	1,320,305	-	-	1,320,305
Utilities	608,459	-	-	608,459
Real estate	656,213	-	-	656,213
Blend	119,376	-	-	119,376
Mutual funds:				
Exchange traded funds	6,000,478	-	-	6,000,478
Fixed income	10,116,611	-	-	10,116,611
Corporate bonds	6,162,876	-	-	6,162,876
Cash equivalents	1,611,277	-	-	1,611,277
Government securities:				
U.S. Treasury	-	13,125,396	-	13,125,396
U.S. Agency	-	3,581,568	-	3,581,568
<hr/>				
Total investments	\$ 38,761,568	\$ 16,706,964	\$ -	\$ 55,468,532
<hr/>				

PaintCare Inc.

Notes to Financial Statements
June 30, 2020 and 2019

6. 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, 2019:

	Level 1	Level 2	Level 3	Total
<hr/>				
Equities:				
Energy	\$ 645,537	\$ -	\$ -	\$ 645,537
Materials	516,536	-	-	516,536
Industrials	1,537,644	-	-	1,537,644
Consumer discretionary	1,516,737	-	-	1,516,737
Consumer staples	1,197,977	-	-	1,197,977
Health care	1,807,095	-	-	1,807,095
Financials	2,138,219	-	-	2,138,219
Information technology	2,507,382	-	-	2,507,382
Telecommunication				
service	1,257,481	-	-	1,257,481
Utilities	564,074	-	-	564,074
Real estate	687,533	-	-	687,533
Blend	71,662	-	-	71,662
Mutual funds:				
Exchange traded funds	4,518,546	-	-	4,518,546
Fixed income	7,523,367	-	-	7,523,367
Corporate bonds	6,869,374	-	-	6,869,374
Cash equivalents	1,046,678	-	-	1,046,678
Government securities:				
U.S. Treasury	-	9,750,771	-	9,750,771
U.S. Agency	-	3,894,394	-	3,894,394
<hr/>				
Total investments	\$ 34,405,842	\$ 13,645,165	\$ -	\$ 48,051,007
<hr/>				

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

7. Intangible Assets

Intangible assets consist of the following at June 30:

	2020	2019
Software	\$ 354,739	\$ 354,739
Less: accumulated amortization	(143,556)	(80,201)
Intangible assets, net	<u>\$ 211,183</u>	<u>\$ 274,538</u>

Amortization expense for each year of the estimated remaining lives is estimated to be as follows for the years ending June 30:

2021	\$ 63,355
2022	63,355
2023	63,355
2024	<u>21,118</u>
Future estimated amortization	<u>\$ 211,183</u>

8. 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. ACA serves its members as an advocate on legislative, regulatory, and judicial issues at the federal, state, and local levels. ACA also provides members with such services as research and technical information, statistical management information, legal guidance, and community service project support and acts as a forum for the exchange of information and ideas among the industry and its business partners. 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.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

8. Related Party (continued)

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, 2020 and 2019, the total administrative fees charged by ACA to PaintCare were \$2,151,495 and \$2,151,624, respectively. At June 30, 2020 and 2019, PaintCare owed ACA \$822,407 and \$800,081, respectively, which is recorded as due to affiliate in the accompanying statements of financial position.

9. 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, 2020

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington	New York	General and Administrative	Total
Operating Revenue													
Paint recovery fees	\$ 5,943,949	\$ 35,992,569	\$ 3,643,393	\$ 991,912	\$ 7,263,964	\$ 936,987	\$ 1,523,115	\$ 7,202,092	\$ 615,269	\$ -	\$ -	\$ -	\$ 64,113,250
Total operating revenue	5,943,949	35,992,569	3,643,393	991,912	7,263,964	936,987	1,523,115	7,202,092	615,269	-	-	-	64,113,250
Expenses													
Salaries and related benefits	117,155	895,093	95,999	29,632	202,568	40,165	85,538	189,394	13,990	38,947	-	1,478,836	3,187,317
Collection support	14,197	2,851,573	403,745	82,767	327,444	67,242	113,422	452,439	25,748	-	-	-	4,338,577
Transportation and processing	3,970,365	20,707,061	1,988,195	392,796	3,946,928	553,840	814,784	3,572,663	171,742	-	-	-	36,118,374
Communications	23,990	2,772,951	280,012	97,985	100,965	4,749	3,680	504,032	46,672	1,054	-	15,654	3,851,744
State agency administrative fees	40,000	412,640	20,000	-	21,917	15,000	78,919	120,000	26,468	22,700	-	-	757,644
Management fees	-	-	-	-	-	-	-	-	-	-	-	2,151,495	2,151,495
Professional fees	3,354	14,443	2,996	747	1,593	400	495	4,196	398	193	-	127,560	156,375
Legal fees	7,018	13,072	378	-	-	-	251	10,581	10,507	8,930	8,834	73,726	133,297
Travel	9,958	103,383	6,062	6,321	17,337	3,797	8,617	27,093	7,494	4,813	6,533	104,692	306,100
Meetings	312	5,224	304	646	816	37	37	1,672	108	358	219	12,950	22,683
Office and supplies	3,146	7,964	377	263	2,150	308	90	1,708	3	1,205	-	25,617	42,831
Subscriptions and publications	702	2,516	12	4	1,126	5	11	470	-	208	-	55,894	60,948
Advertising and promotions	-	-	-	-	-	-	-	-	-	-	-	8,435	8,435
Professional development	2,274	19,204	5,852	2,870	5,313	50	2,206	8,005	-	723	4,626	36,425	87,548
Amortization	-	-	-	-	-	-	-	-	-	-	-	63,355	63,355
Insurance	-	-	-	-	-	-	-	-	-	-	-	235,948	235,948
Bank fees	893	-	169	226	-	-	964	-	-	-	-	81,676	83,928
Other expenses	12,609	81	-	22	-	37	185	798	-	322	-	-	14,054
Total expenses	4,205,973	27,805,205	2,804,101	614,279	4,628,157	685,630	1,109,199	4,893,051	303,130	79,453	20,212	4,472,263	51,620,653
Change in Net Assets from Operations	1,737,976	8,187,364	839,292	377,633	2,635,807	251,357	413,916	2,309,041	312,139	(79,453)	(20,212)	(4,472,263)	12,492,597
Non-Operating Activity													
Investment return, net	-	-	-	-	-	-	-	-	-	-	-	2,417,525	2,417,525
Change in Net Assets Before Allocation of General and Administrative Activities	1,737,976	8,187,364	839,292	377,633	2,635,807	251,357	413,916	2,309,041	312,139	(79,453)	(20,212)	(2,054,738)	14,910,122
General and administrative allocation	(292,379)	(2,843,138)	(272,767)	(80,330)	(404,784)	(47,755)	(101,377)	(383,817)	(45,916)	-	-	4,472,263	-
Investment allocation	-	2,098,712	-	-	56,274	(18,061)	-	256,224	24,376	-	-	(2,417,525)	-
Total Change in Net Assets	1,445,597	7,442,938	566,525	297,303	2,287,297	185,541	312,539	2,181,448	290,599	(79,453)	(20,212)	-	14,910,122
Net Assets (Deficit), beginning of year	(90,151)	49,412,295	3,386,666	823,729	218,961	(523,581)	161,368	5,506,945	461,659	(51,412)	-	-	59,306,479
Net Assets (Deficit), end of year	\$ 1,355,446	\$ 56,855,233	\$ 3,953,191	\$ 1,121,032	\$ 2,506,258	\$ (338,040)	\$ 473,907	\$ 7,688,393	\$ 752,258	\$ (130,865)	\$ (20,212)	\$ -	\$ 74,216,601

PaintCare Inc.

Schedule of Activities, Organized by Program
For the Year Ended June 30, 2019

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington	General and Administrative	Total
Operating Revenue												
Paint recovery fees	\$ 5,478,466	\$ 34,611,457	\$ 3,445,259	\$ 930,766	\$ 6,413,373	\$ 866,404	\$ 1,295,654	\$ 6,817,282	\$ 634,885	\$ -	\$ -	\$ 60,493,546
Total operating revenue	5,478,466	34,611,457	3,445,259	930,766	6,413,373	866,404	1,295,654	6,817,282	634,885	-	-	60,493,546
Expenses												
Salaries and related benefits	113,319	812,614	93,741	27,808	133,528	39,213	82,807	194,026	16,034	2,544	1,395,251	2,910,885
Collection support	20,381	3,134,672	434,073	100,440	448,281	81,970	145,009	506,813	38,858	-	-	4,910,497
Transportation and processing	4,085,078	22,661,082	2,133,266	471,744	4,214,375	636,180	933,710	3,989,607	216,039	-	-	39,341,081
Communications	59,874	3,394,905	462,698	105,153	187,698	9,375	23,502	610,488	104,388	-	61,056	5,019,137
State agency administrative fees	40,000	224,526	20,000	-	24,319	15,000	71,003	120,000	26,000	-	-	540,848
Management fees	-	-	-	-	-	-	-	-	-	-	2,151,624	2,151,624
Professional fees	2,700	25,432	5,596	769	2,950	2,829	3,541	37,900	496	-	94,447	176,660
Legal fees	350	201,033	11,511	15,144	10,078	263	9,505	3,339	1,186	-	23,632	276,041
Travel	21,803	156,565	9,951	5,527	14,731	7,134	17,143	49,160	9,095	4,502	157,311	452,922
Meetings	1,240	10,542	533	-	1,487	71	152	3,200	546	18	21,997	39,786
Office and supplies	1,040	3,443	229	288	1,019	246	314	1,968	163	-	30,954	39,664
Subscriptions and publications	931	5,002	292	81	1,530	119	252	1,718	4	-	81,761	91,690
Advertising and promotions	90	-	-	-	-	-	-	3,361	-	-	-	3,451
Professional development	1,653	27,506	2,716	856	4,971	127	2,773	7,458	51	-	25,531	73,642
Amortization	-	-	-	-	-	-	-	-	-	-	112,611	112,611
Insurance	-	-	-	-	-	-	-	-	-	-	220,261	220,261
Bank fees	1,185	-	1,572	979	-	-	205	-	-	-	56,681	60,622
Research and development grant	-	100,000	-	-	-	-	-	100,000	-	-	-	200,000
Other expenses	16,016	6,425	351	303	23,482	40	10,845	341	309	-	815	58,927
Total expenses	4,365,660	30,763,747	3,176,529	729,092	5,068,449	792,567	1,300,761	5,629,379	413,169	7,064	4,433,932	56,680,349
Change in Net Assets from Operations	1,112,806	3,847,710	268,730	201,674	1,344,924	73,837	(5,107)	1,187,903	221,716	(7,064)	(4,433,932)	3,813,197
Non-Operating Activities												
Investment return, net	-	-	-	-	-	-	-	-	-	-	2,841,128	2,841,128
Loss on disposal of intangible assets	-	-	-	-	-	-	-	-	-	-	(102,362)	(102,362)
Change in Net Assets Before Allocation of General and Administrative Activities	1,112,806	3,847,710	268,730	201,674	1,344,924	73,837	(5,107)	1,187,903	221,716	(7,064)	(1,695,166)	6,551,963
General and administrative allocation	(293,665)	(2,855,647)	(273,967)	(80,683)	(406,565)	(47,965)	(101,824)	(385,506)	(46,124)	(44,348)	4,536,294	-
Investment allocation	-	2,567,226	-	-	(493)	(26,253)	(2,417)	282,154	20,911	-	(2,841,128)	-
Total Change in Net Assets	819,141	3,559,289	(5,237)	120,991	937,866	(381)	(109,348)	1,084,551	196,503	(51,412)	-	6,551,963
Net Assets (Deficit), beginning of year	(909,292)	45,853,006	3,391,903	702,738	(718,905)	(523,200)	270,716	4,422,394	265,156	-	-	52,754,516
Net Assets (Deficit), end of year	\$ (90,151)	\$ 49,412,295	\$ 3,386,666	\$ 823,729	\$ 218,961	\$ (523,581)	\$ 161,368	\$ 5,506,945	\$ 461,659	\$ (51,412)	\$ -	\$ 59,306,479

PaintCare Inc.

Financial Statements
and Independent Auditors' Report

June 30, 2020 and 2019

PaintCare Inc.

Financial Statements
June 30, 2020 and 2019

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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, 2020 and 2019; the related statements of activities, functional expenses, and cash flows for the 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, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, PaintCare adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606) and FASB ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

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 19-20 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.

A handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is stylized, with the "R" being particularly large and the "Company" written in a cursive-like script.

Vienna, Virginia
September 22, 2020

PaintCare Inc.

Statements of Financial Position
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 17,994,309	\$ 15,596,294
Accounts receivable, net	8,029,728	6,964,498
Investments	55,468,532	48,051,007
Prepaid expenses	<u>129,663</u>	<u>296,043</u>
 Total current assets	 81,622,232	 70,907,842
Intangible assets, net	<u>211,183</u>	<u>274,538</u>
 Total assets	 <u><u>\$ 81,833,415</u></u>	 <u><u>\$ 71,182,380</u></u>
 Liabilities and Net Assets		
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	\$ 6,685,451	\$ 10,875,820
Grants payable	108,956	200,000
Due to affiliate	<u>822,407</u>	<u>800,081</u>
 Total liabilities	 <u>7,616,814</u>	 <u>11,875,901</u>
 Net Assets		
Without donor restrictions	<u>74,216,601</u>	<u>59,306,479</u>
 Total net assets	 <u>74,216,601</u>	 <u>59,306,479</u>
 Total liabilities and net assets	 <u><u>\$ 81,833,415</u></u>	 <u><u>\$ 71,182,380</u></u>

See accompanying notes.

PaintCare Inc.

Statements of Activities
For the Years Ended June 30, 2020 and 2019

	2020	2019
Operating Revenue		
Paint recovery fees	\$ 64,113,250	\$ 60,493,546
Total operating revenue	<u>64,113,250</u>	<u>60,493,546</u>
Expenses		
Program and delivery services:		
Oregon	4,205,973	4,365,660
California	27,805,205	30,763,747
Connecticut	2,804,101	3,176,529
Rhode Island	614,279	729,092
Minnesota	4,628,157	5,068,449
Vermont	685,630	792,567
Maine	1,109,199	1,300,761
Colorado	4,893,051	5,629,379
District of Columbia	303,130	413,169
Washington	79,453	7,064
New York	20,212	-
Total program and delivery services	<u>47,148,390</u>	<u>52,246,417</u>
General and administrative	<u>4,472,263</u>	<u>4,433,932</u>
Total expenses	<u>51,620,653</u>	<u>56,680,349</u>
Change in Net Assets from Operations	12,492,597	3,813,197
Non-Operating Activities		
Investment return, net	2,417,525	2,841,128
Loss on disposal of intangible assets	<u>-</u>	<u>(102,362)</u>
Total non-operating activities	<u>2,417,525</u>	<u>2,738,766</u>
Change in Net Assets	14,910,122	6,551,963
Net Assets, beginning of year	<u>59,306,479</u>	<u>52,754,516</u>
Net Assets, end of year	<u><u>\$ 74,216,601</u></u>	<u><u>\$ 59,306,479</u></u>

See accompanying notes.

PaintCare Inc.

Statement of Functional Expenses
For the Year Ended June 30, 2020

	Program and Delivery Services											General and Administrative	Total
	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington	New York		
Salaries and related benefits	\$ 117,155	\$ 895,093	\$ 95,999	\$ 29,632	\$ 202,568	\$ 40,165	\$ 85,538	\$ 189,394	\$ 13,990	\$ 38,947	\$ -	\$ 1,478,836	\$ 3,187,317
Collection support	14,197	2,851,573	403,745	82,767	327,444	67,242	113,422	452,439	25,748	-	-	-	4,338,577
Transportation and processing	3,970,365	20,707,061	1,988,195	392,796	3,946,928	553,840	814,784	3,572,663	171,742	-	-	-	36,118,374
Communications	23,990	2,772,951	280,012	97,985	100,965	4,749	3,680	504,032	46,672	1,054	-	15,654	3,851,744
State agency administrative fees	40,000	412,640	20,000	-	21,917	15,000	78,919	120,000	26,468	22,700	-	-	757,644
Management fees	-	-	-	-	-	-	-	-	-	-	-	2,151,495	2,151,495
Professional fees	3,354	14,443	2,996	747	1,593	400	495	4,196	398	193	-	127,560	156,375
Legal fees	7,018	13,072	378	-	-	-	251	10,581	10,507	8,930	8,834	73,726	133,297
Travel	9,958	103,383	6,062	6,321	17,337	3,797	8,617	27,093	7,494	4,813	6,533	104,692	306,100
Meetings	312	5,224	304	646	816	37	37	1,672	108	358	219	12,950	22,683
Office and supplies	3,146	7,964	377	263	2,150	308	90	1,708	3	1,205	-	25,617	42,831
Subscriptions and publications	702	2,516	12	4	1,126	5	11	470	-	208	-	55,894	60,948
Advertising and promotions	-	-	-	-	-	-	-	-	-	-	-	8,435	8,435
Professional development	2,274	19,204	5,852	2,870	5,313	50	2,206	8,005	-	723	4,626	36,425	87,548
Amortization	-	-	-	-	-	-	-	-	-	-	-	63,355	63,355
Insurance	-	-	-	-	-	-	-	-	-	-	-	235,948	235,948
Bank fees	893	-	169	226	-	-	964	-	-	-	-	81,676	83,928
Other expenses	12,609	81	-	22	-	37	185	798	-	322	-	-	14,054
Total Expenses	\$ 4,205,973	\$ 27,805,205	\$ 2,804,101	\$ 614,279	\$ 4,628,157	\$ 685,630	\$ 1,109,199	\$ 4,893,051	\$ 303,130	\$ 79,453	\$ 20,212	\$ 4,472,263	\$ 51,620,653

See accompanying notes.

PaintCare Inc.

Statement of Functional Expenses
For the Year Ended June 30, 2019

	Program and Delivery Services										General and Administrative	Total
	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington		
Salaries and related benefits	\$ 113,319	\$ 812,614	\$ 93,741	\$ 27,808	\$ 133,528	\$ 39,213	\$ 82,807	\$ 194,026	\$ 16,034	\$ 2,544	\$ 1,395,251	\$ 2,910,885
Collection support	20,381	3,134,672	434,073	100,440	448,281	81,970	145,009	506,813	38,858	-	-	4,910,497
Transportation and processing	4,085,078	22,661,082	2,133,266	471,744	4,214,375	636,180	933,710	3,989,607	216,039	-	-	39,341,081
Communications	59,874	3,394,905	462,698	105,153	187,698	9,375	23,502	610,488	104,388	-	61,056	5,019,137
State agency administrative fees	40,000	224,526	20,000	-	24,319	15,000	71,003	120,000	26,000	-	-	540,848
Management fees	-	-	-	-	-	-	-	-	-	-	2,151,624	2,151,624
Professional fees	2,700	25,432	5,596	769	2,950	2,829	3,541	37,900	496	-	94,447	176,660
Legal fees	350	201,033	11,511	15,144	10,078	263	9,505	3,339	1,186	-	23,632	276,041
Travel	21,803	156,565	9,951	5,527	14,731	7,134	17,143	49,160	9,095	4,502	157,311	452,922
Meetings	1,240	10,542	533	-	1,487	71	152	3,200	546	18	21,997	39,786
Office and supplies	1,040	3,443	229	288	1,019	246	314	1,968	163	-	30,954	39,664
Subscriptions and publications	931	5,002	292	81	1,530	119	252	1,718	4	-	81,761	91,690
Advertising and promotions	90	-	-	-	-	-	-	3,361	-	-	-	3,451
Professional development	1,653	27,506	2,716	856	4,971	127	2,773	7,458	51	-	25,531	73,642
Amortization	-	-	-	-	-	-	-	-	-	-	112,611	112,611
Insurance	-	-	-	-	-	-	-	-	-	-	220,261	220,261
Bank fees	1,185	-	1,572	979	-	-	205	-	-	-	56,681	60,622
Research and development grant	-	100,000	-	-	-	-	-	100,000	-	-	-	200,000
Other expenses	16,016	6,425	351	303	23,482	40	10,845	341	309	-	815	58,927
Total Expenses	\$ 4,365,660	\$ 30,763,747	\$ 3,176,529	\$ 729,092	\$ 5,068,449	\$ 792,567	\$ 1,300,761	\$ 5,629,379	\$ 413,169	\$ 7,064	\$ 4,433,932	\$ 56,680,349

See accompanying notes.

PaintCare Inc.

Statements of Cash Flows
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 14,910,122	\$ 6,551,963
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization	63,355	112,611
Loss on disposal of intangible assets	-	102,362
Net realized and unrealized gain on investments	(1,349,277)	(1,748,144)
Change in allowance for doubtful accounts receivable	-	21,272
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(1,065,230)	229,693
Prepaid expenses	166,380	(79,660)
Increase in:		
Accounts payable and accrued expenses	(4,190,369)	2,440,737
Grants payable	(91,044)	200,000
Due to affiliate	22,326	38,369
Net cash provided by operating activities	<u>8,466,263</u>	<u>7,869,203</u>
Cash Flows from Investing Activities		
Purchases of investments	(18,193,365)	(18,563,757)
Proceeds from sale of investments	12,125,117	17,470,774
Purchases of intangible assets	-	(316,775)
Net cash used in investing activities	<u>(6,068,248)</u>	<u>(1,409,758)</u>
Net Increase in Cash	2,398,015	6,459,445
Cash and Cash Equivalents, beginning of year	<u>15,596,294</u>	<u>9,136,849</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 17,994,309</u></u>	<u><u>\$ 15,596,294</u></u>

See accompanying notes.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

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. Similar legislation has subsequently been passed in other jurisdictions. The paint stewardship legislation guides 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.

PaintCare organized single-member limited liability companies (LLC) for the Oregon, Connecticut, Rhode Island, Maine, Colorado, District of Columbia, Washington, and New York 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. Net assets without donor restrictions represent funds that are not subject to donor-imposed stipulations and are available for support of PaintCare’s operations. At June 30, 2020 and 2019, all net assets were without donor restrictions.

Cash Equivalents

For the purpose of the statements of cash flows, PaintCare considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of ninety days or less at the time of purchase.

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 both June 30, 2020 and 2019, an allowance of \$64,175 was recognized.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

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, net of investment management fees, are reported as a component of net investment return in the accompanying statements of activities.

Intangible Assets

PaintCare capitalizes certain costs associated with computer software developed or obtained for internal use in accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 350-40, *Internal Use Software*. PaintCare's policy provides for the capitalization of external direct costs of materials and services, and directly related payroll costs. Costs associated with preliminary project state activities, training, maintenance, and post implementation stage activities are expensed as incurred. Capitalized costs are amortized over the estimated useful life of five years on a straight-line basis.

Grants Payable

Grants payable represents amounts awarded to organizations for the Innovative Recycling Grant Competition. These funds were committed as of June 30, 2019 and will be paid out over a maximum period of three years on a reimbursement-only basis. Grants payable is included in the accompanying statements of financial position totaling \$108,956 and \$200,000 at June 30, 2020 and 2019, respectively.

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. The majority of PaintCare's revenue arrangements generally consist of a single performance obligation to transfer promised services. Revenue is recognized when PaintCare delivers the services. Based on PaintCare's evaluation process and review of its contracts with customers, the timing and amount of revenue previously recognized is consistent with how revenue is recognized under the new standard. No changes were required for the previously reported revenues as a result of the adoption.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

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.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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 net investment return and loss on disposal of intangible assets.

Reclassifications

Certain amounts in the 2019 financial statements have been reclassified to conform to the 2020 presentation. These reclassifications have no effect on the change in net assets previously reported.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

2. Summary of Significant Accounting Policies (continued)

Change in Accounting Principles

FASB Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended, supersedes or replaces nearly all revenue recognition guidance under accounting principles generally accepted in the United States of America. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue. PaintCare has implemented Topic 606 and has adjusted, if applicable, the presentation in these financial statements accordingly. The amendments have been applied retrospectively to all periods presented. The implementation had no impact on the previously reported net assets.

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. PaintCare has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in these financial statements under a modified prospective basis. The implementation had no impact on the previously reported net assets.

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.

Subsequent Events

In preparing these financial statements, PaintCare has evaluated events and transactions for potential recognition or disclosure through September 22, 2020, the date the financial statements were available to be issued.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

3. Liquidity and Availability

PaintCare strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Management periodically reviews PaintCare's liquid asset needs and adjusts the cash and cash equivalent balances as necessary. Amounts in excess of operating liquidity needs are invested in money market funds and highly liquid securities.

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following at June 30:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 17,994,309	\$ 15,596,294
Accounts receivable, net	8,029,728	6,964,498
Investments appropriated for current use	<u>34,660,675</u>	<u>28,595,981</u>
Total available for general expenditures	<u>\$ 60,684,712</u>	<u>\$ 51,156,773</u>

4. Concentration of Credit Risk

Financial instruments that potentially subject PaintCare to significant concentrations of credit risk consist of cash and cash equivalents, 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 Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). PaintCare has not experienced any credit losses on its cash and cash equivalents, and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

PaintCare Inc.

Notes to Financial Statements
June 30, 2020 and 2019

5. Accounts Receivable

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

	2020	2019
California	\$ 3,756,933	\$ 3,931,082
Colorado	1,119,812	761,606
Minnesota	1,381,682	749,761
Oregon	838,339	716,721
Connecticut	500,308	392,831
Maine	193,279	189,135
Rhode Island	118,954	113,726
District of Columbia	57,820	64,030
Vermont	126,596	109,781
Corporate	180	-
Total accounts receivable	8,093,903	7,028,673
Less: allowance for doubtful accounts	(64,175)	(64,175)
Accounts receivable, net	<u>\$ 8,029,728</u>	<u>\$ 6,964,498</u>

6. Investments and Fair Value Measurements

Net investment return consists of the following for the years ended June 30:

	2020	2019
Interest and dividend income	\$ 1,224,635	\$ 1,238,869
Net realized and unrealized gain	1,349,277	1,748,144
Less: investment fees	(156,387)	(145,885)
Investment return, net	<u>\$ 2,417,525</u>	<u>\$ 2,841,128</u>

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

6. Investments and Fair Value Measurements (continued)

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 FASB ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

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, which are valued based on quoted prices in less active markets.

PaintCare Inc.

Notes to Financial Statements
June 30, 2020 and 2019

6. 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, 2020:

	Level 1	Level 2	Level 3	Total
<hr/>				
Equities:				
Energy	\$ 424,643	\$ -	\$ -	\$ 424,643
Materials	526,801	-	-	526,801
Industrials	1,508,670	-	-	1,508,670
Consumer discretionary	1,583,672	-	-	1,583,672
Consumer staples	1,240,399	-	-	1,240,399
Health care	2,002,096	-	-	2,002,096
Financials	1,948,502	-	-	1,948,502
Information technology	2,931,190	-	-	2,931,190
Telecommunication				
service	1,320,305	-	-	1,320,305
Utilities	608,459	-	-	608,459
Real estate	656,213	-	-	656,213
Blend	119,376	-	-	119,376
Mutual funds:				
Exchange traded funds	6,000,478	-	-	6,000,478
Fixed income	10,116,611	-	-	10,116,611
Corporate bonds	6,162,876	-	-	6,162,876
Cash equivalents	1,611,277	-	-	1,611,277
Government securities:				
U.S. Treasury	-	13,125,396	-	13,125,396
U.S. Agency	-	3,581,568	-	3,581,568
<hr/>				
Total investments	\$ 38,761,568	\$ 16,706,964	\$ -	\$ 55,468,532
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PaintCare Inc.

Notes to Financial Statements
June 30, 2020 and 2019

6. 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, 2019:

	Level 1	Level 2	Level 3	Total
<hr/>				
Equities:				
Energy	\$ 645,537	\$ -	\$ -	\$ 645,537
Materials	516,536	-	-	516,536
Industrials	1,537,644	-	-	1,537,644
Consumer discretionary	1,516,737	-	-	1,516,737
Consumer staples	1,197,977	-	-	1,197,977
Health care	1,807,095	-	-	1,807,095
Financials	2,138,219	-	-	2,138,219
Information technology	2,507,382	-	-	2,507,382
Telecommunication				
service	1,257,481	-	-	1,257,481
Utilities	564,074	-	-	564,074
Real estate	687,533	-	-	687,533
Blend	71,662	-	-	71,662
Mutual funds:				
Exchange traded funds	4,518,546	-	-	4,518,546
Fixed income	7,523,367	-	-	7,523,367
Corporate bonds	6,869,374	-	-	6,869,374
Cash equivalents	1,046,678	-	-	1,046,678
Government securities:				
U.S. Treasury	-	9,750,771	-	9,750,771
U.S. Agency	-	3,894,394	-	3,894,394
<hr/>				
Total investments	\$ 34,405,842	\$ 13,645,165	\$ -	\$ 48,051,007
<hr/>				

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

7. Intangible Assets

Intangible assets consist of the following at June 30:

	2020	2019
Software	\$ 354,739	\$ 354,739
Less: accumulated amortization	<u>(143,556)</u>	<u>(80,201)</u>
Intangible assets, net	<u>\$ 211,183</u>	<u>\$ 274,538</u>

Amortization expense for each year of the estimated remaining lives is estimated to be as follows for the years ending June 30:

2021	\$ 63,355
2022	63,355
2023	63,355
2024	<u>21,118</u>
Future estimated amortization	<u>\$ 211,183</u>

8. 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. ACA serves its members as an advocate on legislative, regulatory, and judicial issues at the federal, state, and local levels. ACA also provides members with such services as research and technical information, statistical management information, legal guidance, and community service project support and acts as a forum for the exchange of information and ideas among the industry and its business partners. 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.

PaintCare Inc.

Notes to Financial Statements June 30, 2020 and 2019

8. Related Party (continued)

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, 2020 and 2019, the total administrative fees charged by ACA to PaintCare were \$2,151,495 and \$2,151,624, respectively. At June 30, 2020 and 2019, PaintCare owed ACA \$822,407 and \$800,081, respectively, which is recorded as due to affiliate in the accompanying statements of financial position.

9. 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, 2020

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington	New York	General and Administrative	Total
Operating Revenue													
Paint recovery fees	\$ 5,943,949	\$ 35,992,569	\$ 3,643,393	\$ 991,912	\$ 7,263,964	\$ 936,987	\$ 1,523,115	\$ 7,202,092	\$ 615,269	\$ -	\$ -	\$ -	\$ 64,113,250
Total operating revenue	5,943,949	35,992,569	3,643,393	991,912	7,263,964	936,987	1,523,115	7,202,092	615,269	-	-	-	64,113,250
Expenses													
Salaries and related benefits	117,155	895,093	95,999	29,632	202,568	40,165	85,538	189,394	13,990	38,947	-	1,478,836	3,187,317
Collection support	14,197	2,851,573	403,745	82,767	327,444	67,242	113,422	452,439	25,748	-	-	-	4,338,577
Transportation and processing	3,970,365	20,707,061	1,988,195	392,796	3,946,928	553,840	814,784	3,572,663	171,742	-	-	-	36,118,374
Communications	23,990	2,772,951	280,012	97,985	100,965	4,749	3,680	504,032	46,672	1,054	-	15,654	3,851,744
State agency administrative fees	40,000	412,640	20,000	-	21,917	15,000	78,919	120,000	26,468	22,700	-	-	757,644
Management fees	-	-	-	-	-	-	-	-	-	-	-	2,151,495	2,151,495
Professional fees	3,354	14,443	2,996	747	1,593	400	495	4,196	398	193	-	127,560	156,375
Legal fees	7,018	13,072	378	-	-	-	251	10,581	10,507	8,930	8,834	73,726	133,297
Travel	9,958	103,383	6,062	6,321	17,337	3,797	8,617	27,093	7,494	4,813	6,533	104,692	306,100
Meetings	312	5,224	304	646	816	37	37	1,672	108	358	219	12,950	22,683
Office and supplies	3,146	7,964	377	263	2,150	308	90	1,708	3	1,205	-	25,617	42,831
Subscriptions and publications	702	2,516	12	4	1,126	5	11	470	-	208	-	55,894	60,948
Advertising and promotions	-	-	-	-	-	-	-	-	-	-	-	8,435	8,435
Professional development	2,274	19,204	5,852	2,870	5,313	50	2,206	8,005	-	723	4,626	36,425	87,548
Amortization	-	-	-	-	-	-	-	-	-	-	-	63,355	63,355
Insurance	-	-	-	-	-	-	-	-	-	-	-	235,948	235,948
Bank fees	893	-	169	226	-	-	964	-	-	-	-	81,676	83,928
Other expenses	12,609	81	-	22	-	37	185	798	-	322	-	-	14,054
Total expenses	4,205,973	27,805,205	2,804,101	614,279	4,628,157	685,630	1,109,199	4,893,051	303,130	79,453	20,212	4,472,263	51,620,653
Change in Net Assets from Operations	1,737,976	8,187,364	839,292	377,633	2,635,807	251,357	413,916	2,309,041	312,139	(79,453)	(20,212)	(4,472,263)	12,492,597
Non-Operating Activity													
Investment return, net	-	-	-	-	-	-	-	-	-	-	-	2,417,525	2,417,525
Change in Net Assets Before Allocation of General and Administrative Activities	1,737,976	8,187,364	839,292	377,633	2,635,807	251,357	413,916	2,309,041	312,139	(79,453)	(20,212)	(2,054,738)	14,910,122
General and administrative allocation	(292,379)	(2,843,138)	(272,767)	(80,330)	(404,784)	(47,755)	(101,377)	(383,817)	(45,916)	-	-	4,472,263	-
Investment allocation	-	2,098,712	-	-	56,274	(18,061)	-	256,224	24,376	-	-	(2,417,525)	-
Total Change in Net Assets	1,445,597	7,442,938	566,525	297,303	2,287,297	185,541	312,539	2,181,448	290,599	(79,453)	(20,212)	-	14,910,122
Net Assets (Deficit), beginning of year	(90,151)	49,412,295	3,386,666	823,729	218,961	(523,581)	161,368	5,506,945	461,659	(51,412)	-	-	59,306,479
Net Assets (Deficit), end of year	\$ 1,355,446	\$ 56,855,233	\$ 3,953,191	\$ 1,121,032	\$ 2,506,258	\$ (338,040)	\$ 473,907	\$ 7,688,393	\$ 752,258	\$ (130,865)	\$ (20,212)	\$ -	\$ 74,216,601

PaintCare Inc.

Schedule of Activities, Organized by Program
For the Year Ended June 30, 2019

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	Washington	General and Administrative	Total
Operating Revenue												
Paint recovery fees	\$ 5,478,466	\$ 34,611,457	\$ 3,445,259	\$ 930,766	\$ 6,413,373	\$ 866,404	\$ 1,295,654	\$ 6,817,282	\$ 634,885	\$ -	\$ -	\$ 60,493,546
Total operating revenue	5,478,466	34,611,457	3,445,259	930,766	6,413,373	866,404	1,295,654	6,817,282	634,885	-	-	60,493,546
Expenses												
Salaries and related benefits	113,319	812,614	93,741	27,808	133,528	39,213	82,807	194,026	16,034	2,544	1,395,251	2,910,885
Collection support	20,381	3,134,672	434,073	100,440	448,281	81,970	145,009	506,813	38,858	-	-	4,910,497
Transportation and processing	4,085,078	22,661,082	2,133,266	471,744	4,214,375	636,180	933,710	3,989,607	216,039	-	-	39,341,081
Communications	59,874	3,394,905	462,698	105,153	187,698	9,375	23,502	610,488	104,388	-	61,056	5,019,137
State agency administrative fees	40,000	224,526	20,000	-	24,319	15,000	71,003	120,000	26,000	-	-	540,848
Management fees	-	-	-	-	-	-	-	-	-	-	2,151,624	2,151,624
Professional fees	2,700	25,432	5,596	769	2,950	2,829	3,541	37,900	496	-	94,447	176,660
Legal fees	350	201,033	11,511	15,144	10,078	263	9,505	3,339	1,186	-	23,632	276,041
Travel	21,803	156,565	9,951	5,527	14,731	7,134	17,143	49,160	9,095	4,502	157,311	452,922
Meetings	1,240	10,542	533	-	1,487	71	152	3,200	546	18	21,997	39,786
Office and supplies	1,040	3,443	229	288	1,019	246	314	1,968	163	-	30,954	39,664
Subscriptions and publications	931	5,002	292	81	1,530	119	252	1,718	4	-	81,761	91,690
Advertising and promotions	90	-	-	-	-	-	-	3,361	-	-	-	3,451
Professional development	1,653	27,506	2,716	856	4,971	127	2,773	7,458	51	-	25,531	73,642
Amortization	-	-	-	-	-	-	-	-	-	-	112,611	112,611
Insurance	-	-	-	-	-	-	-	-	-	-	220,261	220,261
Bank fees	1,185	-	1,572	979	-	-	205	-	-	-	56,681	60,622
Research and development grant	-	100,000	-	-	-	-	-	100,000	-	-	-	200,000
Other expenses	16,016	6,425	351	303	23,482	40	10,845	341	309	-	815	58,927
Total expenses	4,365,660	30,763,747	3,176,529	729,092	5,068,449	792,567	1,300,761	5,629,379	413,169	7,064	4,433,932	56,680,349
Change in Net Assets from Operations	1,112,806	3,847,710	268,730	201,674	1,344,924	73,837	(5,107)	1,187,903	221,716	(7,064)	(4,433,932)	3,813,197
Non-Operating Activities												
Investment return, net	-	-	-	-	-	-	-	-	-	-	2,841,128	2,841,128
Loss on disposal of intangible assets	-	-	-	-	-	-	-	-	-	-	(102,362)	(102,362)
Change in Net Assets Before Allocation of General and Administrative Activities	1,112,806	3,847,710	268,730	201,674	1,344,924	73,837	(5,107)	1,187,903	221,716	(7,064)	(1,695,166)	6,551,963
General and administrative allocation	(293,665)	(2,855,647)	(273,967)	(80,683)	(406,565)	(47,965)	(101,824)	(385,506)	(46,124)	(44,348)	4,536,294	-
Investment allocation	-	2,567,226	-	-	(493)	(26,253)	(2,417)	282,154	20,911	-	(2,841,128)	-
Total Change in Net Assets	819,141	3,559,289	(5,237)	120,991	937,866	(381)	(109,348)	1,084,551	196,503	(51,412)	-	6,551,963
Net Assets (Deficit), beginning of year	(909,292)	45,853,006	3,391,903	702,738	(718,905)	(523,200)	270,716	4,422,394	265,156	-	-	52,754,516
Net Assets (Deficit), end of year	\$ (90,151)	\$ 49,412,295	\$ 3,386,666	\$ 823,729	\$ 218,961	\$ (523,581)	\$ 161,368	\$ 5,506,945	\$ 461,659	\$ (51,412)	\$ -	\$ 59,306,479

Appendix Section C



Connecticut Paint Stewardship Program

Each year about 800 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 a fee 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 Leftover Paint

Paint recycling is more convenient with PaintCare. We set up paint drop-off sites throughout the state. To find your nearest drop-off site, use PaintCare's site locator at www.paintcare.org or call our hotline at (855) PAINT09.

How to Recycle

PaintCare sites accept all brands of leftover house paint, stain, and varnish, whether recently used or many years old. Containers must be five gallons or smaller, and some types of paint are not accepted. See back panel for a list of what PaintCare accepts for recycling.

All PaintCare drop-off sites accept up to five gallons of paint per visit. Some sites accept more. Please call sites 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 makes sure that your leftover paint is remixed into recycled paint, used as a fuel, made into other products, or is properly disposed if no other beneficial use for it can be found.

Who Can Use the Program?

Households can bring as much latex or oil-based paint as the site is willing to accept.

To use the PaintCare program for oil-based paint, a business must qualify as an exempt generator under federal and any analogous state hazardous waste generator rules. Please visit www.paintcare.org/VSQG for more information on exempt generator rules. If your business does not qualify as an exempt generator, it will not be able to use the program for oil-based paint, but it can still use the program for latex products.

Large Volume Pickup

If you have at least 200 gallons of paint to recycle at your business or home, ask about our free pickup service. Please visit paintcare.org or 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. The fee is based on the size of the container as follows:

- \$ 0.00 Half pint or smaller
- \$ 0.35 Larger than half pint up to smaller than 1 gallon
- \$ 0.75 1 gallon
- \$ 1.60 Larger than 1 gallon up to 5 gallons

Not a Deposit

The fee is not a deposit — it is part of the purchase price. The fee is used to fund the costs of running the program, including 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) PAINT09.

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 nonprofit 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 a fee when purchased and will be accepted for free at PaintCare drop-off sites:

- Latex house paints (acrylic, water-based)
- Oil-based house 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.)

PAINTCARE FEE

The PaintCare fee is applied to the purchase price of architectural paint sold in the state as required by state law. The fee is applied to each container and vary by the size of the container as follows:

Half pint or smaller	\$ 0.00
Larger than half pint up to smaller than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
Larger 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) PAINT09.

Recycle with PaintCare

XX-PIEN-0820

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 — AUGUST 2020

How do paint stewardship laws affect painting contractors?

Paint Recycling Made Easy

PaintCare is a nonprofit organization established by the American Coatings Association to implement state-mandated paint stewardship programs on behalf of paint manufacturers in states that pass paint stewardship laws. PaintCare currently operates programs in California, Colorado, Connecticut, District of Columbia, Maine, Minnesota, Oregon, Rhode Island, and Vermont, and is developing programs for New York and Washington. The main goal of the programs is to decrease paint waste and recycle more postconsumer (leftover) paint.

Paint Drop-Off Sites

The primary requirement of paint stewardship laws is for paint manufacturers to set up paint drop-off sites at retailers and other locations where households and businesses are able to take leftover architectural paint, free of charge.

Most drop-off sites are paint and hardware stores; others are waste transfer stations, recycling centers, and household hazardous waste facilities. Participation as a drop-off site is voluntary. There are more than 1,800 drop-off sites across all PaintCare programs. To find a drop-off location, visit www.paintcare.org.

Fee and Funding

As required by laws in PaintCare jurisdictions, the program is funded by a fee (known as the PaintCare fee) that must be added by manufacturers to the wholesale price of all architectural paint sold in the state, including paint sold in stores and online. This fee is paid by manufacturers to PaintCare to fund program operations including paint collection and recycling, consumer education, and program administration. Displaying the fee on receipts is optional for retailers; however, PaintCare asks retailers to show the fee to inform consumers about the program.

The PaintCare fee is based on container size and varies from one program to another:

California, Colorado, Connecticut, Maine, Rhode Island

\$ 0.00 — Half pint or smaller

\$ 0.35 — Larger than half pint up to smaller than 1 gallon

\$ 0.75 — 1 gallon

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

District of Columbia, Oregon

\$ 0.00 — Half pint or smaller

\$ 0.45 — Larger than half pint up to smaller than 1 gallon

\$ 0.95 — 1 gallon up to 2 gallons

\$ 1.95 — Larger than 2 gallons up to 5 gallons

Minnesota

\$ 0.00 — Half pint or smaller

\$ 0.49 — Larger than half pint up to smaller than 1 gallon

\$ 0.99 — 1 gallon up to 2 gallons

\$ 1.99 — Larger than 2 gallons up to 5 gallons

Vermont

\$ 0.00 — Half pint or smaller

\$ 0.49 — Larger than half pint up to smaller than 1 gallon

\$ 0.99 — 1 gallon

\$ 1.99 — Larger than 1 gallon up to 5 gallons

New York and Washington

The fee structure in upcoming states is not yet known. PaintCare will propose fee structures in the program plans for New York and Washington, and they will be based on the anticipated costs to run each state program. The PaintCare fee must be approved by each state oversight agency. Visit www.paintcare.org for updates.

RECOMMENDATIONS FOR CONTRACTORS

Preparing Estimates

When estimating jobs, contractors should take the PaintCare fee into account by checking with suppliers to make sure their quotes for paint products include the fee.

Pass Fee to Customers

PaintCare suggests that painting contractors pass on the fee to customers in order to recoup the fee they pay. Tell customers that quotes include the PaintCare fee and that the fee funds a statewide paint recycling program.

Convenient Paint Drop-Off Sites

With paint drop-off sites conveniently located throughout PaintCare states, anyone can drop off their leftover paint year round. Many contractors report clearing out their storage spaces and no longer stockpiling paint. And contractors now have an answer for customers who ask what to do with old paint they no longer want; they can recommend that they use PaintCare drop-off sites too.

Most drop-off sites take 5 gallons per customer per trip, though some take more. All retail drop-off sites take paint from businesses, although some transfer stations and household hazardous waste programs only serve households. Always call a drop-off site ahead of time to make sure they have space for your volume and to confirm they take paint from businesses.

Pickup Service for Large Volumes

Painting contractors, property managers, and others with at least 200 gallons of postconsumer paint to recycle may qualify to have their paint picked up by PaintCare for free. To learn more about this service or to request an appointment, visit www.paintcare.org/pickup or call (855) PAINT09.

Business Limits

To use the PaintCare program for oil-based paint, a business must qualify as an exempt generator under federal and any analogous state hazardous waste generator rules. Please visit www.paintcare.org/VSQG for more information on exempt generator rules. If your business does not qualify as an exempt generator, it will not be able to use the program for oil-based paint, but it can still use the program for latex products.

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. 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
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- ◆ Asphalt, tar, and bitumen-based products
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- ◆ 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

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- ◆ 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

Appendix Section D



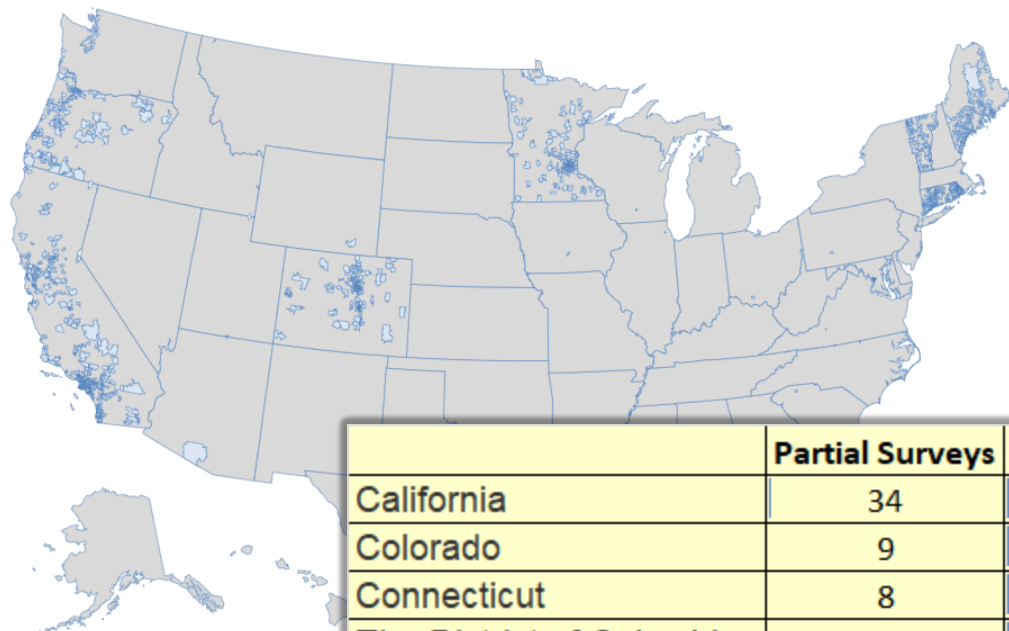
FY20 Awareness Survey Results

prepared by



Response Summary

- ❖ Surveys were conducted in two phases in alignment with differing fiscal years:
 - Phase I November 2019: Colorado, Oregon, and the District of Columbia
 - Phase II March 2020: California, Connecticut, Maine, Minnesota, Rhode Island, and Vermont



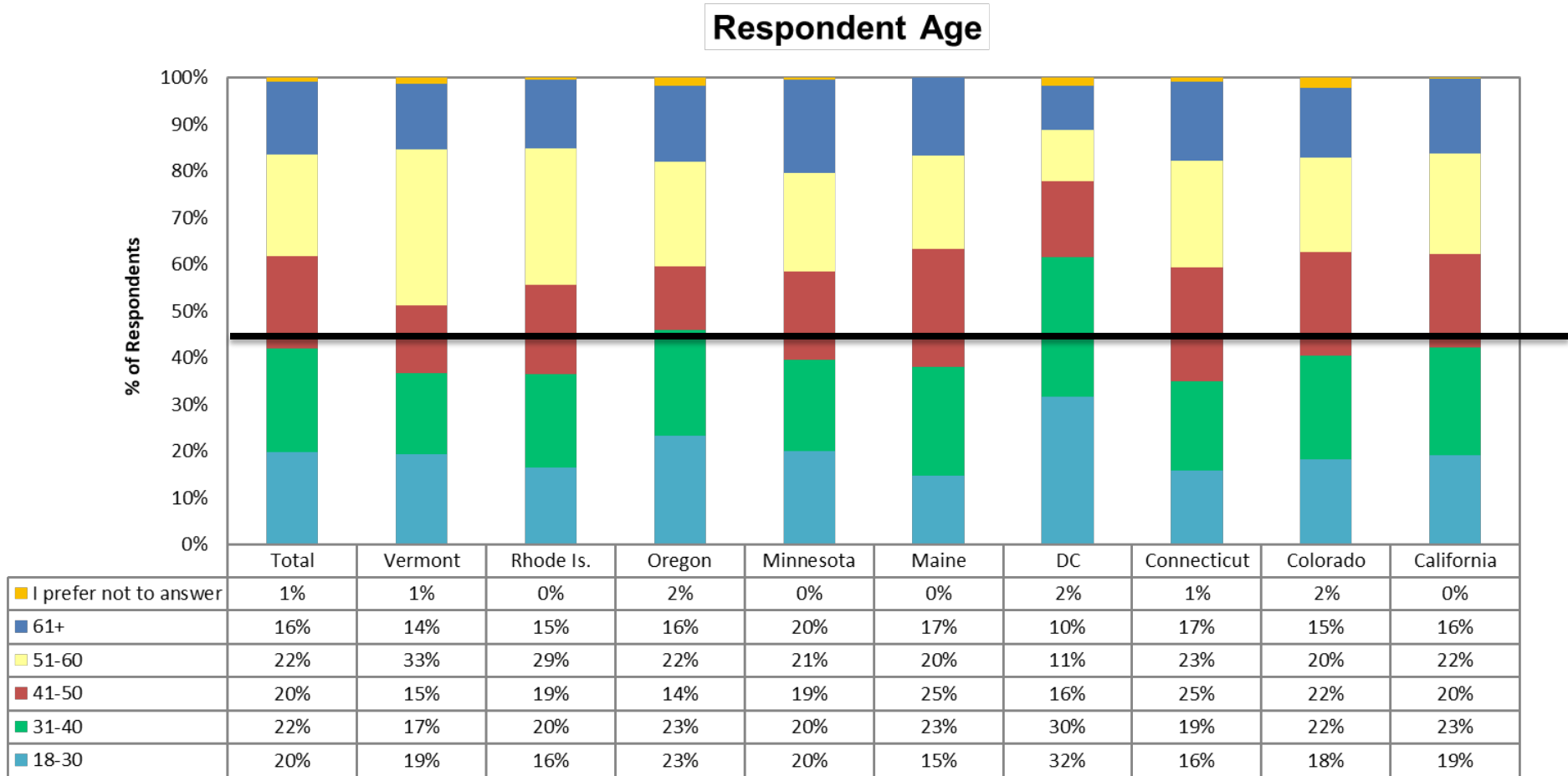
	Partial Surveys	Full Surveys	Total Surveys	Margin of Error*
California	34	655	689	+/-3%
Colorado	9	274	283	+/-5%
Connecticut	8	264	272	+/-5%
The District of Columbia	5	252	257	+/-5%
Maine	18	253	271	+/-5%
Minnesota	10	260	270	+/-5%
Oregon	21	250	271	+/-5%
Rhode Island	14	250	264	+/-5%
Vermont	2	150	152	+/-7%
Total	121	2608	2729	

RESPONDENT PROFILES



Profile of Respondents - Age

- ❖ A good mix of age ranges were represented in each state's/district's sample.
- ❖ The median age was 41-50 in all states except D.C. where it was 31-40.

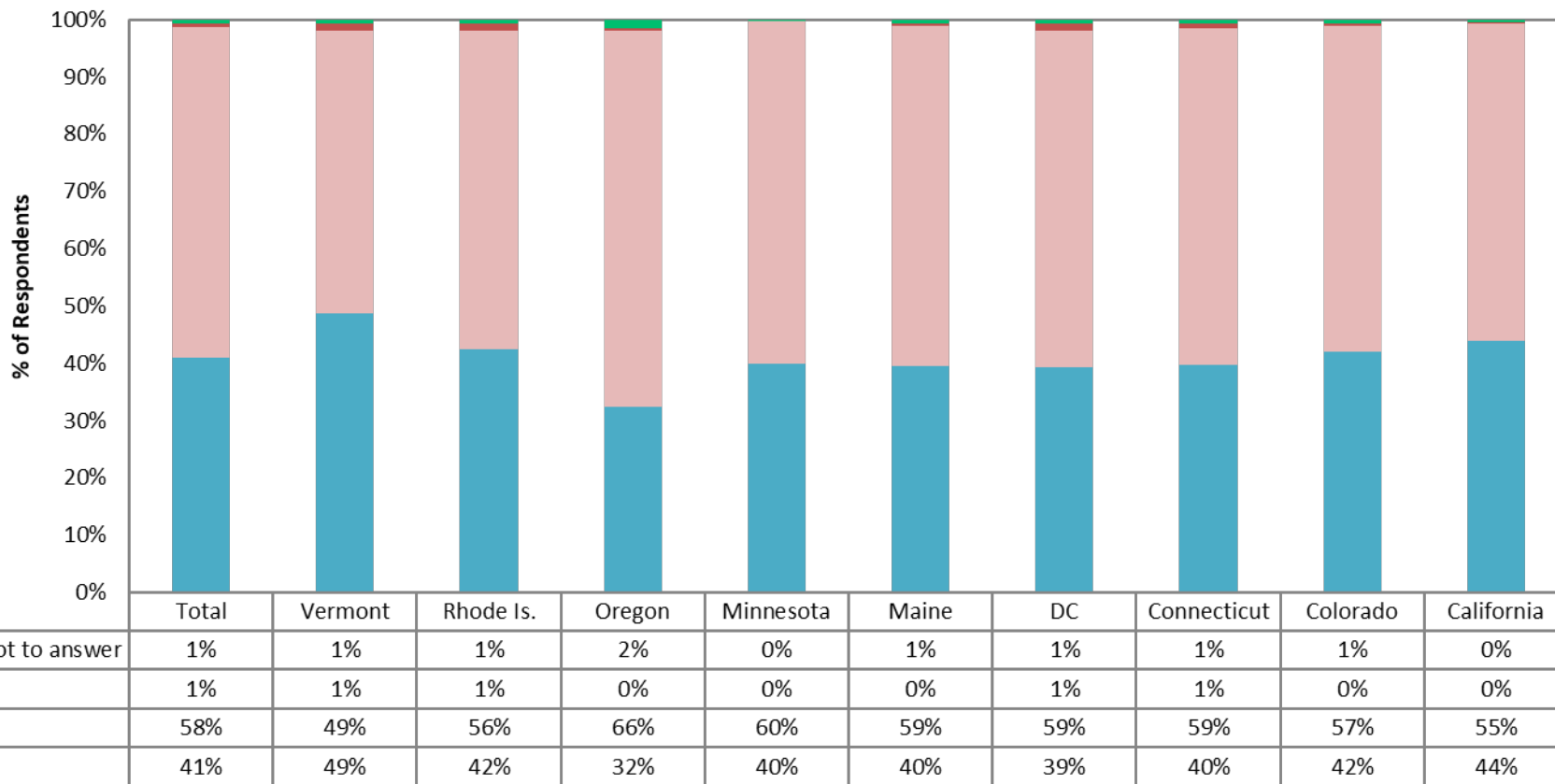


Sample Sizes: Total 2608; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 252; Connecticut 264; Colorado 274; California 655

Profile of Respondents - Gender

- ❖ 41% of all respondents were men; 58%, women.
- ❖ Very few declined to share this information or provided an “other” response.

Gender Identity

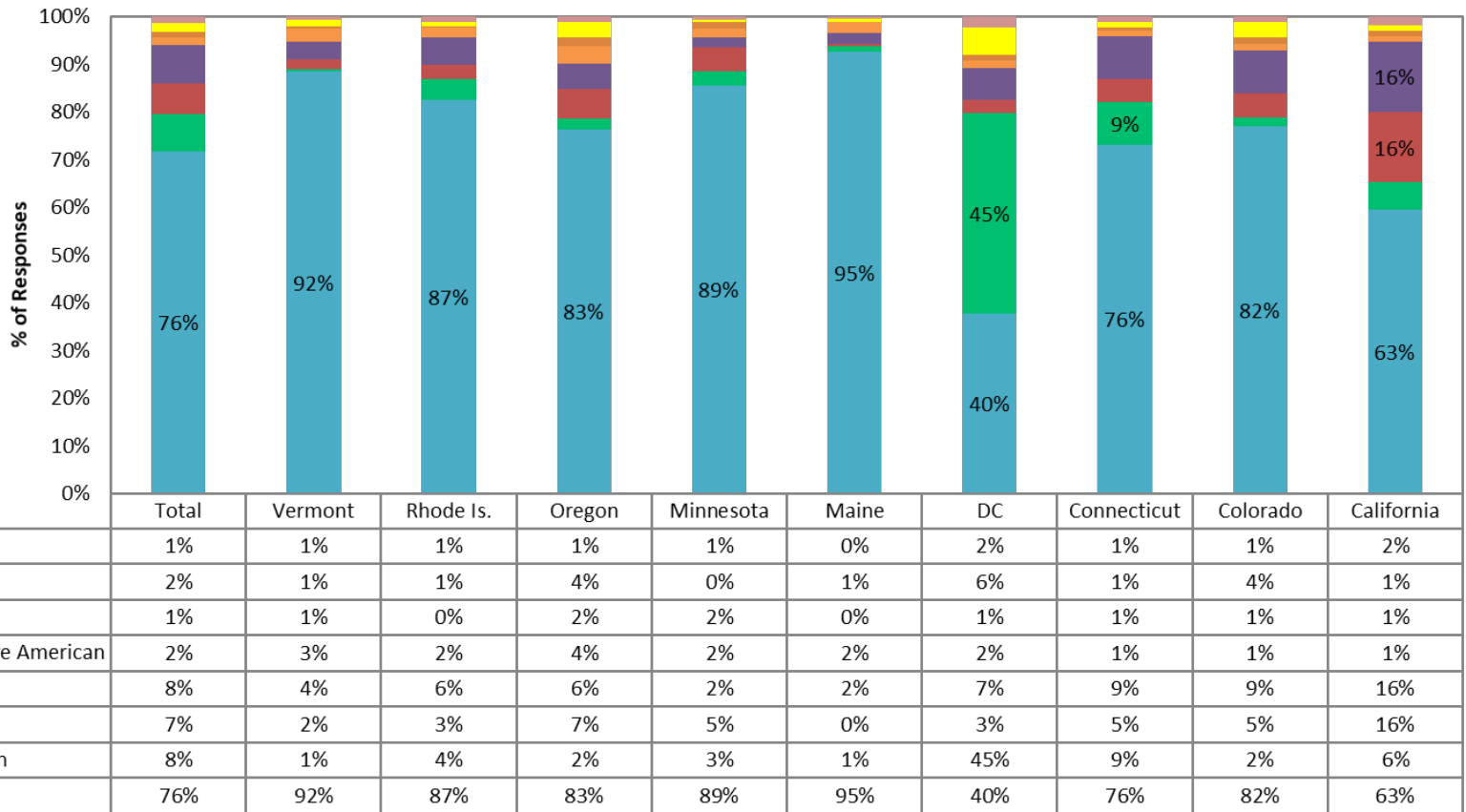


Sample Sizes: Total 2608; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 252; Connecticut 264; Colorado 274; California 655

Profile of Respondents - Ethnicity

- ❖ 76% of all respondents identified themselves as Caucasian.
- ❖ However, there were variances within states/the district consistent with census data. For example, Washington D.C. had the highest proportion of African American respondents; California, the highest proportion of Hispanic and Asian respondents.

Respondent Ethnicity



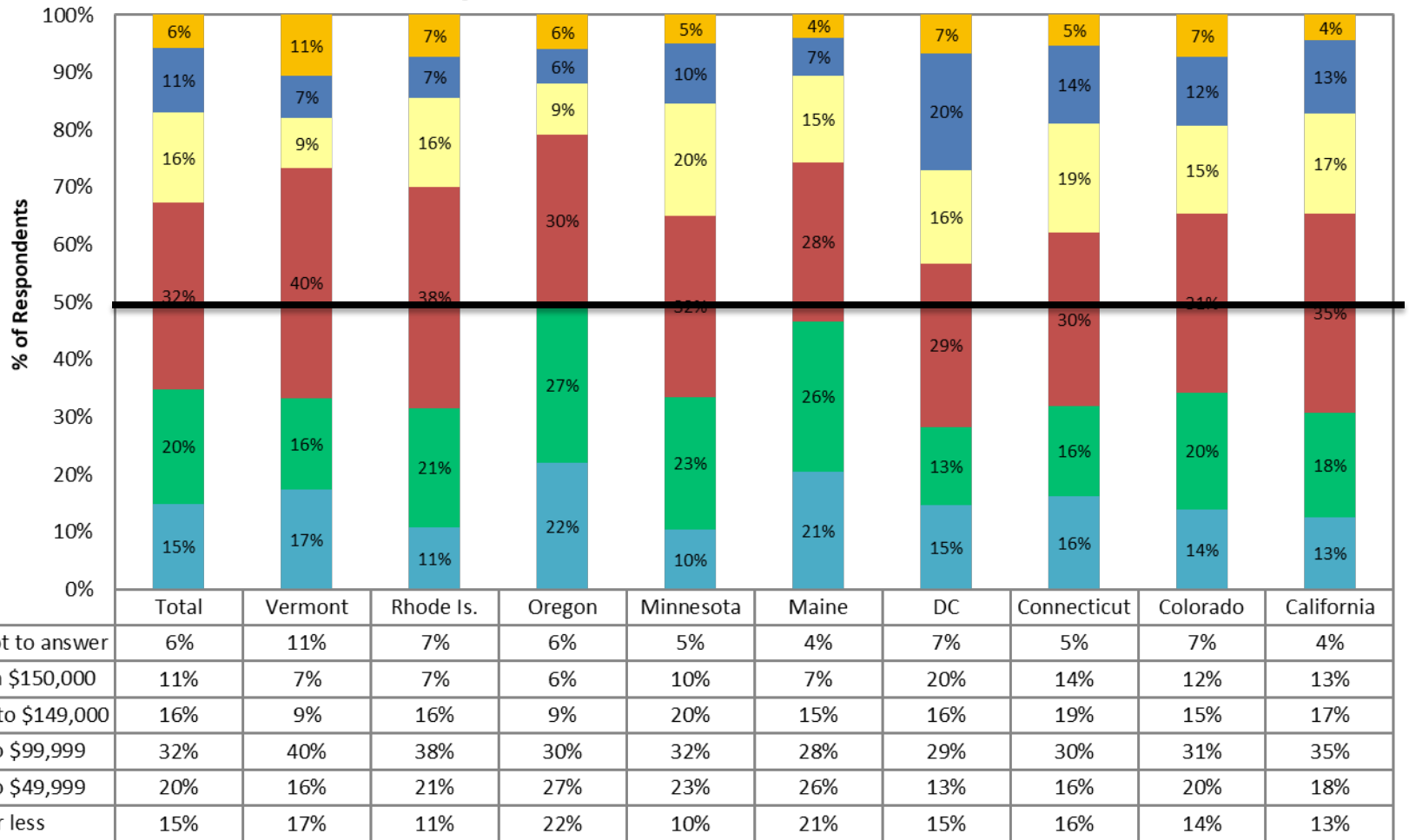
Other Ethnicities: Arab, Jew, Armenian, German, Swedish, Italian, Mixed, Human

Sample Sizes: Total 2596; Vermont 150; Rhode Island 246; Oregon 249; Minnesota 259; Maine 253; DC 252; Connecticut 264; Colorado 274; California 649

Profile of Respondents - Income

❖ The median household income level for respondents in each state/district was \$50-99K.

Respondent Annual Household Income

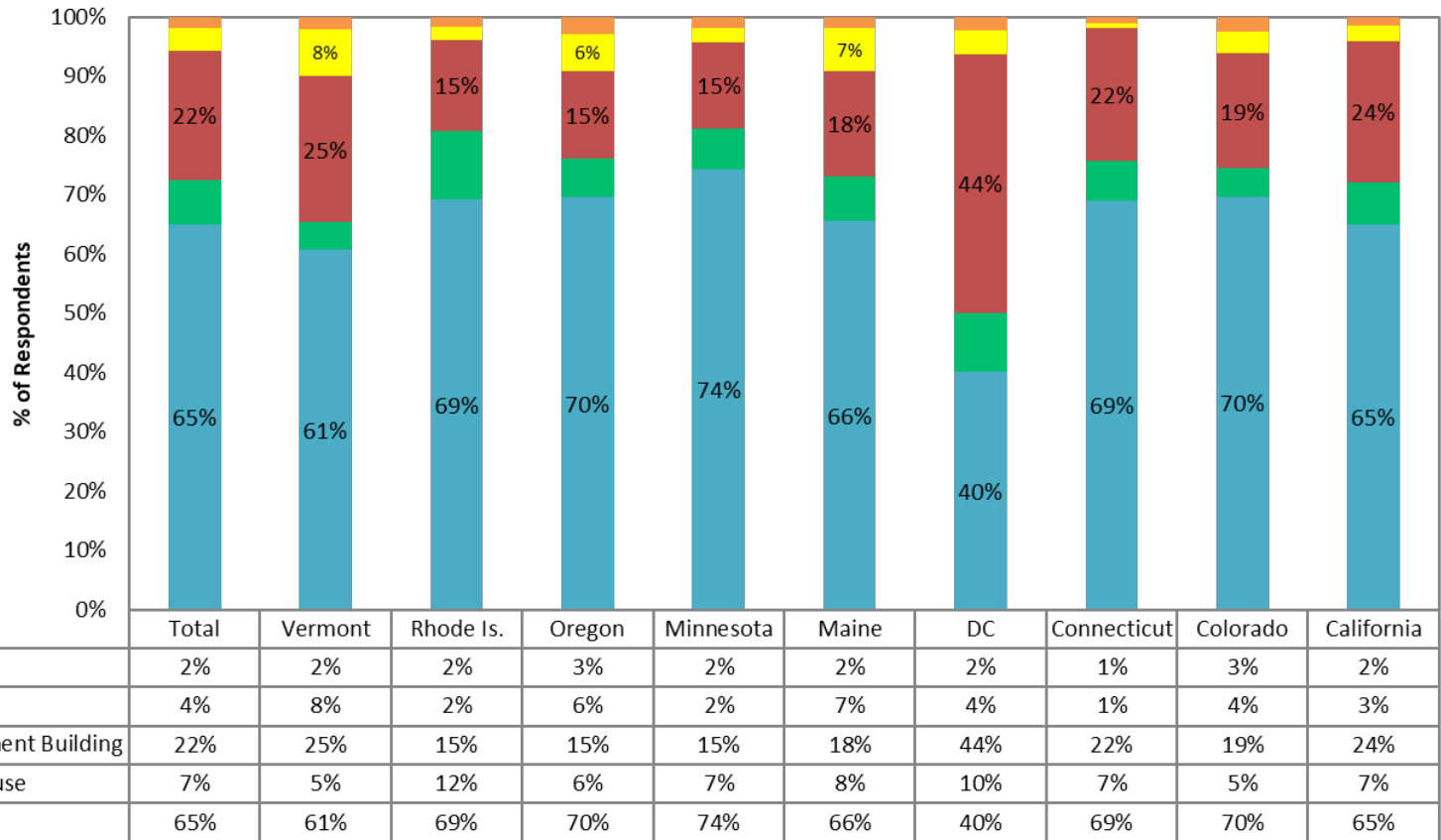


Sample Sizes: Total 2608; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 252; Connecticut 264; Colorado 274; California 655

Profile of Respondents - Income

- ❖ Most respondents live in single-family homes.
- ❖ Condominium/apartment living was more predominant in Washington D.C.

Respondent Dwelling Type

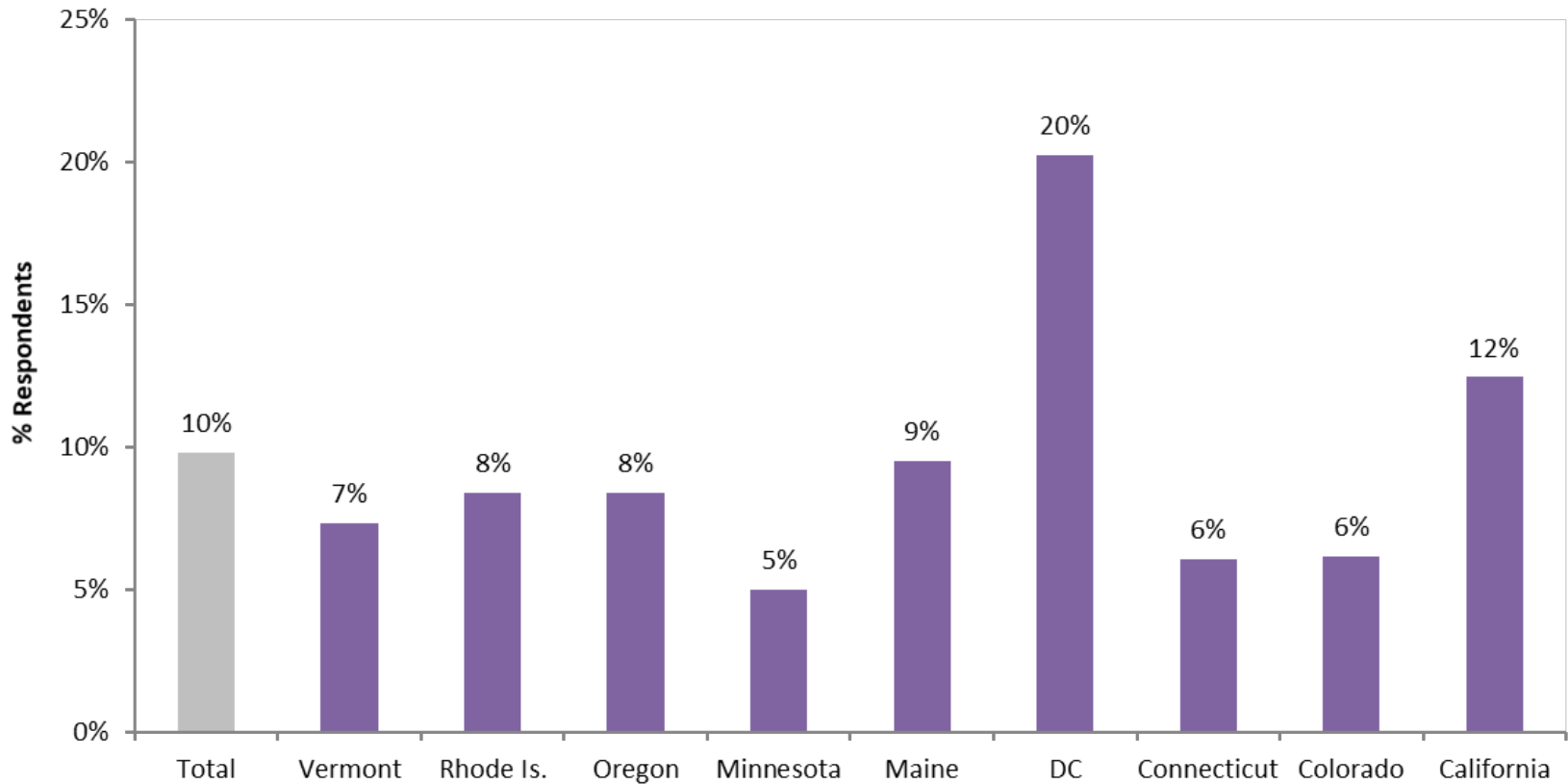


Sample Sizes: Total 2608; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 252; Connecticut 264; Colorado 274; California 655

Profile of Respondents – Paint-Related Profession

- ❖ 10% of those surveyed said they painted professionally—consistent with 2018 findings.
- ❖ There were significant variances between states. As in 2018, the percentage of those who said they painted professionally was highest in Washington D.C and lowest in Minnesota.

Do you paint professionally (NOT as an artist)?

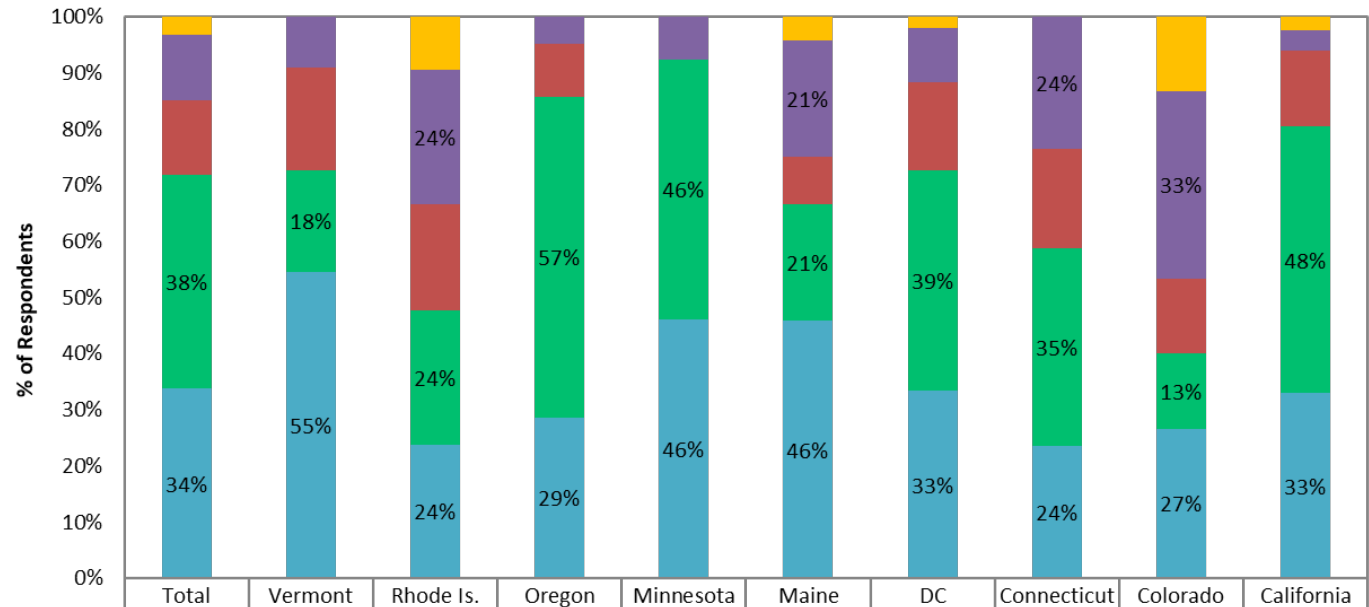


Sample Sizes: Total 2616; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 252; Connecticut 265; Colorado 277; California 659

Profile of Respondents – Paint-Related Profession

- ❖ Only about a third of those who said they painted professionally were dedicated painting contractors.
- ❖ Many were general contractors, property maintenance crew-members and handymen.

What type of professional painter are you?



Other	3%	0%	10%	0%	0%	4%	2%	0%	13%	2%
Handyman	12%	9%	24%	5%	8%	21%	10%	24%	33%	4%
Property maintenance crew	13%	18%	19%	10%	0%	8%	16%	18%	13%	13%
General contractor (I spend some of my time painting within larger jobs)	38%	18%	24%	57%	46%	21%	39%	35%	13%	48%
Painting contractor (I spend most of my time painting)	34%	55%	24%	29%	46%	46%	33%	24%	27%	33%

Other
Boat painting for maintenance
Hobby
homeowner
I do everything from plumbing, installing showers, installing carpets, hardwood floor installation, painting plowing etc.
I'm not a pro painter
It's not a paying job but I'm good at it

Sample Sizes: Total 255; Vermont 11; Rhode Island 21; Oregon 21; Minnesota 13; Maine 24; DC 51; Connecticut 17; Colorado 15; California 82

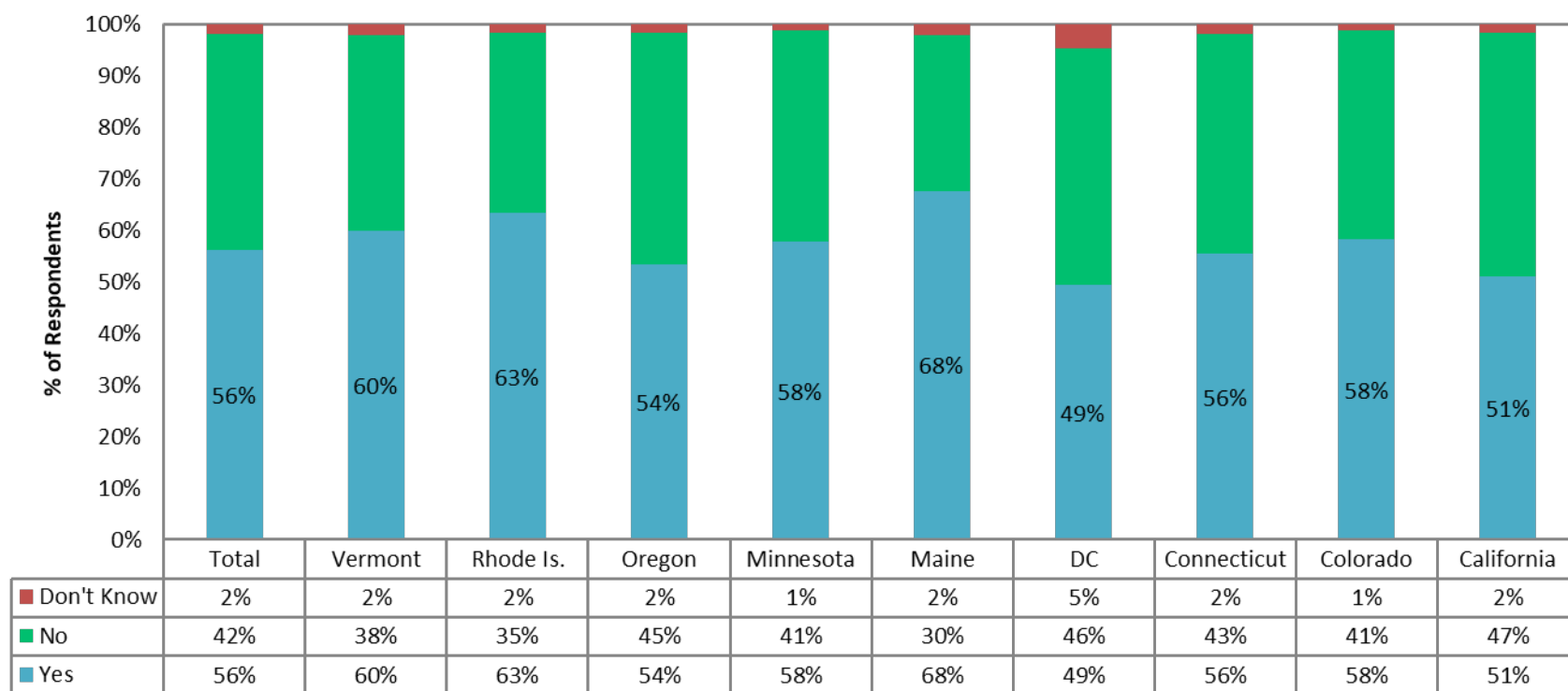
CONSUMER BEHAVIOR, PAINT PURCHASING AND DISPOSAL

Recency of Paint Purchases

- ❖ Slightly more than half of respondents bought paint in the last year.
- ❖ Results varied slightly by state. Maine showed the most paint purchases; Washington D.C., the least.

Have you purchased paint in the last year*?

**For the purposes of this question, "paint" includes primer, interior or exterior house paint, stain, deck sealer, and clear finishes like varnish.*

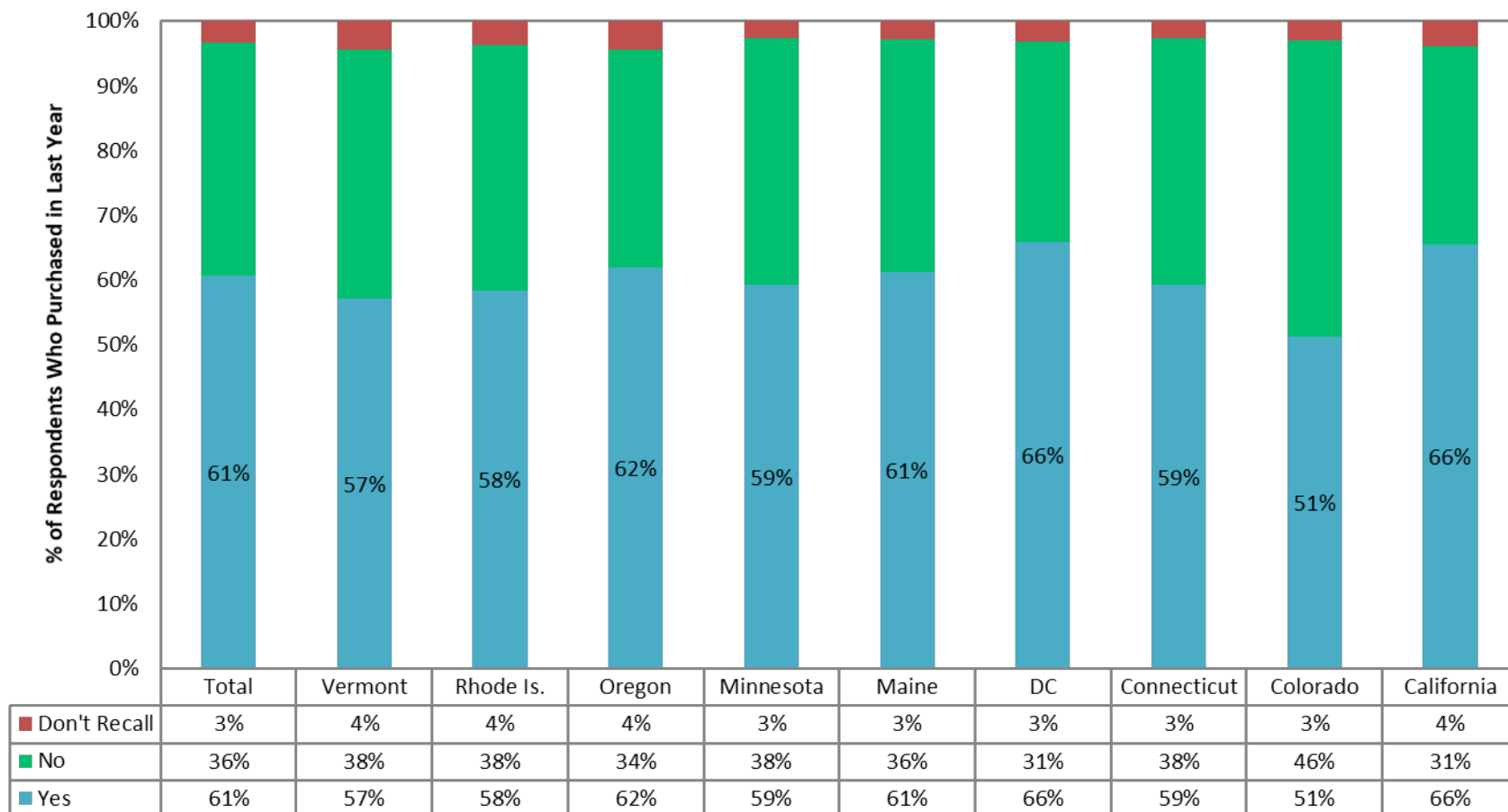


Sample Sizes: Total 2664; Vermont 152; Rhode Island 254; Oregon 256; Minnesota 263; Maine 257; DC 257; Connecticut 270; Colorado 283; California 672

Measurements Prior to Paint Purchases

- ❖ 61% of respondents measured ahead of time to determine paint needs, similar to 2018 results.
- ❖ The highest level of preparation occurred in California and D.C.; the lowest, in Colorado.

Before purchasing, did you take any measurements of the area to be painted to figure out how much paint was needed for the project?

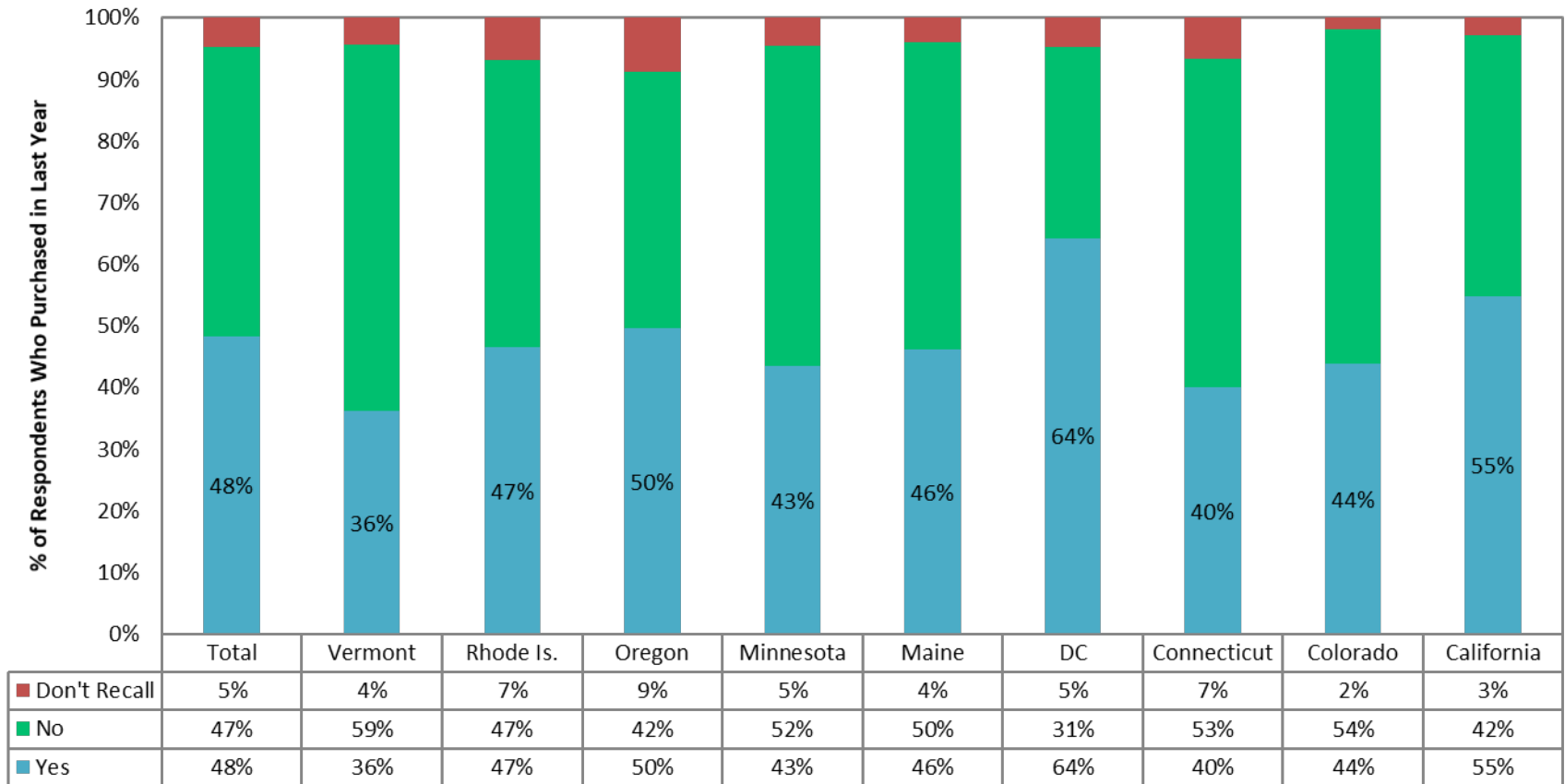


Sample Sizes: Total 1497; Vermont 91; Rhode Island 161; Oregon 137; Minnesota 152; Maine 173; DC 126; Connecticut 150; Colorado 164; California 343

Paint Store Assistance

- ❖ Almost half the time, respondents said the paint store assisted them with determining paint needs.
- ❖ D.C. retailers are most involved in this process; Vermont and Connecticut retailers, the least.

Did the staff at a paint retailer (e.g. paint/hardware/lumber store) assist you with figuring out exactly how much paint you needed for your specific project?

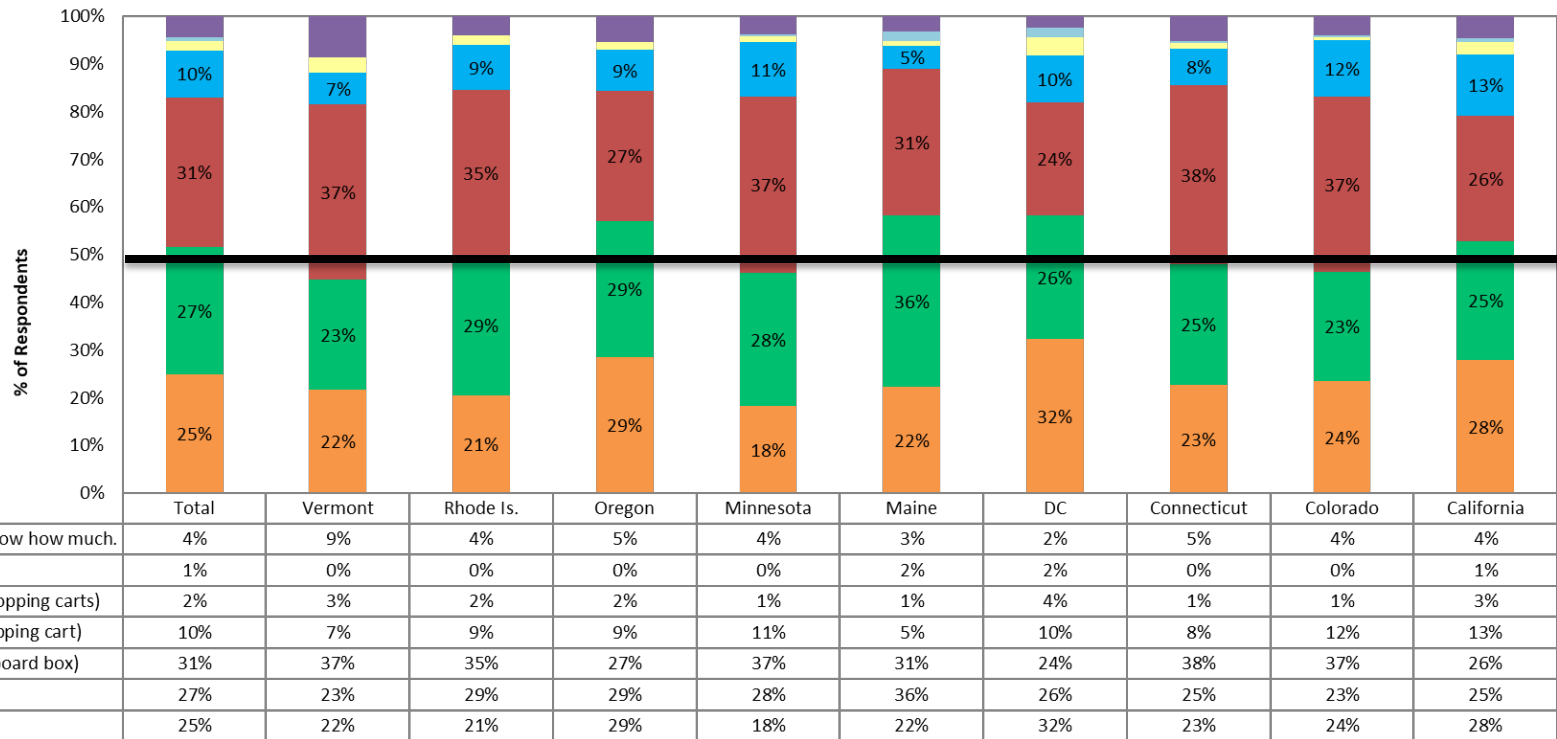


Sample Sizes: Total 1497; Vermont 91; Rhode Island 161; Oregon 137; Minnesota 152; Maine 173; DC 126; Connecticut 150; Colorado 164; California 343

Leftover Paint

- ❖ The median amount of paint stored at home or business was “less than a gallon” in Rhode Island, Oregon, Maine, D.C., and California.
- ❖ Respondents stored slightly more paint in Vermont, Minnesota, Connecticut and Colorado where the median was 1-5 gallons.

How much leftover or unwanted paint do you have in your home or business at this time (e.g., primer, interior or exterior house paint, stain, deck sealer, or clear finishes like varnish)?

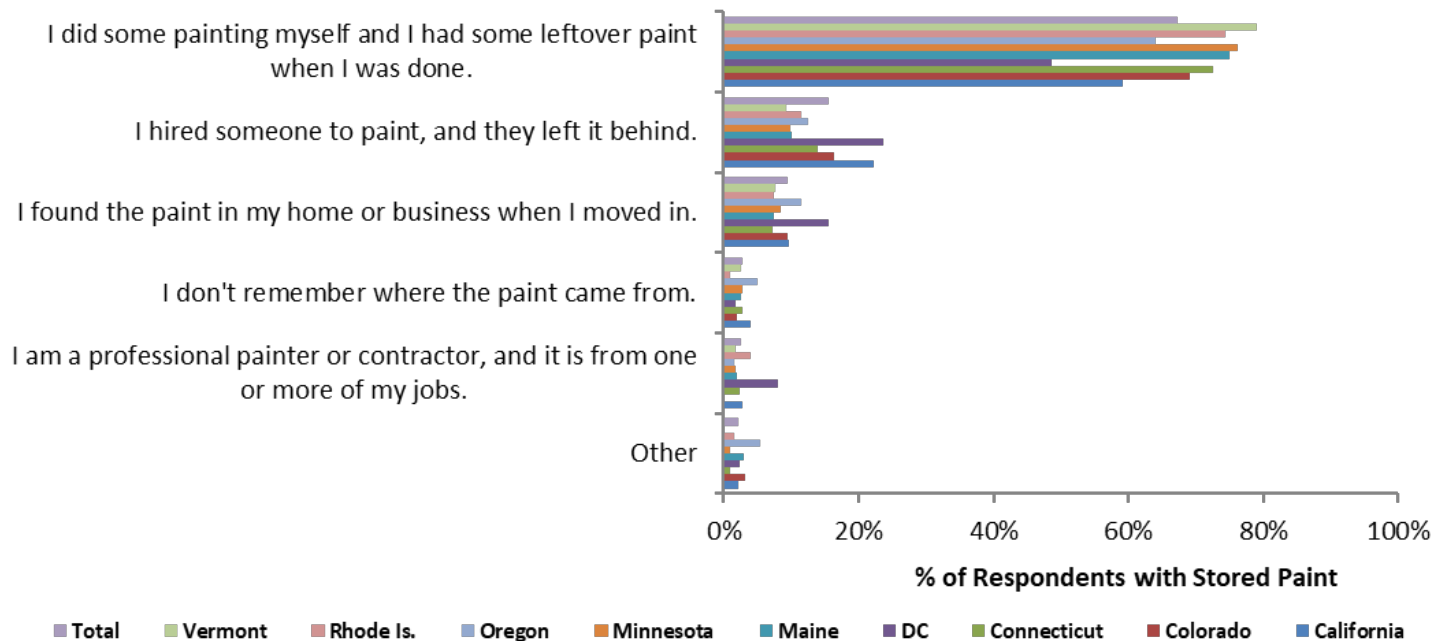


Sample Sizes: Total 2652; Vermont 152; Rhode Island 253; Oregon 256; Minnesota 262; Maine 256; DC 256; Connecticut 269; Colorado 280; California 668

Reasons for Paint Storage

- ❖ As was the case in 2018, the top 2 reasons that consumers store paint was the same in all states/districts: leftovers from their own paint job or from a contractor's paint job.

Where did most of the leftover paint come from that you currently have in your home/business?



	Total	Vermont	Rhode Is.	Oregon	Minnesota	Maine	DC	Connecticut	Colorado	California
I did some painting myself and I had some leftover paint when I was done.	67%	79%	74%	64%	76%	75%	49%	73%	69%	59%
I hired someone to paint, and they left it behind.	16%	9%	12%	13%	10%	10%	24%	14%	16%	22%
I found the paint in my home or business when I moved in.	9%	8%	8%	11%	8%	8%	16%	7%	9%	10%
I don't remember where the paint came from.	3%	3%	1%	5%	3%	3%	2%	3%	2%	4%
I am a professional painter or contractor, and it is from one or more of my jobs.	3%	2%	4%	2%	2%	2%	8%	2%	0%	3%
Other	2%	0%	2%	5%	1%	3%	2%	1%	3%	2%
Sample Size	1989	119	199	183	214	199	173	208	213	481

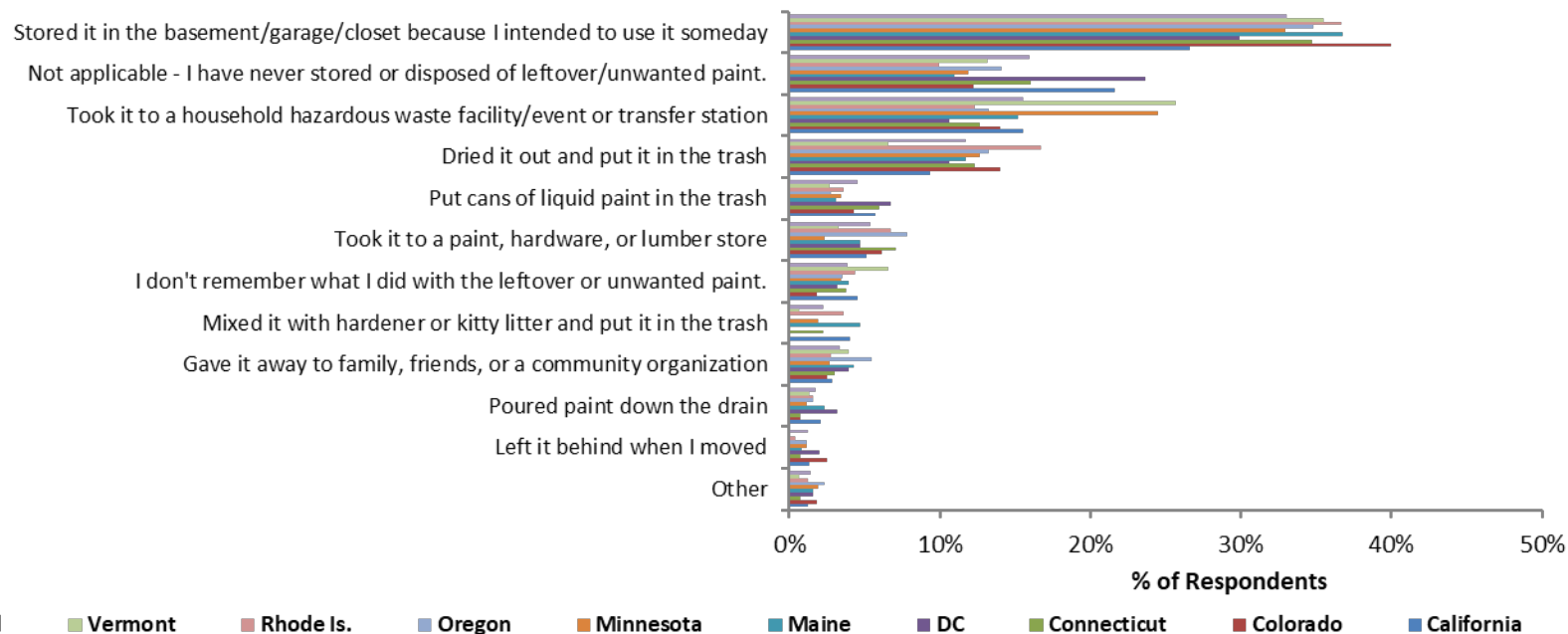
“Other” Paint Sources - Comments

Other Paint Sources	
artist, that's normal stock	Left on property when we moved in
Bought it	Left over from my father
bought it	Leftover from having my home rebuilt in 2013 after it burned down in 2011
came with the house	Lowes
Dropped off the excess paint at local recycling center	My dad also helped repaint the outside of the house we live in.
From my job	My father and from various projects
Home depo	My husband bought it.
I asked to have it marked in jars for touch ups for future reference as needed. The Home Depot took the cans and we put the paint in glass jars for color matching.	My husband did the painting and some as left over
I bought it at a store	My mom bought it
I bought it from lows	My parents use it
I bought the paint from a store	My wife has some leftover paint from internal jobs.
I brought paint myself	Paint's leftover from past projects would be my guess.
I collect it from people living around my location	purchased but haven't used the paint
I hired someone and did painting myself	Some was from having my house professionally painted and some indoor rooms and some from paint I bought
I inherited it.	Someone else in my household painted various things and we have some paint left over.
I painted and have some leftover	spouse
i puff painted crafts and fabric	Store
I work for a company that buys and sells properties and owns two motels. I often have to paint out rooms at the motels and at the properties that they purchase.	Store-bought
just what I had left from painting my washroom	Was going to paint and decided not to
Landlords/property owners bought and gave to me	years ago, like 2014, mainly when moved in over here from mother-in-laws, same land, had the place re-done, so yes paint from that, can't recall if in last 12 months i have, bought spray cans like..

Past Paint Disposal Methods

- ❖ Most commonly, people store paint in their basement, garage or closet because they might need it later.
- ❖ Disposing at HHW facility & dry/trash method were prevalent in many states as well.

In the past, which has been your preferred method to dispose of leftover/unwanted paint?



	Total	Vermont	Rhode Is.	Oregon	Minnesota	Maine	DC	Connecticut	Colorado	California
Stored it in the basement, garage, or a closet because I intended to use it someday	33%	36%	37%	35%	33%	37%	30%	35%	40%	27%
Not applicable - I have never stored or disposed of leftover or unwanted paint.	16%	13%	10%	14%	12%	11%	24%	16%	12%	22%
Took it to a household hazardous waste facility/event or transfer station	16%	26%	12%	13%	25%	15%	11%	13%	14%	15%
Dried it out and put it in the trash	12%	7%	17%	13%	13%	12%	11%	12%	14%	9%
Took it to a paint, hardware, or lumber store	5%	3%	7%	8%	2%	5%	5%	7%	6%	5%
Put cans of liquid paint in the trash	5%	3%	4%	3%	3%	3%	7%	6%	4%	6%
I don't remember what I did with the leftover or unwanted paint.	4%	7%	4%	4%	3%	4%	3%	4%	2%	5%
Gave it away to family, friends, or a community organization	3%	4%	3%	5%	3%	4%	4%	3%	3%	3%
Mixed it with hardener or kitty litter and put it in the trash	2%	1%	4%	0%	2%	5%	0%	2%	0%	4%
Poured paint down the drain	2%	1%	2%	2%	1%	2%	3%	1%	1%	2%
Other (please specify)	1%	1%	1%	2%	2%	2%	2%	1%	2%	1%
Left it behind when I moved	1%	0%	0%	1%	1%	1%	2%	1%	3%	1%
Sample Size	2641	152	251	256	261	256	254	268	278	665

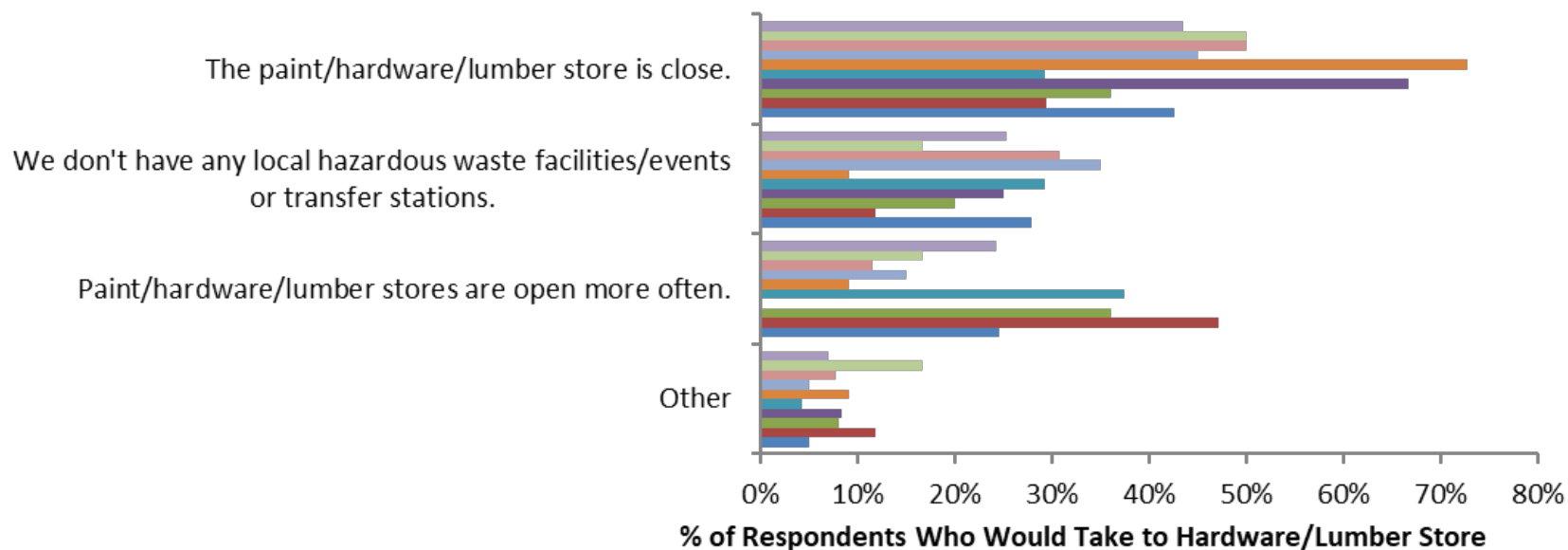
“Other” Disposal Methods - Comments

Other Disposal Methods	
Brought it to the dump when the town had a 3 day time you could bring paint ect & they take care of it.	Kept for later use.
Disposal drop off site for Hennepin County	kept it for the next job
Don't know; someone else is responsible for it	left it in can and disposed of it
Donate it	local landfill that recycles it
Gave to county recycling agency	Mix it all together and paint the sidewalk and driveway concrete sealing it and protecting it
Have it stored in garage for future use	Mixed them together and paint the garage
hazmat pick up	more than one answer: save for touch-ups, took back to store (where they didn't want it), left behind, dried for trash, hazardous waste disposal
I haven't bought paint in years	My spouse took it to be disposed of
I live in a apartment	normally use it all up, then of course it's more the disposal of the empty tin or whatever...
I mix leftovers to use	Painted stuff
i rent and a landlord takes care of it?	saved the paint and reused it as needed.
I still have paint because I don't know what to do with it	Throw it in a big dumpster that we rented
I use every drop of leftover paint/stains for touch-ups. Empty containers go in recycling can	Use when need
I use it on small projects, shelves inside cabinets and crafting projects	Used all of it
It's in my basement	Used the leftovers on another project
We often just store the left over paint for future use. Even a quarter of a gallon will do one entire wall if not 2-3 walls	various

Past Paint Store Disposal Preference

- ❖ Proximity is the number one reason for recycling at retail stores across most states/the district, with the exception of Maine and Colorado where hours of operation make the biggest difference.
- ❖ Note: results should be interpreted directionally as sample sizes are low.

What is the main reason you would take paint to a paint/hardware/lumber store instead of a household hazardous waste facility/event or eventor transfer station?



	Total	Vermont	Rhode Is.	Oregon	Minnesota	Maine	DC	Connecticut	Colorado	California
The paint/hardware/lumber store is close.	44%	50%	50%	45%	73%	29%	67%	36%	29%	43%
We don't have any local hazardous waste facilities/events or transfer stations.	25%	17%	31%	35%	9%	29%	25%	20%	12%	28%
Paint/hardware/lumber stores are open more often.	24%	17%	12%	15%	9%	38%	0%	36%	47%	25%
Other (please specify)	7%	17%	8%	5%	9%	4%	8%	8%	12%	5%
Sample Size	202	6	26	20	11	24	12	25	17	61

Other Reasons for Paint Store Disposal - Comments

Other Reasons to Take to a Paint Store

I knew someone who was mixing an off color and needed the paint in my can

Legal

Not sure what I'm suppose to do with it

paint store accepts and disposes properly

Paint store advertised to being left over paint

sherwin Williams is designated as a paint recycler

some are required to take it for disposal

The store recycles paint

They are closer to where I live

They are the ones to bring it to for recycling

THEY CAN DISPOSE OF IT PROPERLY

They dispose of it properly or donate to habitat for humanity

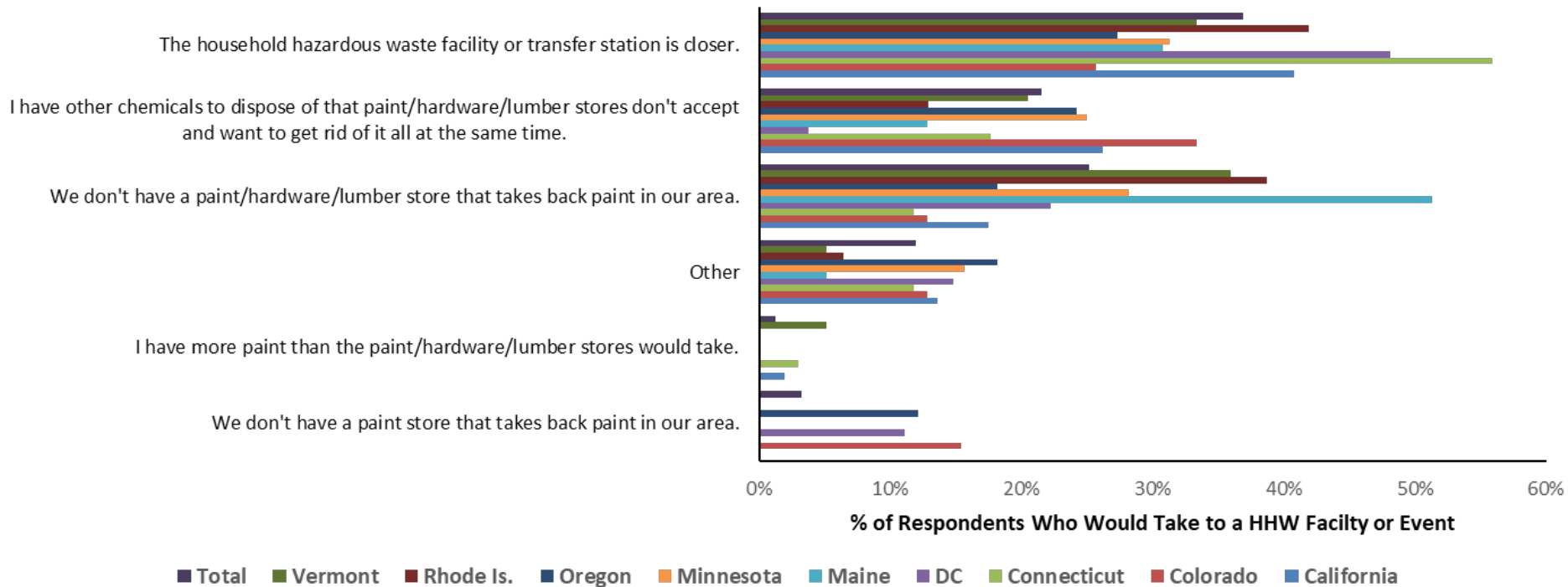
they dispose paint for us

We didn't know what to do with it

Household Hazardous Waste Facility/Event Preference

- ❖ Proximity is the top reason for HHW facility/event preferences in all states except Colorado where the need to dispose other chemicals is most important.
- ❖ Note: results should be interpreted directionally as sample sizes are low.

What is the main reason you would take paint to a household hazardous waste facility/event or transfer station instead of a paint/hardware/lumber store?



	Total	Vermont	Rhode Is.	Oregon	Minnesota	Maine	DC	Connecticut	Colorado	California
The household hazardous waste facility or transfer station is closer.	37%	33%	42%	27%	31%	31%	48%	56%	26%	41%
We don't have a paint/hardware/lumber store that takes back paint in our area.	25%	36%	39%	18%	28%	51%	22%	12%	13%	17%
I have other chemicals to dispose...stores don't accept...want to get rid of it all at the same time.	22%	21%	13%	24%	25%	13%	4%	18%	33%	26%
Other	12%	5%	6%	18%	16%	5%	15%	12%	13%	14%
We don't have a paint store that takes back paint in our area.	3%	0%	0%	12%	0%	0%	11%	0%	15%	0%
I have more paint than the paint/hardware/lumber stores would take.	1%	5%	0%	0%	0%	0%	0%	3%	0%	2%
Sample Size	409	39	31	33	64	39	27	34	39	103

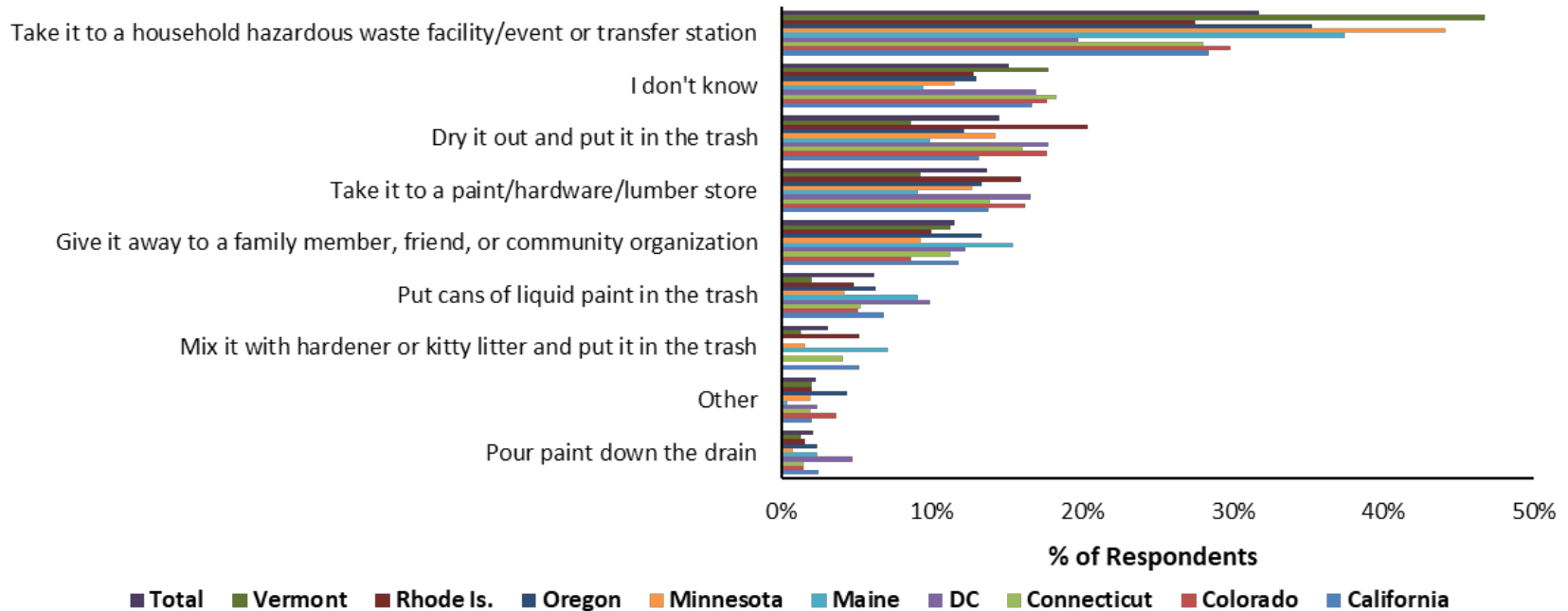
Other Reasons for HHW Disposal - Comments

Other Reasons to Take Paint to HHW Facility/Event or Transfer Station	
Appropriate & best means of environmentally sound disposal	I don't know if hardware stores in our area take and dispose off them?
because I can also get free paint there	I never gave any other option a thought
better way to dispose of it	I never thought of taking it back to the paint store!
Convenient	I thought that was where I should take it
Convenient	I want it disposed of properly.
Did not know that stores take the paint back	I was getting rid of old electronics and I took the old paint to the hazardous waste site at the same time.
did not know that you could take old paint to paint store	I wasn't aware that hardware stores would take old paint
Did not know they took it	I wasn't aware the paint store would take it back.
didn't know hardware stores took it back	I'm not aware of stores that take back paint, whereas these events are specifically advertised for this purpose
Didn't know I could take it to a paint store	it is the best place to dispose of paint materials
Didn't know that was an option	its easy
Didn't know they took it	It's the responsible thing to do.
Didn't know they took paint	It's where I've always taken it. I didnt realize I could take it back to the hardware store.
dont know if store would take	Never heard of paint stores disposing of paint for you.
events	No knowledge of this
Family works there	not sure if we have a hardware store that will take it
For safety purposes	Recycle
haz waste center is free & easy to use in Boulder	recycling was not available that long ago. 1978
I believe they will do the best job of disposing of it properly.	Smarter choice
I didn't know a paint/hardware/lumber store took old paint.	Special paint recycle day!
i didn't know i could.	that is where you take it
I didn't know that paint stores would take it back...illl have to check on this	That's where I'm supposed to take it
I didn't know that the store would take them	The transfer station takes unlimited amounts thru PaintCare system.
I didn't know they took it.	Worry about the environment!

Future Paint Disposal Intentions

- ❖ The top method for future paint disposal in all states/the district is taking it to a HHW event or facility.
- ❖ There is still a high percentage of respondents who don't know what they would do.

If you wanted to get rid of unwanted paint in the near future, what would you most likely do with it?



	Total	Vermont	Rhode Is.	Oregon	Minnesota	Maine	DC	Connecticut	Colorado	California
Take it to a household hazardous waste facility/event or transfer station	32%	47%	27%	35%	44%	37%	20%	28%	30%	28%
I don't know	15%	18%	13%	13%	11%	9%	17%	18%	18%	17%
Dry it out and put it in the trash	14%	9%	20%	12%	14%	10%	18%	16%	18%	13%
Take it to a paint/hardware/lumber store	14%	9%	16%	13%	13%	9%	17%	14%	16%	14%
Give it away to a family member, friend, or community organization	11%	11%	10%	13%	9%	15%	12%	11%	9%	12%
Put cans of liquid paint in the trash	6%	2%	5%	6%	4%	9%	10%	5%	5%	7%
Mix it with hardener or kitty litter and put it in the trash	3%	1%	5%	0%	2%	7%	0%	4%	0%	5%
Other (please specify)	2%	2%	2%	4%	2%	0%	2%	2%	4%	2%
Pour paint down the drain	2%	1%	2%	2%	1%	2%	5%	1%	1%	2%
Sample Size	2,635	152	251	255	261	254	254	268	278	662

“Other” Disposal Intentions

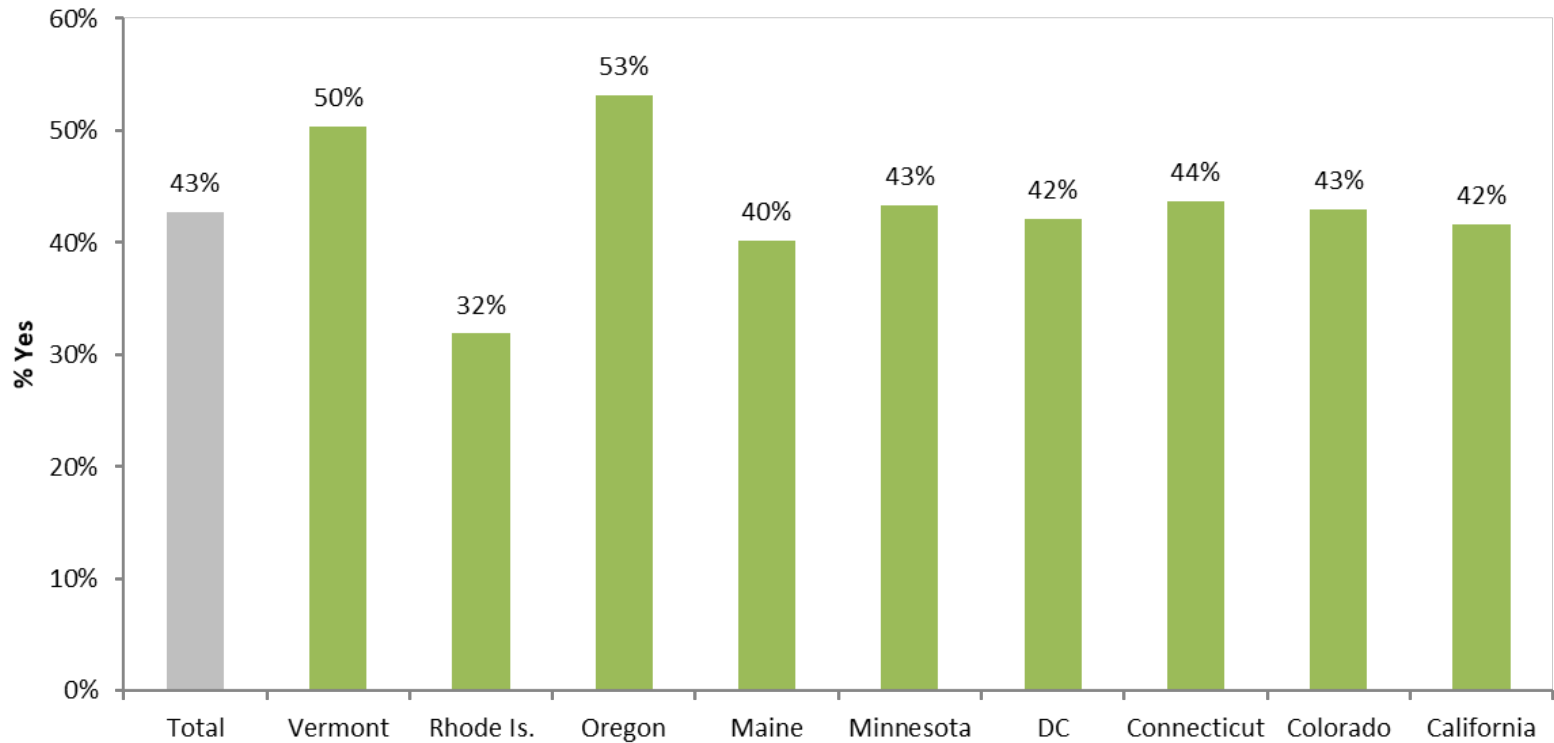
Other Future Disposal Methods	
Add kitty litter	Mix with cat litter to dry out and dispose.
Ask Lowe's or home Depot	None
Check with city to see where old/leftover paint should be taken.	not sure, cause not sure refuse place takes it, used to take cardboard, then only certain types now, my wife says ... I'm from UK originally, think might been something to do with China, or whoever takes recycling... get guilt trips in surveys, making me out to look bad, when not that I don't care or want to recycle, but my hands are tied if they won't take things like...
Clean it and wash it	only buy what i need
Disposal drop off site for Hennepin County	Place it in the barn with rest of the leftover paint, to be used later.
dispose of it properly via trash company	Probably keep it for touch ups and/or other small projects. I don't like to waste.
donate if possible, otherwise neighborhood hazmat, I'm not only using polymers	recycle it
Find something else to paint	Restore
Give away	Save it
give it to someone in complex, all houses painted same colors	STILL KEEPING
Give to someone that needs it	Take it back to the place that I bought it because I paid a surtax to get rid of it they should have a sent you there to collect it that was Home Depot
Google how to properly dispose of it and do that	Take it to a state sponsored paint disposal site
Google the proper way to dispose it	Take it to habitat for humanity
google what to do with it	Take it to Sherwin Williams which is a designated paint recycler
Hold it until next year's County wide disposal event	take it to the recycling center
I didn't know hardware stores would take it back	TAKE TOO RECYCLYING CERTER
I have never had any unwanted paint.	There is a local painting contractor that will recycle leftover paint.
I live in a apartment	try to find a paint recycling center nearby
I think our recycle center also takes it....does that qualify as a hazardous center?	Use it
I would inquire with my town as to what current proper disposal is in my area.	Use it
I would research the best option then likely put it in the garage out of laziness	use it again
I'd put it in the garage for storage.	Use it to kill plants
If there was too much paint in the can to dry it our I would bring it to a hazardous waste facility	We never have unwanted paint so this doesn't apply to me
In my current town, I would have to check into the possibilities	we pay a recycle fee upon purchase so I would return it
Let Co-op dispose of it properly	Whatever method/disposal option is available in my area that is safe and clean.
local landfill	Wouldn't happen as I don't paint.
Mix it together and paint sidewalks, driveway and garage concrete to seal it and protect it.	

PAINT RECYCLING AWARENESS/ENGAGEMENT

Awareness of Paint Recycling

- ❖ Oregon and Vermont had the highest percentages of respondents who knew that paint can be recycled; Rhode Island, the lowest.
- ❖ All other states are similar--in the low 40% range.

Prior to this survey, did you know that paint can be recycled?

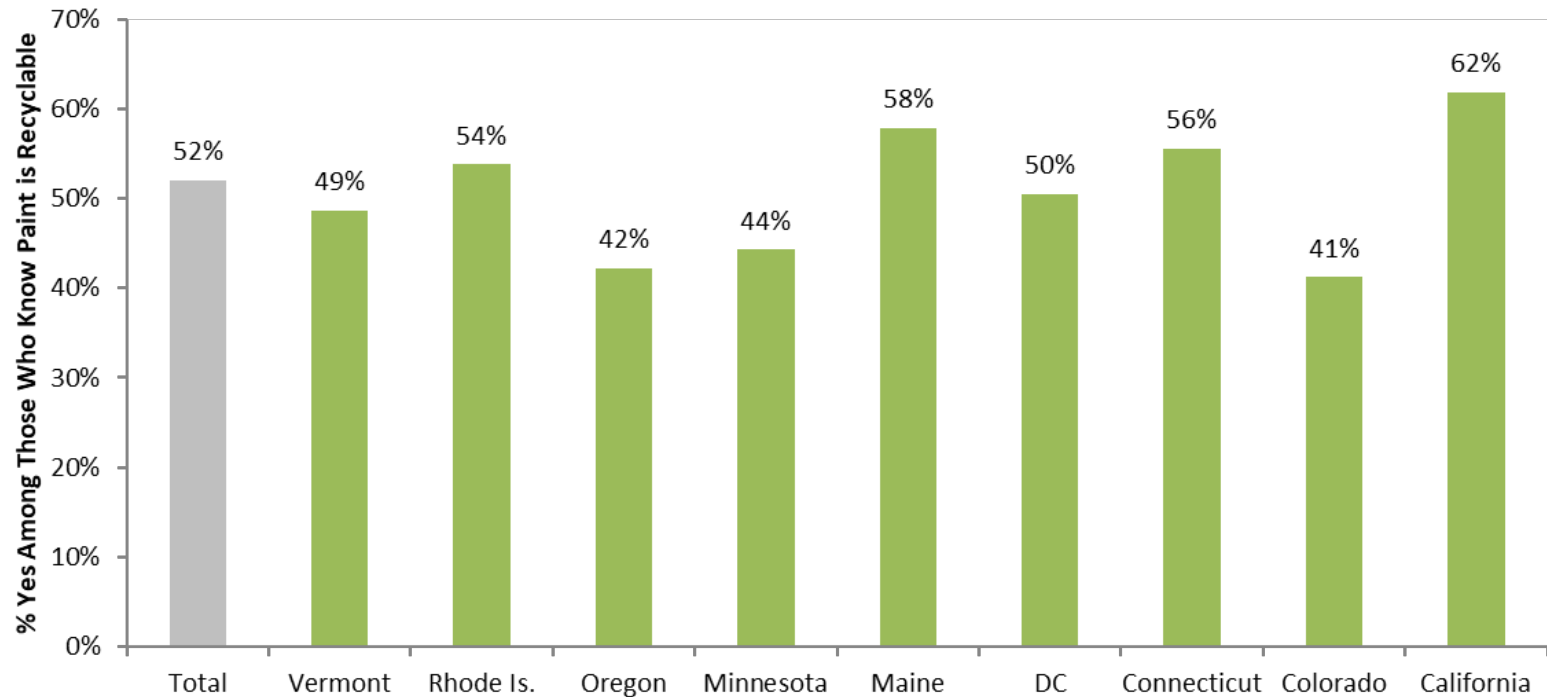


Sample Sizes: Total 2631; Vermont 151; Rhode Island 251; Oregon 254; Minnesota 261; Maine 254; DC 254; Connecticut 268; Colorado 277; California 661

Awareness of Fee Among Those Who Knew About Recycling

- ❖ Those who are aware that paint can be recycled are not necessarily aware of the nuances of how it works. About half of these respondents knew that there was a recycling fee added to paint purchases.
- ❖ California, Maine and Connecticut showed the highest levels of awareness; Oregon and Colorado, the lowest.

Are you aware that when you buy paint in (STATE), there is a small fee added to the price to pay for a program to recycle any leftover paint you have?

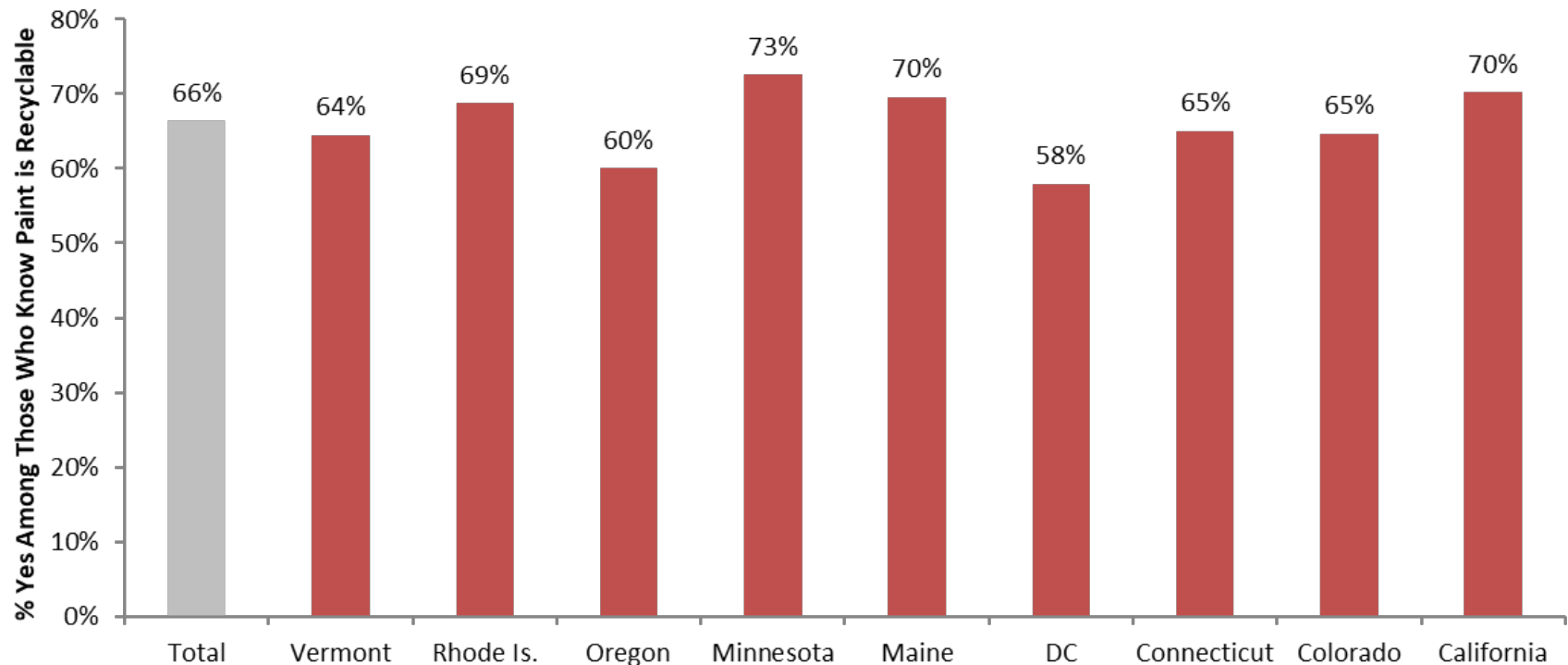


Sample Sizes: Total 1124; Vermont 76; Rhode Island 80; Oregon 135; Minnesota 113; Maine 102; DC 107; Connecticut 117; Colorado 119; California 275

Awareness of Places for Recycling

- ❖ Two thirds of all respondents who knew that paint could be recycled also knew where to take it.
- ❖ Minnesota, Maine, and California respondents were the most aware of recycling locations; D.C. and Oregon respondents, the least aware.

***If you wanted to take paint somewhere to be recycled,
do you know where to take it?***

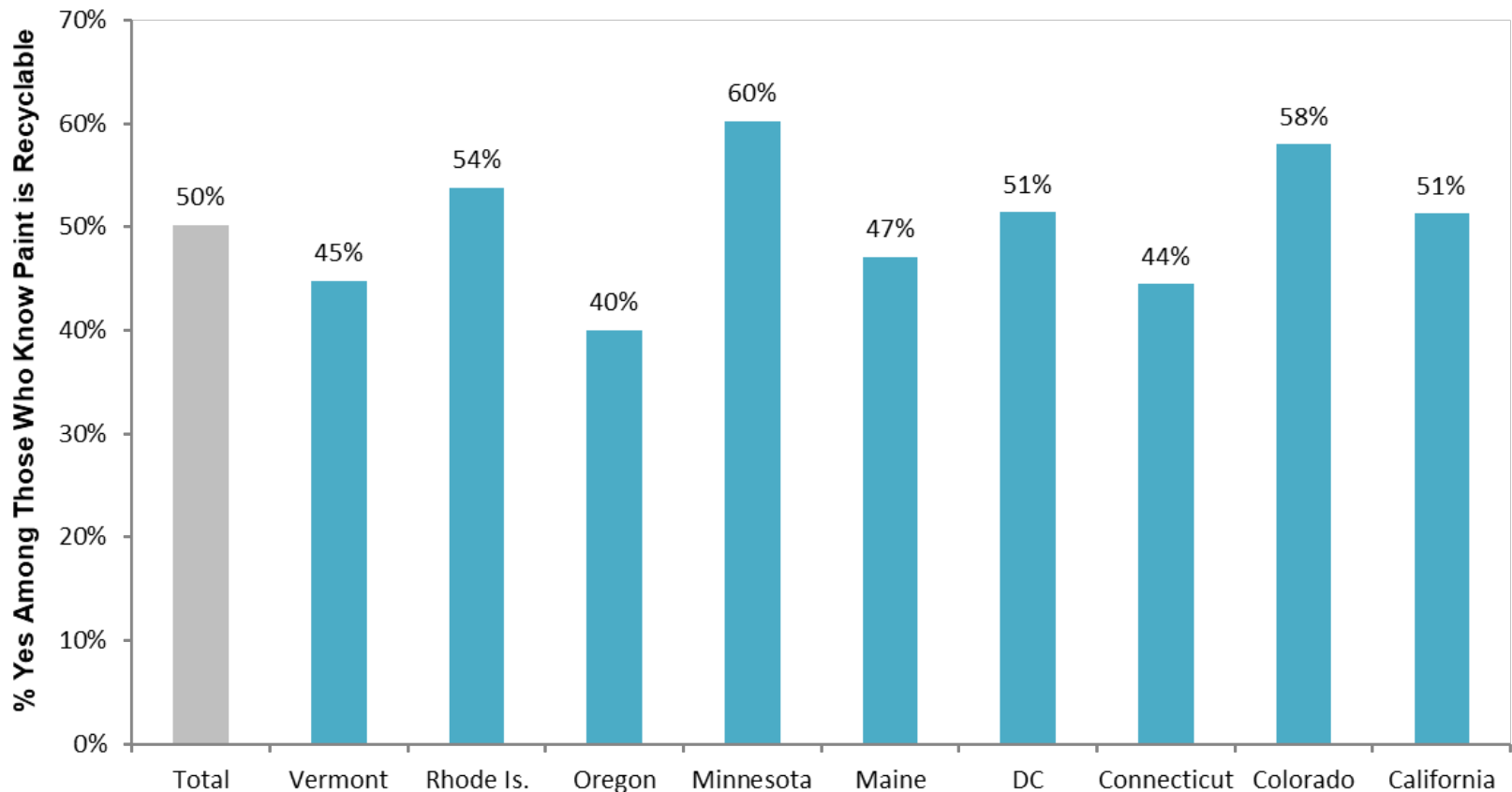


Sample Sizes: Total 1124; Vermont 76; Rhode Island 80; Oregon 135; Minnesota 113; Maine 102; DC 107; Connecticut 117; Colorado 119; California 275

Past Recycling Behaviors

- ❖ Half of those who said they were aware that paint can be recycled said they had done so in the past.
- ❖ Minnesota and Colorado respondents have recycled at the highest rates; Oregon, the lowest.

Have you ever taken paint somewhere to be recycled?

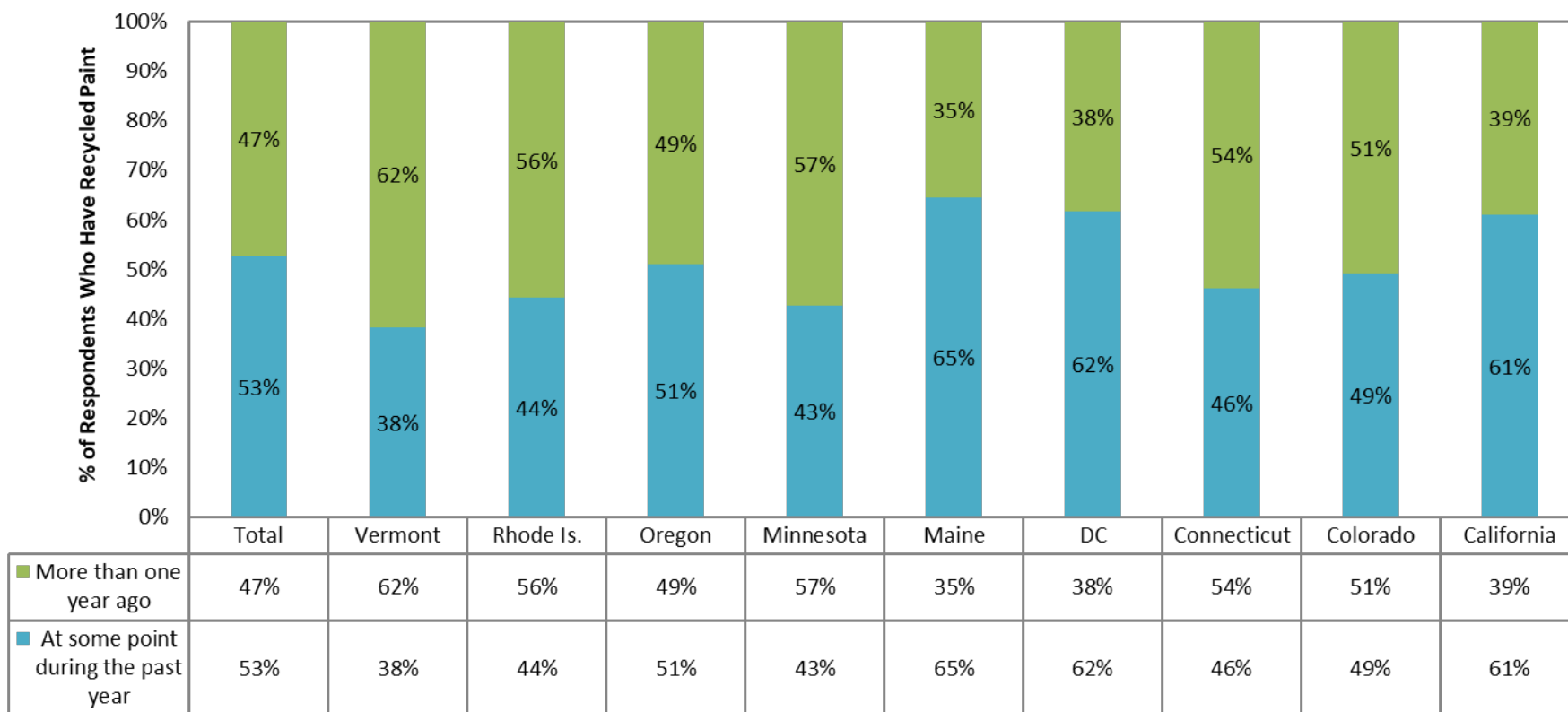


Sample Sizes: Total 1124; Vermont 76; Rhode Island 80; Oregon 135; Minnesota 113; Maine 102; DC 107; Connecticut 117; Colorado 119; California 275

Recency of Paint Recycling

- ❖ Slightly more than half of those who said they had recycled paint in the past said they had done so in the last year.
- ❖ Recyclers in Maine, D.C., and California were most active in the last year; Vermont and Minnesota recyclers, the least.

When was the most recent time you have taken paint somewhere to be recycled?

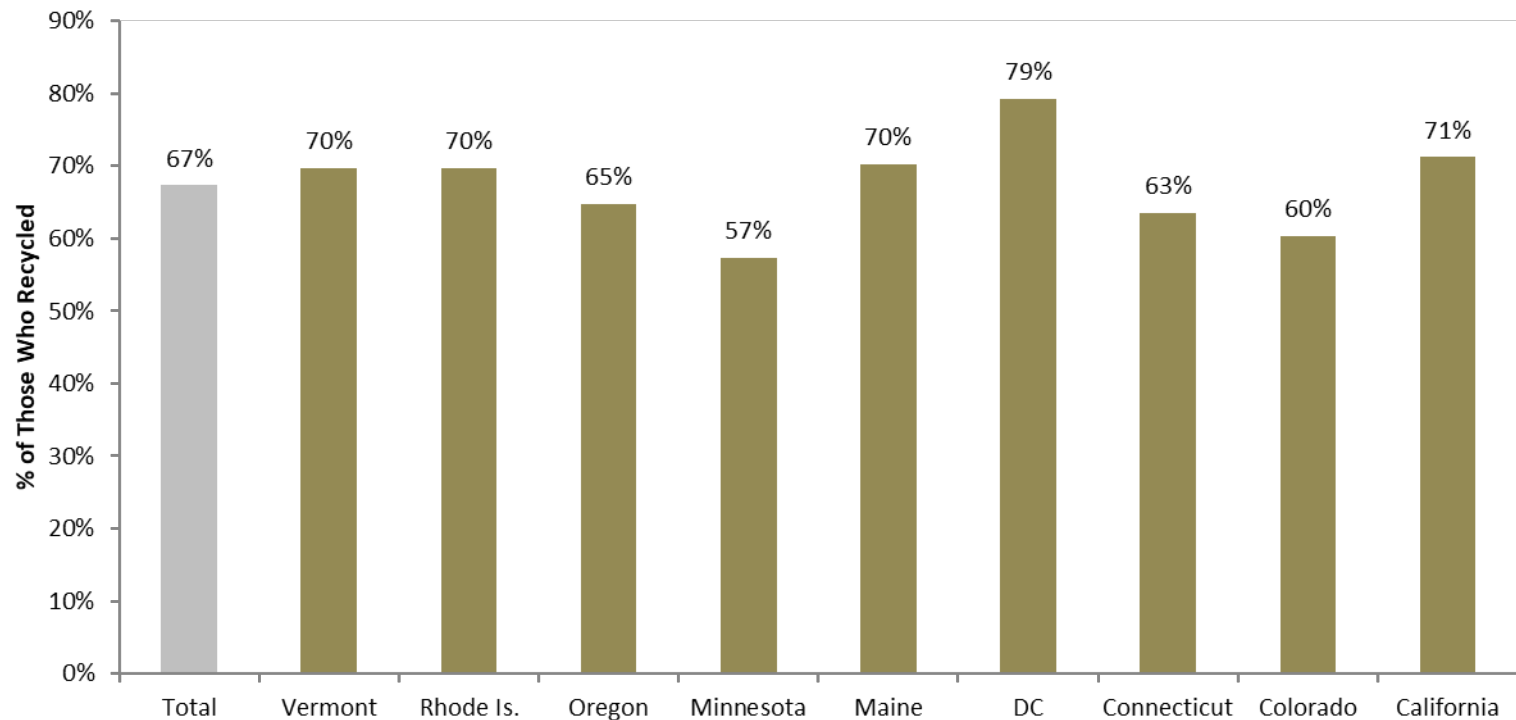


Sample Sizes: Total 563; Vermont 34; Rhode Island 43; Oregon 53; Minnesota 68; Maine 48; DC 55; Connecticut 52; Colorado 69; California 141

Person Who Took Paint for Recycling

- ❖ Two thirds of the time, the person who took the paint to be recycled was the same person who bought the paint.
- ❖ Results varied by state—D.C. was the highest in this regard; Minnesota, the lowest.

Was the person who physically took the paint to be recycled the same person who bought the paint?

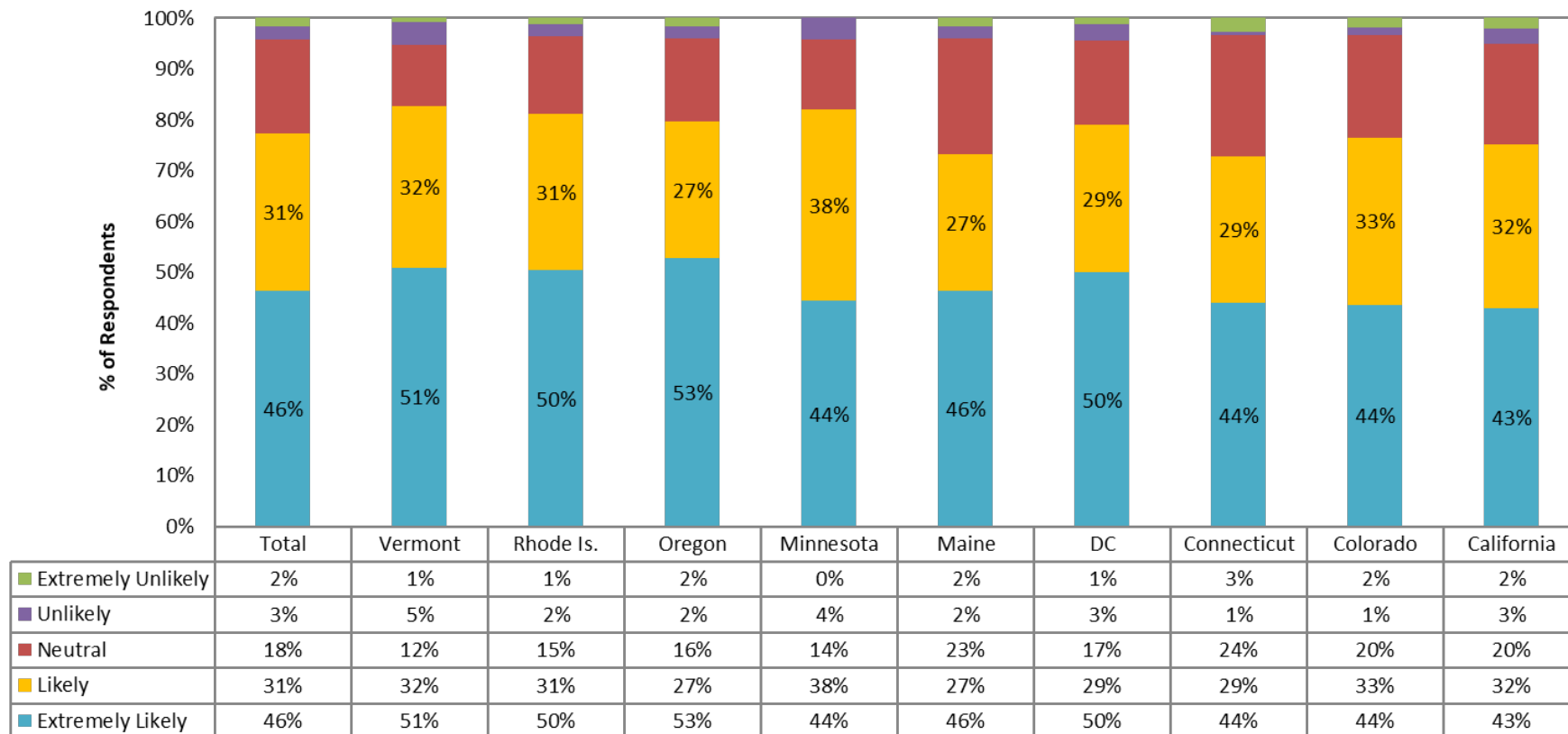


Sample Sizes: Total 563; Vermont 34; Rhode Island 43; Oregon 53; Minnesota 68; Maine 48; DC 55; Connecticut 52; Colorado 69; California 141

Opportunity for Future Paint Recycling

- ❖ 77% of all respondents said they were “extremely likely” or “likely” to recycle the next time they had paint to dispose. Results were fairly consistent across states/the district.

How likely will you recycle next time you have paint to dispose?



Sample Sizes: Total 2628; Vermont 151; Rhode Island 250; Oregon 252; Minnesota 261; Maine 254; DC 254; Connecticut 268; Colorado 277; California 661

Open-Ended Commentary: Recycling Motivations

- ❖ The most common motivations to recycle paint are to help the environment, save the planet, reduce landfill waste, reuse resources, and get rid of clutter. Many said “it was the right thing to do.”

Q19 What would be your personal motivation for recycling your leftover paint in the future?

trash n house t want less waste save earth money bring easier good idea
recycle paint save money less better way sure possible future hazardous way
avoid None take Save planet harm environment will try recycle don t
care environment safer go waste earth green things water clean Yes
rid Safety Environmental Environmental concerns know store
right thing Keep landfill use place good disposed properly
Better environment longer recycle
way dispose environment recycle everything paint
something help environment try waste s better
help reduce waste reuse anything want someone keep free
protect environment environmentally friendly planet enviroment
go Environmental reasons need s dispose motivation make harm
Save environment hazardous waste landfill dispose paint much able
throwing away end leave dont save dont want someone use pollution put think
make sure world great pollute

N=1,955

Sample Comments – Likely to Recycle

What would be your personal motivation for recycling your leftover paint in the future?

Because i never liked taking it to a hazardous waste center but recycling it means it could be used again and that I think is a great idea	I am all for a greener future and anything that can be recycled should be.
1. keep environment safe 2. glad that paint can be recycled and re-used	I do not like throwing things away if there is a way to recycle, reuse or compost it that is what I try to do. We humans waste so much and the planet is so crowded now. We do not need or have room for more landfills. I am trying to lessen my negative impact on the planet. I am trying to do my best to help the planet heal. If paint can be recycled that is one less contaminate that will end up hurting the water we all need to survive, animal and human.
a refund or rebate	I do not want to let things go to waste so I try to use it all. If I could no longer find a use for the leftover paint I have, I would recycle it because I do not want to cause pollution by disposing of it carelessly.
an easy way to do it local drop off or certain times throughout the year curb side pick up	I don't want to contribute to damage the environment
Anything that can be recycled should be	I don't like paint to be poured down sinks or drains.
As long as it doesn't cost would be better way than slot of options mentioned	I don't like the idea of being thrown away if it can be reused in the future
Avoid creating more waste.	I have been actively recycling for well over 20 years and will continue to do so
avoid having hazardous materials in my home	I prefer disposing of things in the best manner
Avoid pollution and waste.	I support recycling in general, I try to do my part. But I don't know if there is anywhere to recycle paint in my area. I will check though.
bc its illegal to pour it down the drain	I wouldn't want to keep paint in my house. I certainly don't want to dump it in the sewer. It's just a lot easier to take it to the transfer station recycle center.
Because i dont want to put toxic stuff into the landfills	If I can't get a use out of it then why not let someone else get use out of it.
Because know it has hazardous chemicals in it and needs to be taken to professionals to be disposed properly.	If it is free to do
Better environment and no mess in my house	It can be used and not wasted. There's too much waste in the world already
Better for the environment	It would save resources. it would prevent harmful substances from entering the environment. Someone might be able to reuse my paint
Better for the planet, if it is easy to dispose of	It's the right thing to do
Cash back	Lower my carbon footprint.
Clean planet	Money
Cleaning up the house	Protecting my drains!
Clutter	Save our planet
Contaminating the environment	Save the Earth one small act at a time.
Didn't know about the process, I usually store it inside, must make sure it doesn't freeze and then I use it on other products	So the kids don't get into it
Do not want to waste the product since it came from resources. Do not know where trashed paint ends up so better for environ. if can be used again	To avoid any toxic pollution
doing the right thing	To get it out of house and reduce clutter.
Doing what is best for the environment and not wasting things	To help better the climate!
Dont wanna contribute to pollution.	To keep chemicals away from nature
Dont want it in water	it's a hazardous material..here in Maine in my city we have certain weekends where we can bring old hazardous materials to dump to be properly disposed in the safest manner
Environmentally better option for disposal	It can be used again
Future of humanity	It's the right thing to do. I usually use a water base paint but if I used something else I feel it needs to be disposed of properly. Pouring down the drain or out on the ground is inappropriate and could cause damages to where ever you put it
Get it out of my garage	I always recycle paint. I go to our transfer station weekly for trash and recycling and bring paint when I need to get rid of it.
Getting rid of it safely.	It sure beats leaving it in the garage for ten years. Better that it go somewhere it can be used.
Green	It's bad to pour it down the drain. My trash can has a sticker on it that says don't throw in the trash. I read how to get rid of it from a hazardous disposal website.

Sample Comments – Likely to Recycle, continued

<i>What would be your personal motivation for recycling your leftover paint in the future?</i>	
Hazardous materials	It's Hazwaste
Health concern	I consider myself somewhat a "green" person and like to do things like recycling to help the environment. I recycle cans, glass, paper and cardboard. I have also brought paint to be recycled to Sherwin Williams, a paint recycling collection point here. I brought paint from my friends and neighbors too, in order to avoid it getting in the waste stream.
help the environment. The paint store took our old paint and they said it was to be recycled	Now that I know it can be recycled I will recycle
no motivation needed	It's better for the planet and for the animals
You just can't dump it anywhere. It's bad for the enviroment	It's less wasteful and it can be put to good use for someone else.
Receiving money	Save our planet!
its the right thing to do. recycle	Keeping it out of the landfill/groundwater
The cans and the paint gets recycled efficiently and we don't have to have them in our landfills.	THAT IT CAN BE PUT TO GOOD USE
Sustainability	I don't want chemicals in the environment via the dump/garbage
To help not contaminate my earth so others can live here longer with a clean environment	so it can be reused instead of wasted
We recycle everything we can. Before I just stored it with us and used it for touch up or other projects. My kids enjoy recycling as well so I would take them along to recycle the left over paint	To help the environment, and I always recycle everything.
If I can use the remaining paint next year, of course I would love to. In the future, when I go to paint, I will be less expensive.	this survey
Better for the environment	I want to do what I can to help the earth.
To recycle and save less processing of chemicals and other additives in paint.	I don't like to pollute
TO GET RID OF THE PAINT	Ensure that it does not go down drains.
i would rather recycle the paint, then for it to go somewhere where it should not go and contaminate the earth.	so I dont pollute the environment and they can reuse the paint
not letting the paint getting to the wrong place and adding to pollution or destruction	Get it out of the house safely
give to habitat for humanity	that someone else may benefit from my left over paint
I don't have any place to put it and it's free to recycle.	Out of basement
I care about our environment	Maybe cheaper costs
Keeping my child happy as I try and save the planet	Better than putting in the trash, more sustainable
probably better for the environment. Also - if it could be used by someone else - even better.	Environmental reasons.
It is a small step I can take to leave my small corner of the world a healthier place.	So someone else who needs paint can use it too.
To be greener	help the earth
Possibly helping someone else out, doing the right thing.	So I don't pollute
to make sure it gets handled correctly	Doing the right thing
Keep chemicals out of the water	so it gets put to a good use and/or disposed of properly.
to better protect the environment, which is in DESPARATE need of our help!	it is something that people should try to do
I am a wastewater engineer, and I know firsthand the problems that arise from people dispose of paint improperly down the drain. Similarly paint should not be incinerated without the proper controls	Preserve the environment, ecological reasons
I now how knowledge that recycling is an option.	I would rather recycle anything rather than throw it away.
Right thing to do	My childrens future

Sample Comments – Unlikely to Recycle*

Why are you unlikely to recycle leftover paint in the future?

Because I don't have a recycling bin	I tend to use it in other projects.
Because I don't get paid for it. I paid for the paint, recycle companies get paid,	I think it's a stupid idea.
Because I don't know where to take it and when you asked the place where you bought it from they have no idea either	I think the recycling places are too far from me.
Because i don't really be worried about it	i try to use up my paint.
Because I'd give it to someone I know who could use it	I typically do not see the benefits of recycling this type of item. I feel that although it provides unskilled jobs for people, recycling likely uses just as many or more resources and money than its saving
Because when I contacted the groups in my area I was told there was a \$25 per container fee for recycling it! I will pour it down the drain first before paying to have it recycled!	I would rather just dry it out and dump it
Cause I use it all	I wouldn't even know where to take it
do not do it	I'd leave it in the house when I move.
Don't know where to take it	If it cost too much money to recycle.
don't care about recycling	ill give it to family instead
don't have paint	It is easier to dry it out
Dont have time	It is not in a condition to recycle.
Don't know where	It's a hassle
don't know where to recycle it	It's a pain. I would rather save it and use it as I need to touch up
Don't know where to take it	just am not sure if i would do it or not
Dump in storm drain	Just because I want to reuse it
Environmentalism is a f-ing cult that I WILL NOT PARTAKE IN.	Keep for the next time I need to touch up.
For I don't paint very often	Keep in base ment
Give it away	keep paint to use for touch ups
I will not buy a lot of paint.	Lines are too long, without a special local event it is too far to drive and wait in line
I always get what I need, it isn't that difficult.	No need I won't be buying any
I am unlikely to recycle leftover paint in the future because I use all of it in a short period of time.	No place in the area

Sample Comments – Unlikely to Recycle, continued

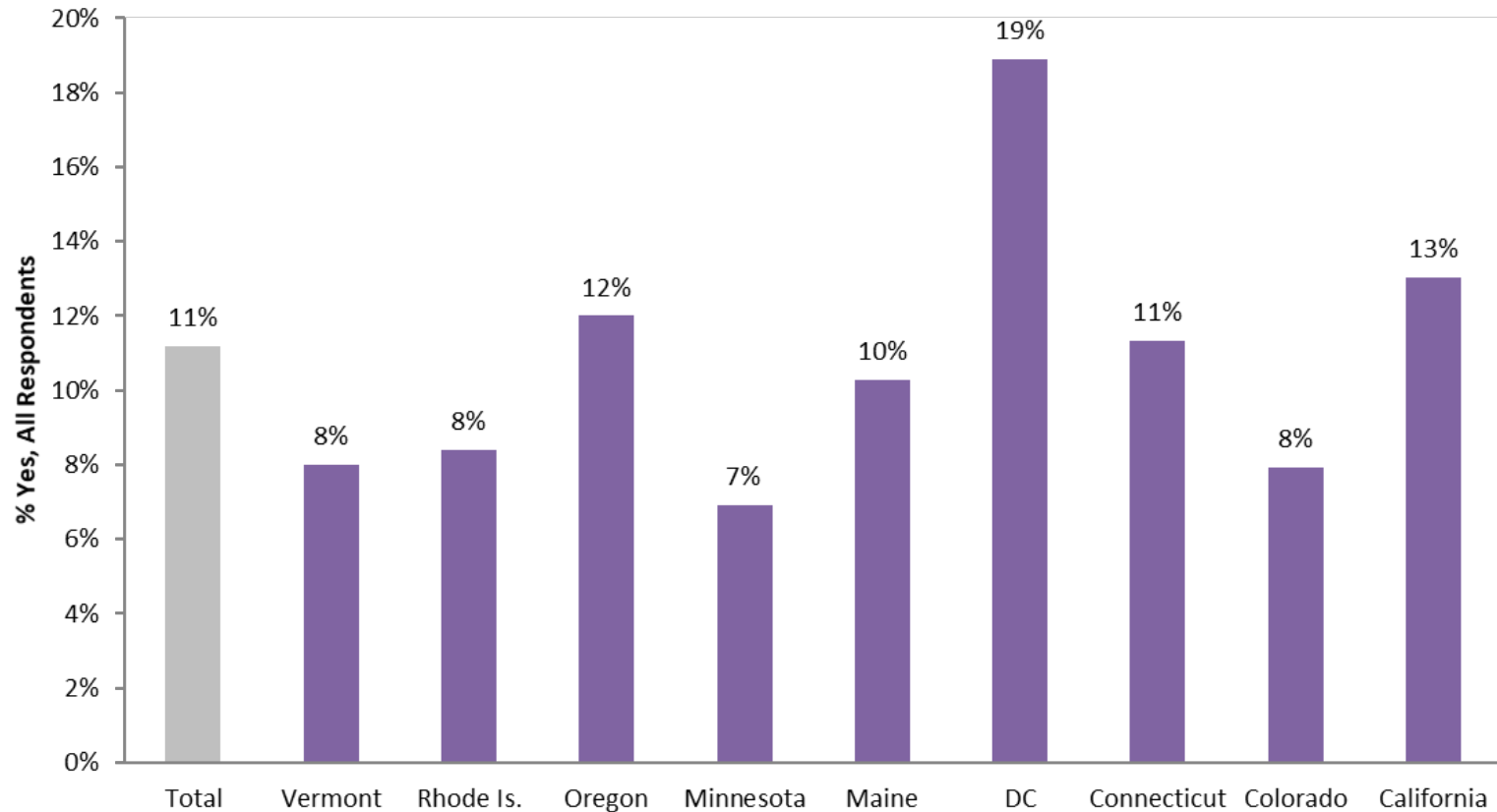
<i>Why are you unlikely to recycle leftover paint in the future?</i>	
I can always use it in the future or give it to someone that can use it	no time
I do not have the time nor the inclination to drive to a recycling plant miles from my home for zero perks.	No use
I don't buy paint	Not going to paint. Will hire out.
I don't have leftover paint	Not interested
I don't know I don't recycle	Not sure what I need to do.
I don't know how	put in the paint
I don't know where to recycle it; I just learned that it can be done. Are you going to let me know where to recycle?	Save it & use it when needed
I don't know where to take it other than the hazardous waste facility	sounds like a hassle
I don't see myself using paint in the future. I live in an apartment and we're not allowed to paint it	To better the environment
I don't use paint as I live in an Apt. & landlord takes care of any painting that needs to be done.	To lazy
I have a store recycle non recycle waste unwanted paint no to waste or recycle if able to recycle by the year 1999 painter tile auto fuel or revenue service waste at all unless I intend to pay 300 000 per ounce to the nearest recycling plant with unwanted body parts or remains in it for auto recycled paint and ornistar or auto richalnd star value lane or inland value city inn paint jobs in rich auto body maaco art paint of constable ray edomons race car drier niece or nephew took once and fell thru the wall and had brain damage and gear shift auto scare disease and needs recycling agreement to pay for treatment and a only had the right thing by richalnd auto mars disco art for any thing to be repaired as on g for girl or young child up to 2 milio thank god did not recycle paint	To paint something else
I have never heard of this and don't know where to do this	too difficult
I just don't know	Too much of a hassle to take to a recycling place. And heavy to carry
I keep a little left over paint everything I paint in the house in case I need to touch it up for many reasons	Too much trouble & time.
I keep leftover paint until I use it or it's no good.	Too much trouble.
I keep leftovers for touch-ups	Took it to a paint store to dispose of. They refused it
I like to save it to use it for touchups or other paint jobs in the future.	unsure how to do it
I live in a apartment	Use it
I never paint things myself. I always pay for it.	Usually it isn't good
I plan to use what I buy.	Where can I recycle it! Too heavy to transport paint cans

ADVERTISING/MARKETING CONSIDERATIONS

PaintCare Awareness

- ❖ 11% of respondents said they had heard of PaintCare before.
- ❖ Results differed by state/the district. D.C., California and Oregon residents appear to be most aware; Minnesota residents, least aware.
- ❖ Note, margins of error deem most differences statistically insignificant.

Have you ever heard of PaintCare before?

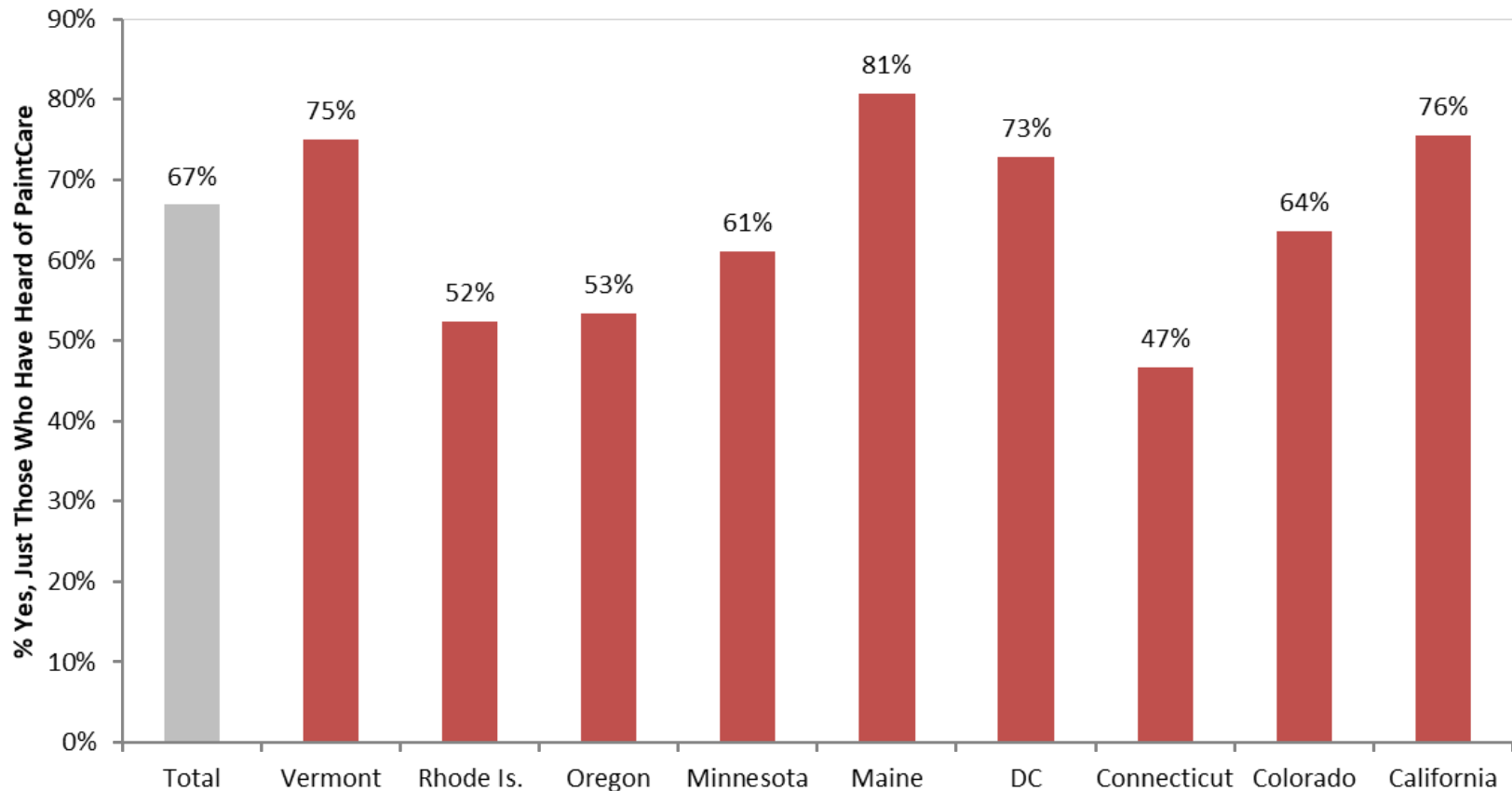


Sample Sizes: Total 2619; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 254; Connecticut 265; Colorado 277; California 660

Ad Recall Among Those Who Knew of PaintCare

- ❖ 67% of those who had heard of PaintCare before said they had seen an ad in the last several months.
- ❖ However, this varied greatly by state...

Do you recall seeing an advertisement for PaintCare in the last several months?

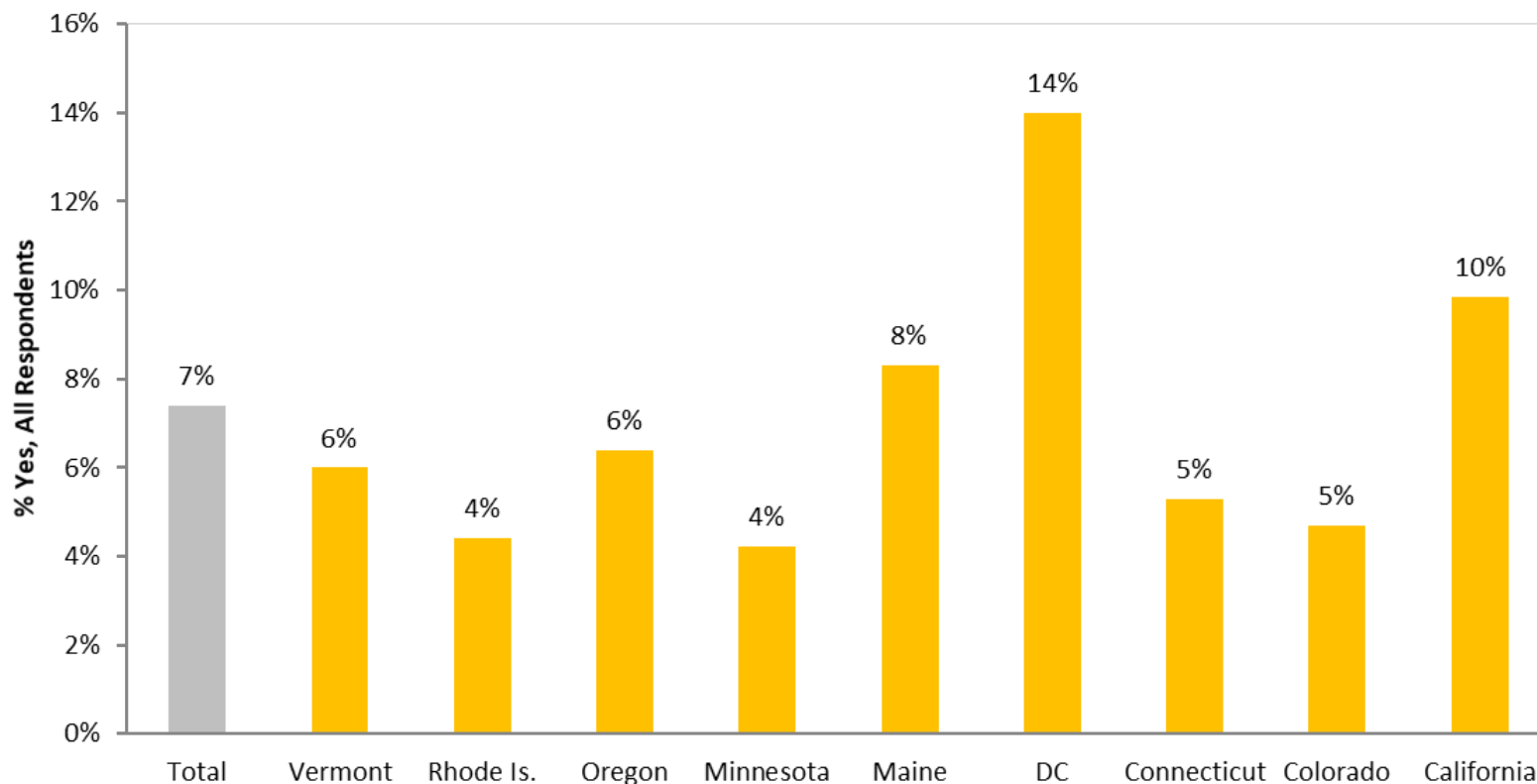


Sample Sizes: Total 293; Vermont 12; Rhode Island 21; Oregon 30; Minnesota 18; Maine 26; DC 48; Connecticut 30; Colorado 22; California 86

Adjusted Ad Recall for Entire Population

- ❖ By multiplying the percentage who were familiar with PaintCare by the percentage who recalled an ad, we can evaluate what percentage of the population recalled an ad.
- ❖ Washington D.C. and California had the highest overall ad recall rates; Rhode Island and Minnesota the lowest.

Adjusted Ad Recall (as a percentage of all surveyed)

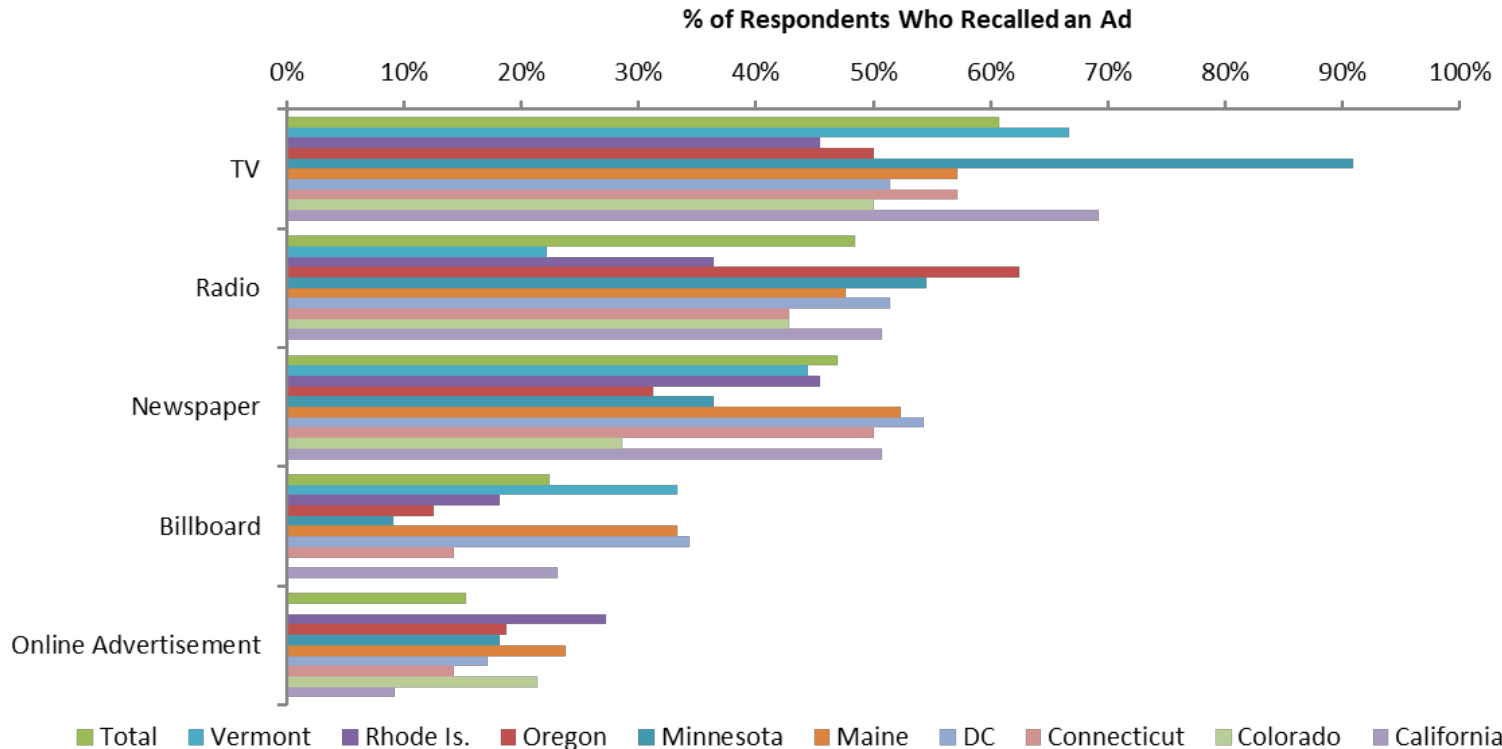


Sample Sizes: Total 2619; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 254; Connecticut 265; Colorado 277; California 660

Ad Recall Types

- ❖ TV was most frequently cited in most states. Newspaper was most common in D.C.; radio, in Oregon.
- ❖ Note: sample sizes are small by state/the district; as such, results should be considered directionally.

What type(s) of ad(s) do you recall?

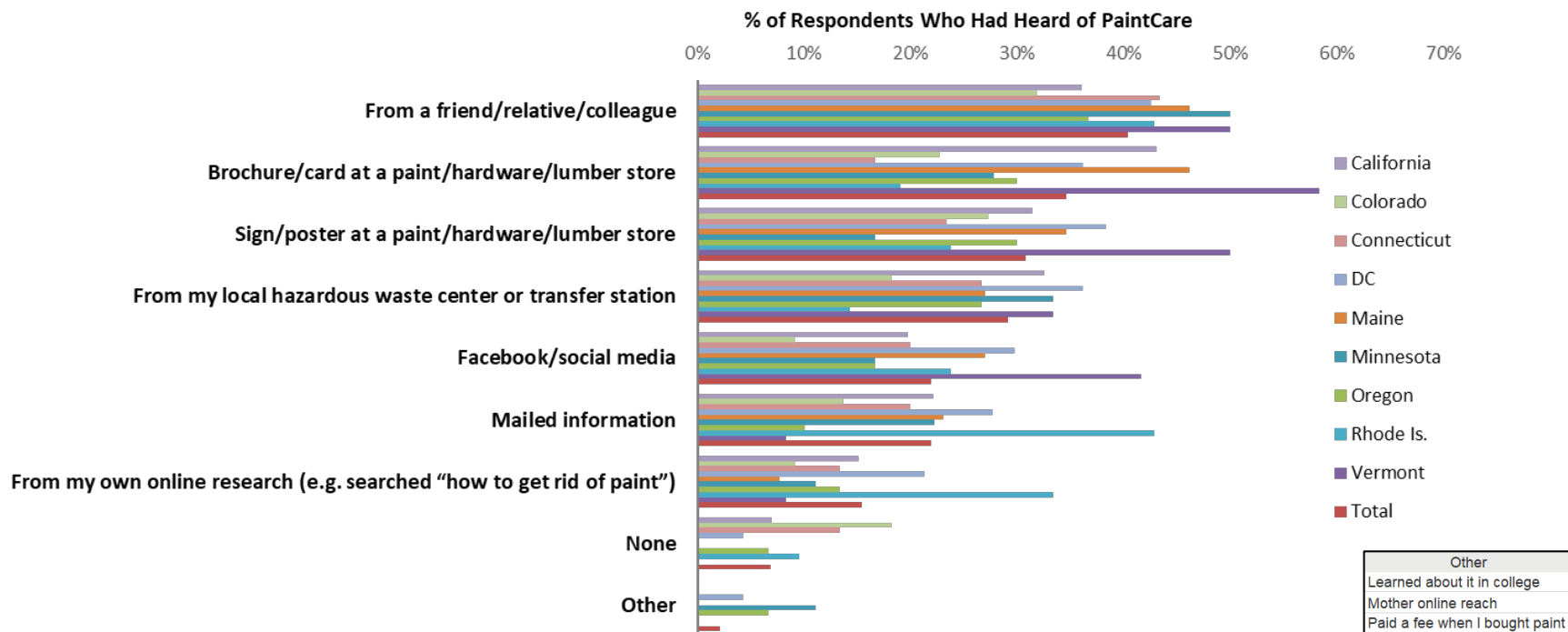


	Total	Vermont	Rhode Is.	Oregon	Minnesota	Maine	DC	Connecticut	Colorado	California
TV	61%	67%	45%	50%	91%	57%	51%	57%	50%	69%
Radio	48%	22%	36%	63%	55%	48%	51%	43%	43%	51%
Newspaper	47%	44%	45%	31%	36%	52%	54%	50%	29%	51%
Billboard	22%	33%	18%	13%	9%	33%	34%	14%	0%	23%
Online Advertisement	15%	0%	27%	19%	18%	24%	17%	14%	21%	9%
Sample Size	196	9	11	16	11	21	35	14	14	65

Recall of Other Marketing Measures

- ❖ It is clear that word-of-mouth is extremely important in spreading the word about paint recycling.
- ❖ The next most successful measures are store-provided brochures/cards/posters and direct mail.
- ❖ Note: sample sizes are small by state/the district; as such, results should be considered directionally.

Do you recall hearing about PaintCare in any of the following other ways?

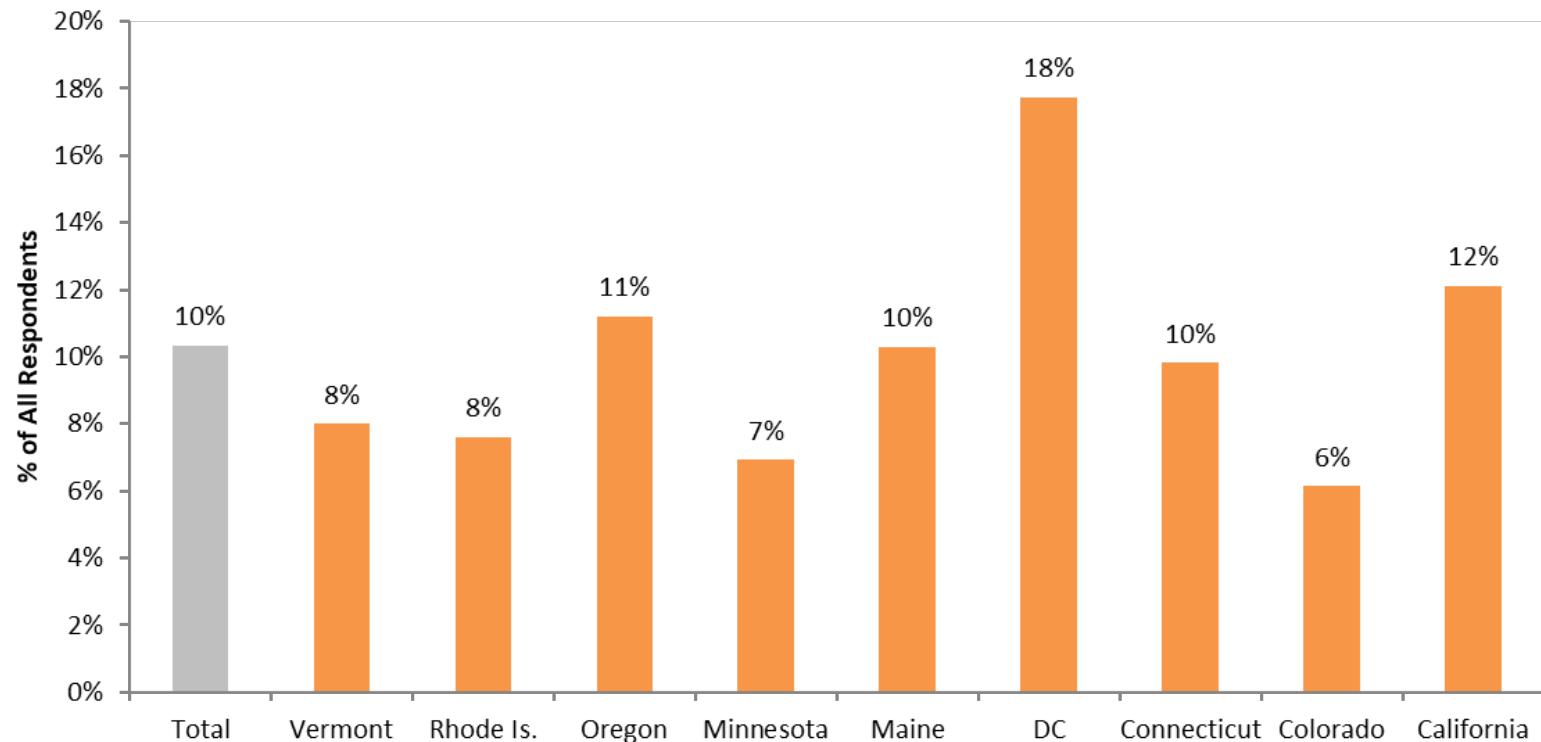


	Total	Vermont	Rhode Is.	Oregon	Minnesota	Maine	DC	Connecticut	Colorado	California
From a friend/relative/colleague	40%	50%	43%	37%	50%	46%	43%	43%	32%	36%
Brochure/card at a paint/hardware/lumber store	35%	58%	19%	30%	28%	46%	36%	17%	23%	43%
Sign/poster at a paint/hardware/lumber store	31%	50%	24%	30%	17%	35%	38%	23%	27%	31%
From my local hazardous waste center or transfer station	29%	33%	14%	27%	33%	27%	36%	27%	18%	33%
Mailed information	22%	8%	43%	10%	22%	23%	28%	20%	14%	22%
Facebook/social media	22%	42%	24%	17%	17%	27%	30%	20%	9%	20%
From my own online research (e.g. searched "how to get rid of paint")	15%	8%	33%	13%	11%	8%	21%	13%	9%	15%
None	7%	0%	10%	7%	0%	0%	4%	13%	18%	7%
Other	2%	0%	0%	7%	11%	0%	4%	0%	0%	0%
Sample Size	292	12	21	30	18	26	47	30	22	86

Adjusted Marketing Recall for Entire Population

- ❖ Marketing initiative recall rates were highest in D.C. and California; lowest in Colorado and Minnesota.

Adjusted Recall of "Other Ways" (as a percentage of all surveyed)

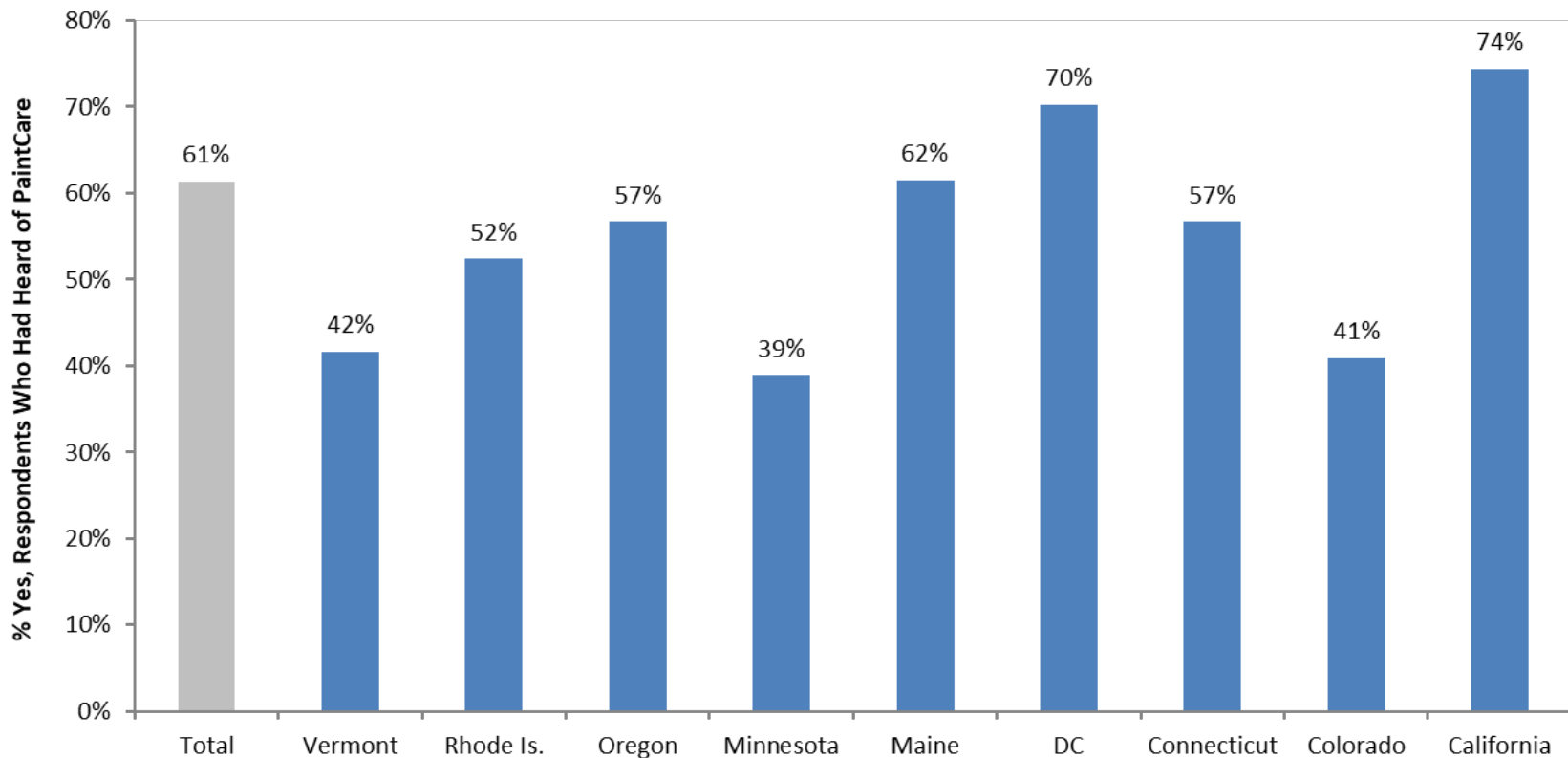


Sample Sizes: Total 2619; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 254; Connecticut 265; Colorado 277; California 660

PaintCare Event Attendance

- ❖ While California, Maine, Oregon, Colorado, and Rhode Island were the only states with recent events, a significant portion of respondents familiar with PaintCare in all states said they had been to an event in the past.
- ❖ The highest attendance rates were in California and D.C.; the lowest, in Minnesota.
- ❖ *Note: sample sizes are low by state/the district and should be considered directionally.

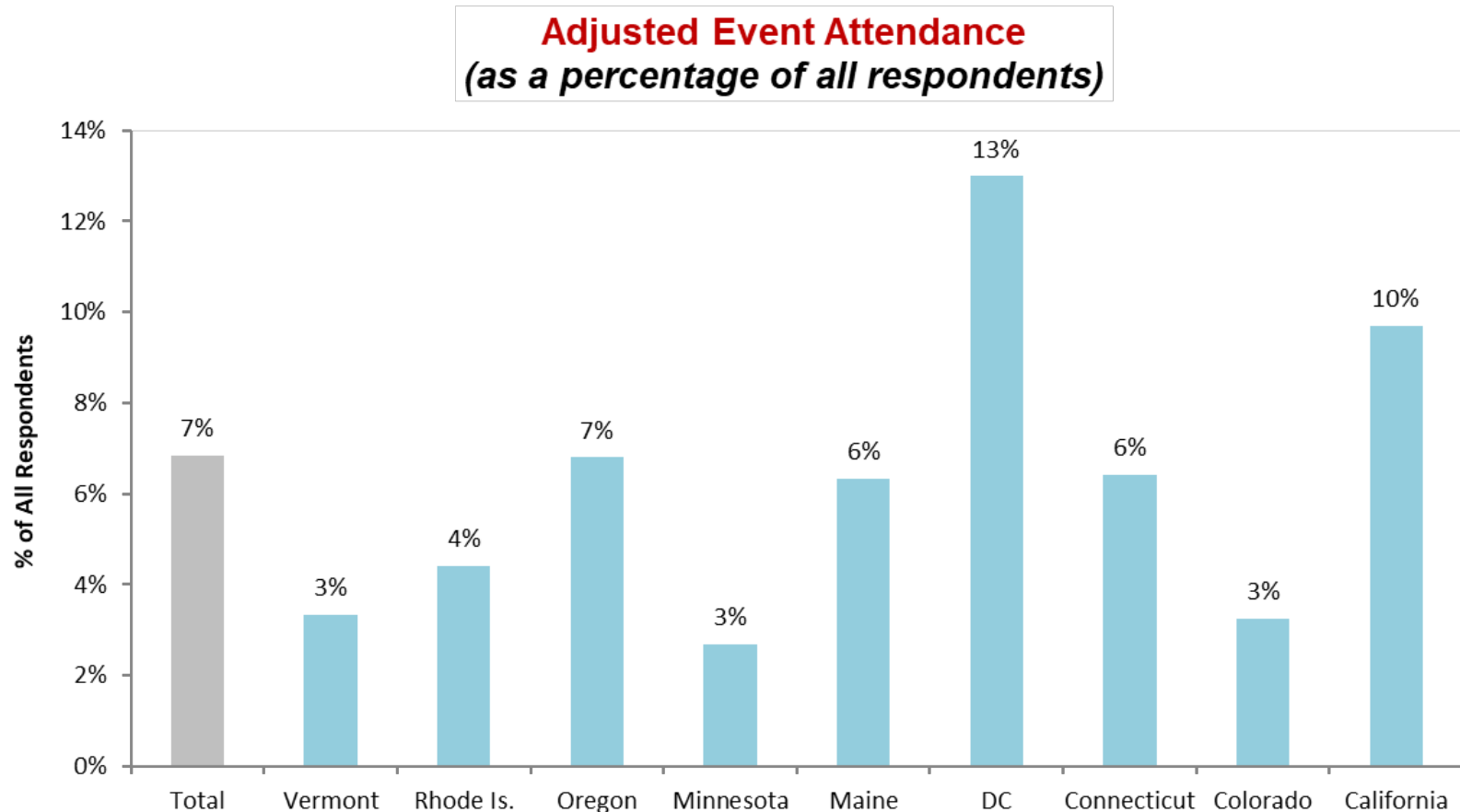
Have you ever attended one of PaintCare's one-day collection events?



Sample Sizes: Total 292; Vermont 12; Rhode Island 21; Oregon 30; Minnesota 18; Maine 26; DC 47; Connecticut 30; Colorado 22; California 86

Adjusted Event Attendance for Entire Population

- ❖ 7% of all respondents said they had been to a collection event.
- ❖ Event attendance was highest in D.C. at 13%; lowest in Colorado, Minnesota and Vermont at 3%.



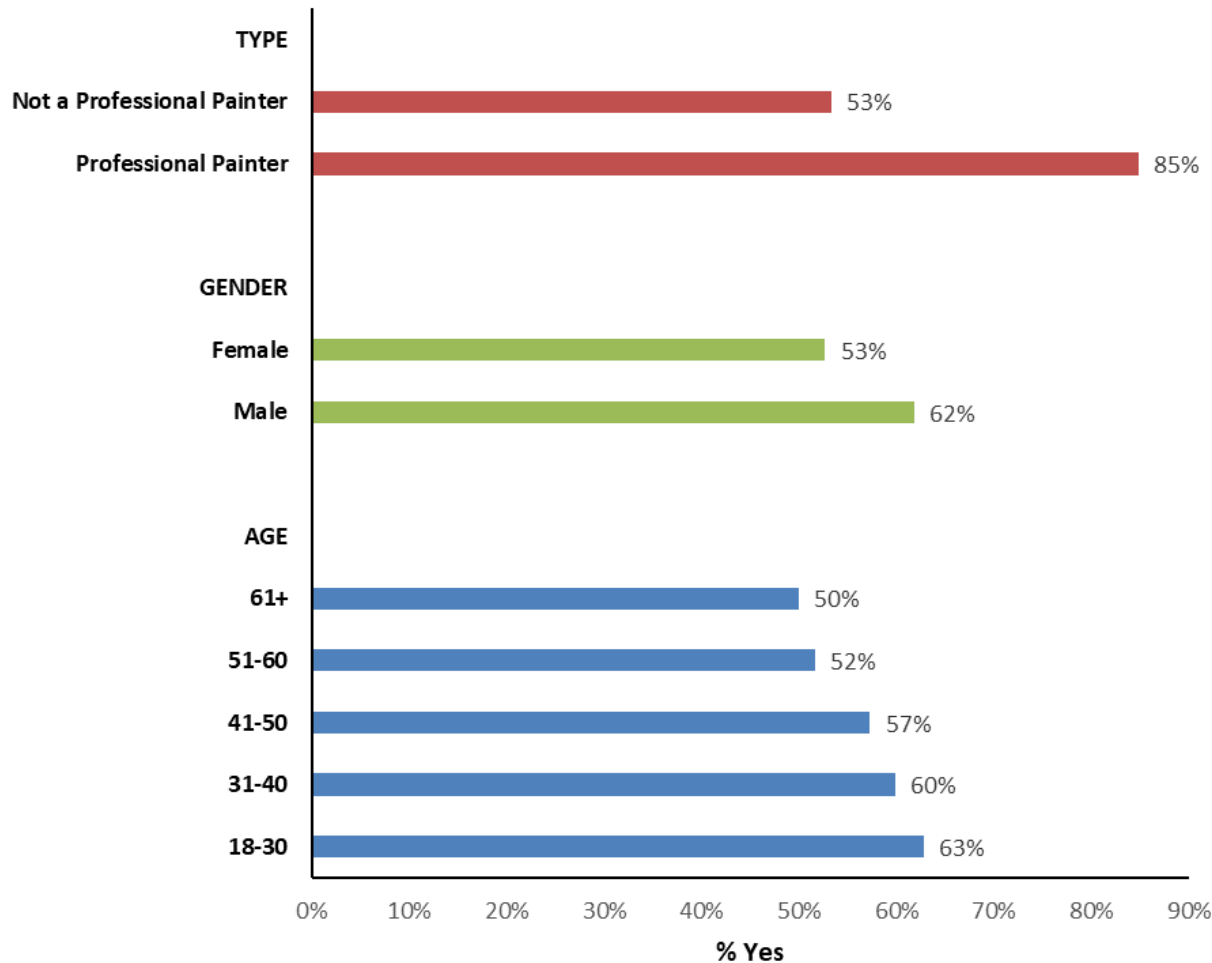
Sample Sizes: Total 2619; Vermont 150; Rhode Island 250; Oregon 250; Minnesota 260; Maine 253; DC 254; Connecticut 265; Colorado 277; California 660



CROSS- TABULATIONS

Consumer Behavior Cross Tabulations

Have you purchased paint in the last year?

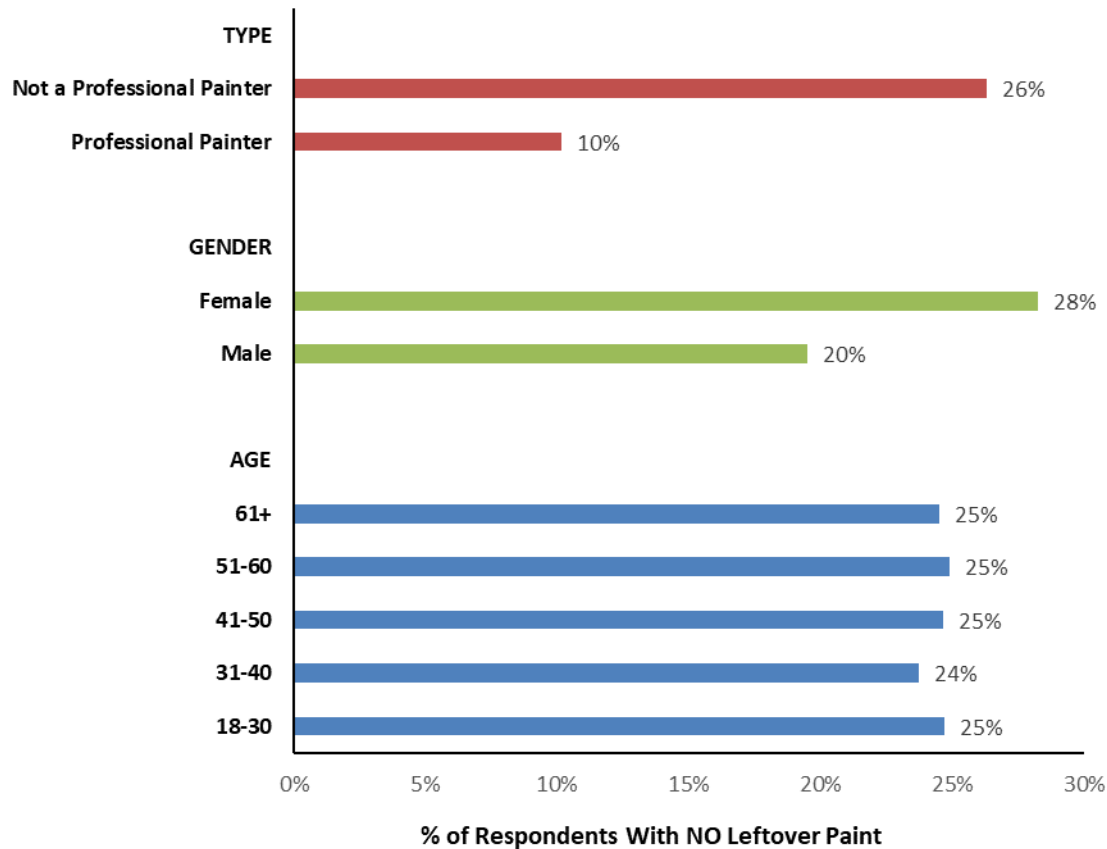


- ❖ As expected, professional painters have more recently purchased paint than non-professionals.
- ❖ Men have purchased slightly more than females in the last year.
- ❖ Incidence of recent paint purchases decreases with age.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

Consumer Behavior Cross Tabulations

How much leftover or unwanted paint do you have in your home or business at this time (e.g., primer, interior or exterior house paint, stain, deck sealer, or clear finishes like varnish)?

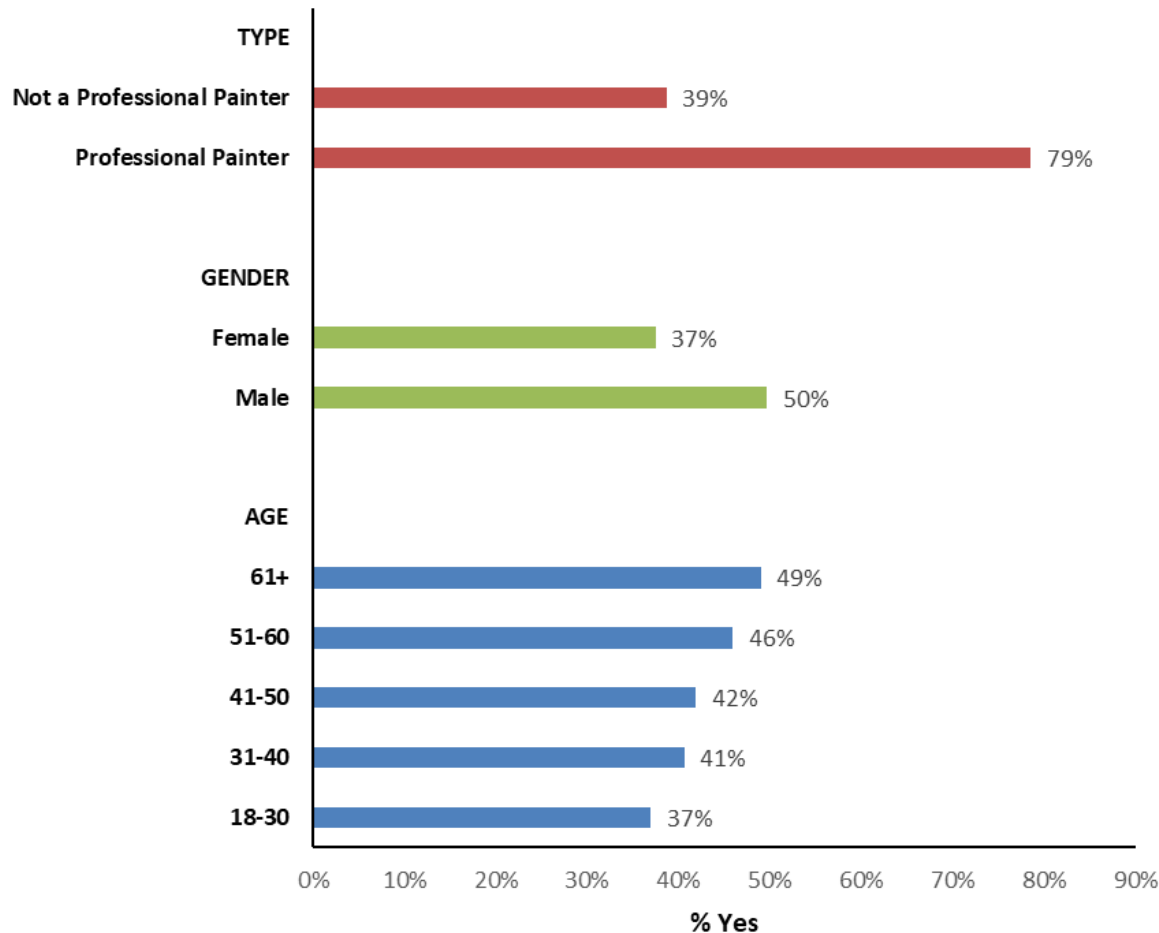


- ❖ As expected, professional painters store more paint than non-professionals.
- ❖ Males store paint more often than women.
- ❖ Age does not play a role in the storage of paint.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

Awareness/Engagement Cross Tabulations

Prior to this survey, did you know that paint can be recycled?

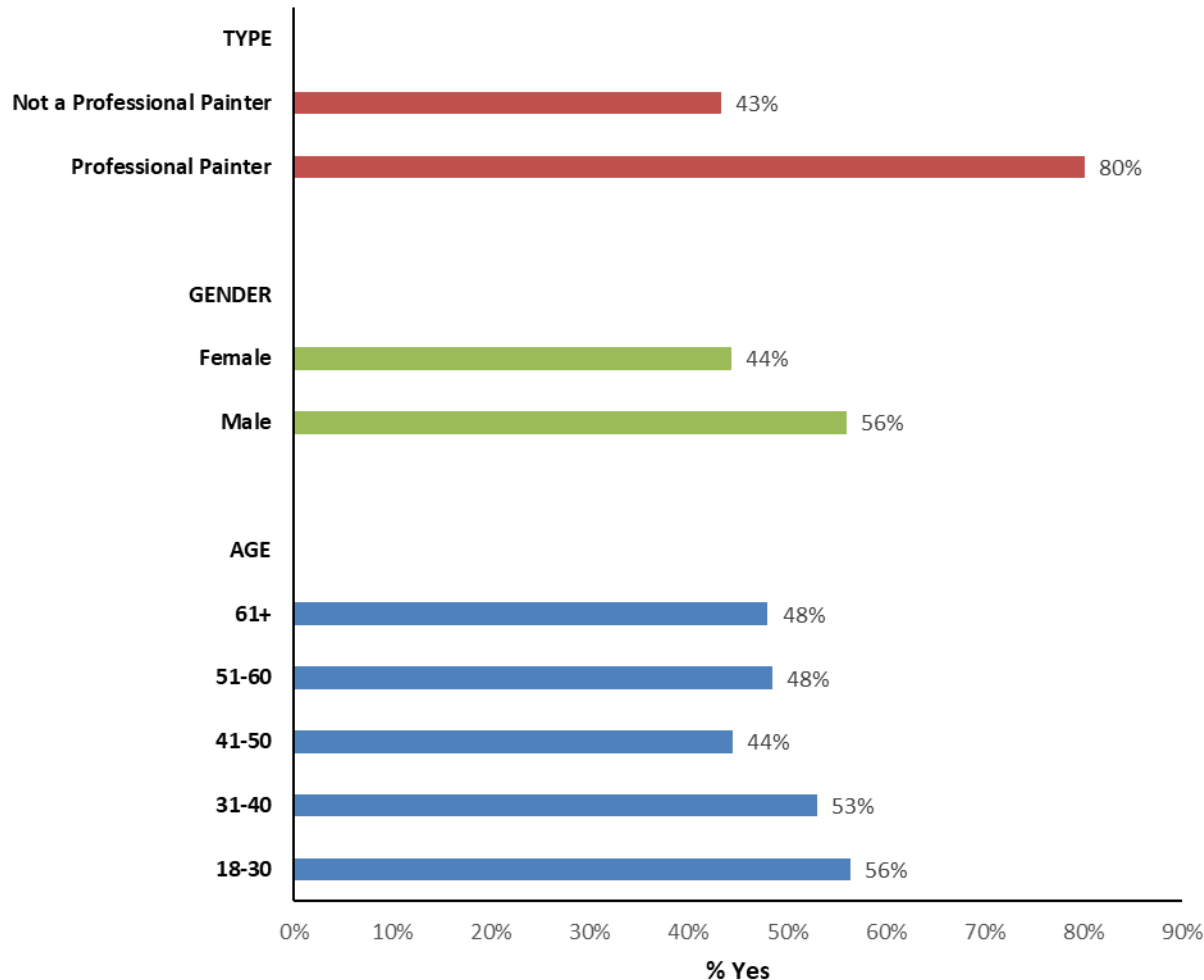


- ❖ Professional painters are about twice as likely to know that paint can be recycled.
- ❖ Men are more likely to know that paint can be recycled than women.
- ❖ Knowledge increases with age.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

Awareness/Engagement Cross Tabulations

Have you ever taken paint somewhere to be recycled?

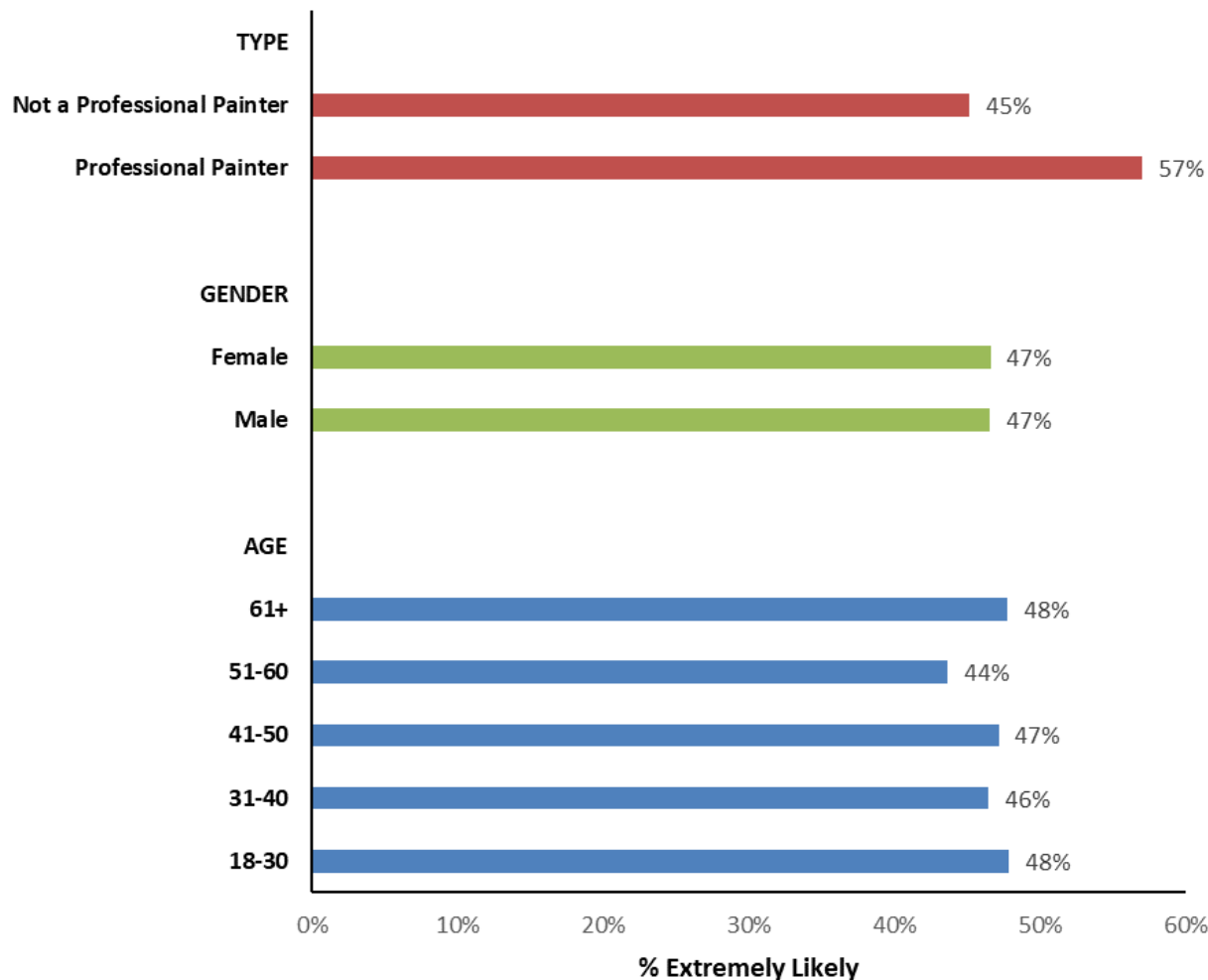


- ❖ Professional painters have recycled paint almost twice as often as non-professionals.
- ❖ Men have recycled paint more than females.
- ❖ Younger respondents said they had recycled paint slightly more often than older respondents.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

Awareness/Engagement Cross Tabulations

How likely will you recycle next time you have paint to dispose?



❖ Professional painters said they were more likely to recycle paint in the future than non-professionals.

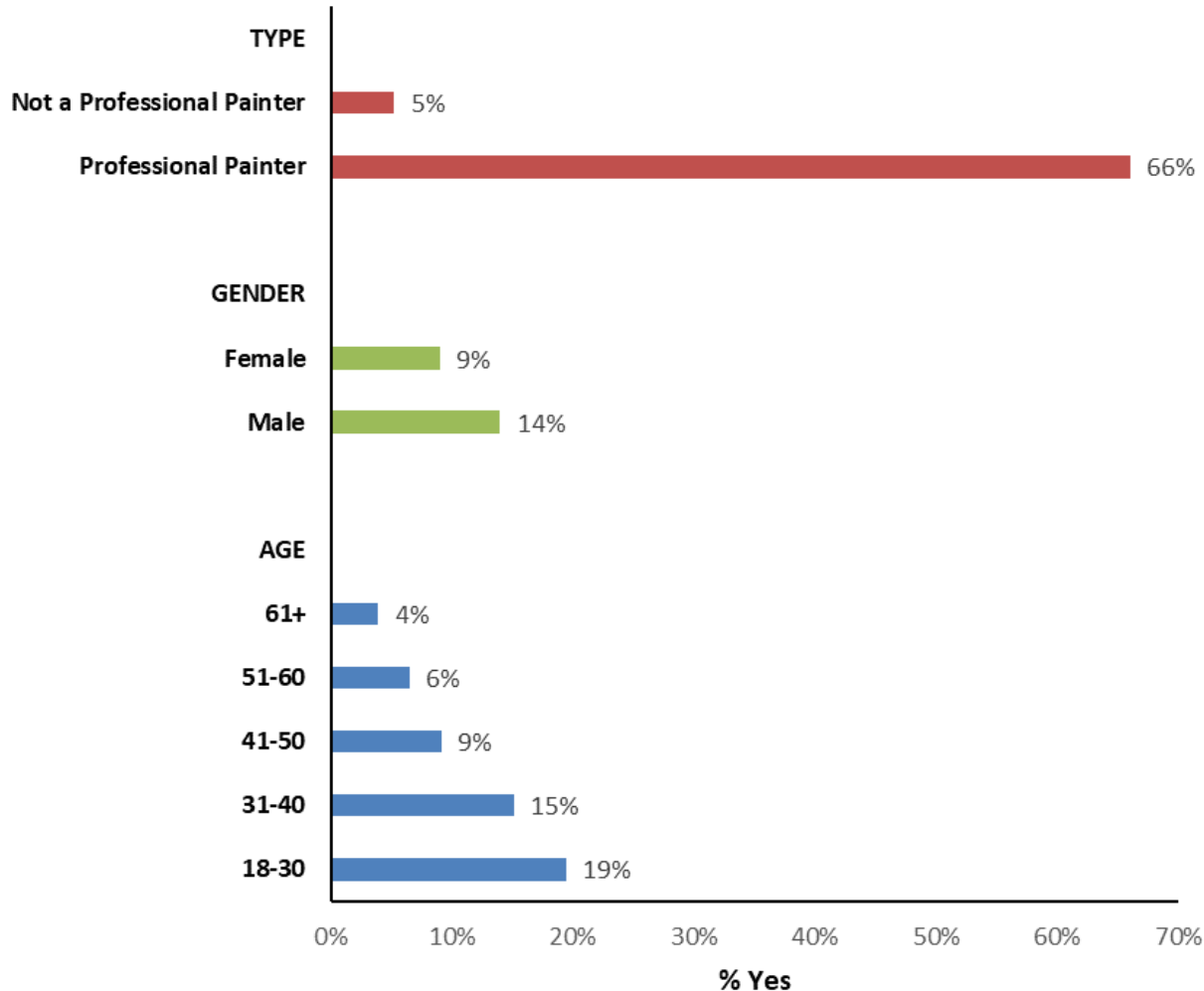
❖ Gender plays no role in likelihood to recycle paint in the future.

❖ Age doesn't play a role in the likelihood to recycle in the future.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

Advertising/Marketing Cross Tabulations

Have you ever heard of PaintCare before?

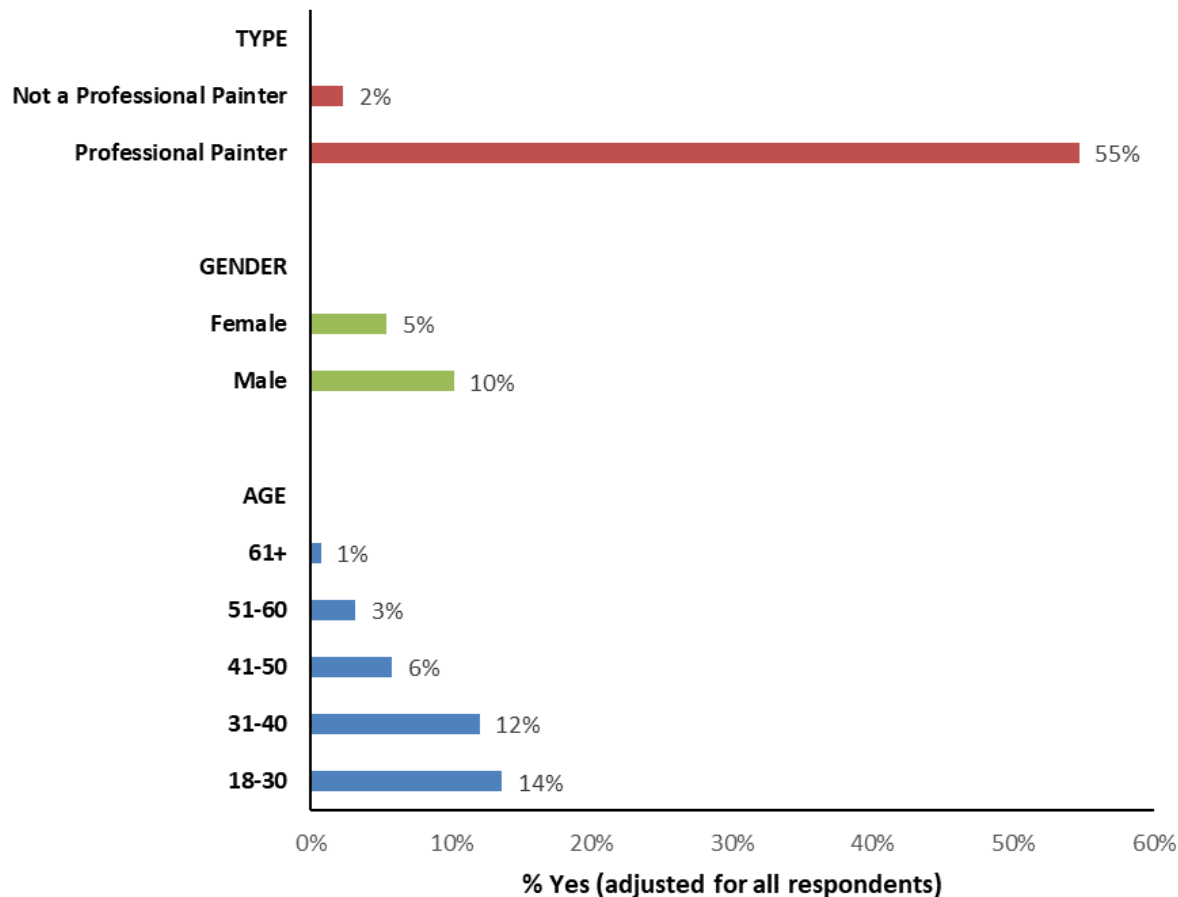


- ❖ As expected, professional painters are more aware of PaintCare than non-professionals.
- ❖ Men are slightly more aware than women.
- ❖ Awareness of PaintCare decreases with age.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

Advertising/Marketing Cross Tabulations

Do you recall seeing or hearing an advertisement for PaintCare in the last several months?

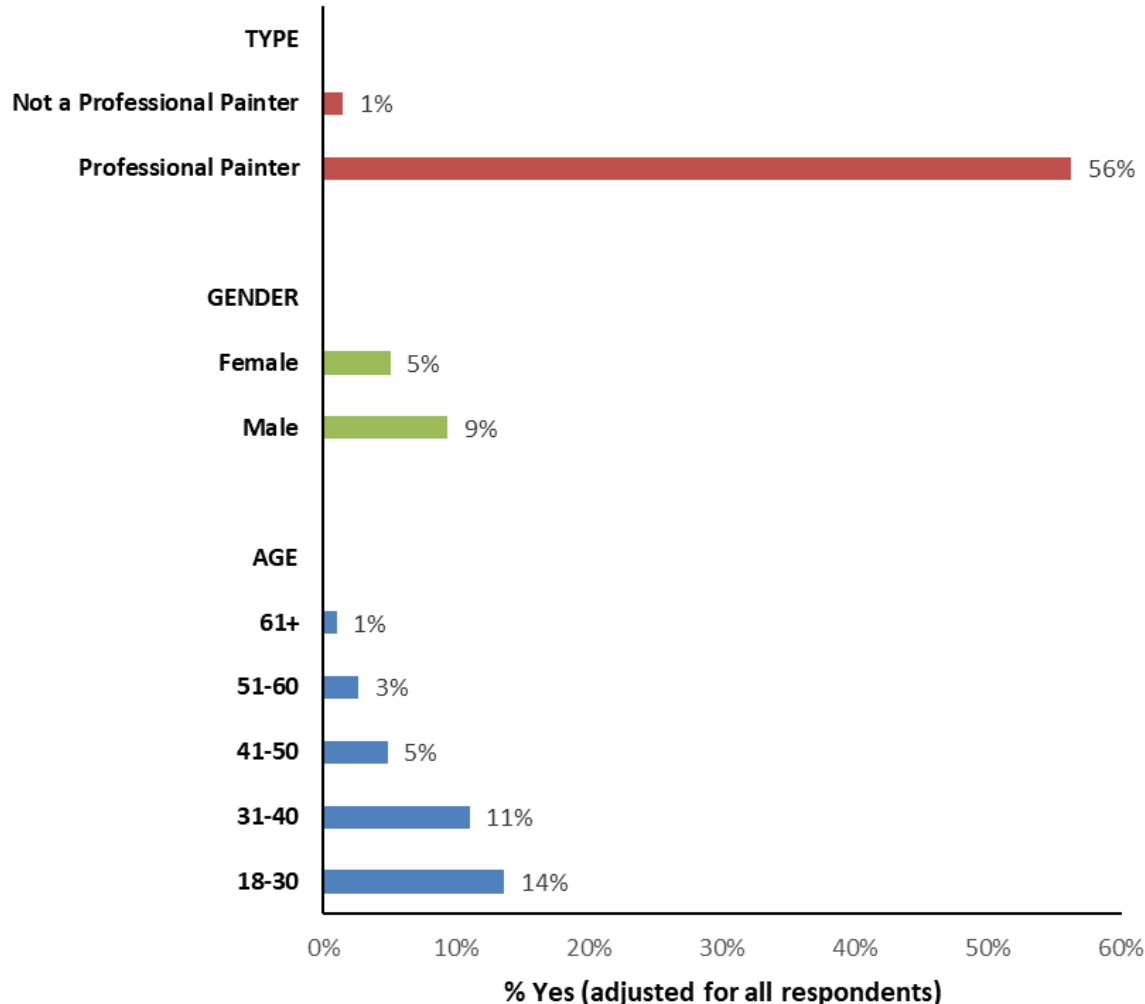


- ❖ Professional painters recall a PaintCare ad 25X more often than non-professionals.
- ❖ Ad recall among men is 2X as high as with women.
- ❖ Ad recall decreases with age.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

Advertising/Marketing Cross Tabulations

Have you ever attended one of PaintCare's one-day collection events?



- ❖ More than half of professional painters have attended a collection event.
- ❖ Men have attended collection events more often than women.
- ❖ Incidence of event attendance decreases with age.

Sample Sizes: Age 18-30, 514; Age 31-40, 581; Age 41-50, 515; Age 51-60, 570; Age 61+, 408; Men, 1071; Women, 1505; Pro, 256; Non-Pro, 2361

APPENDIX: STATE HIGHLIGHTS

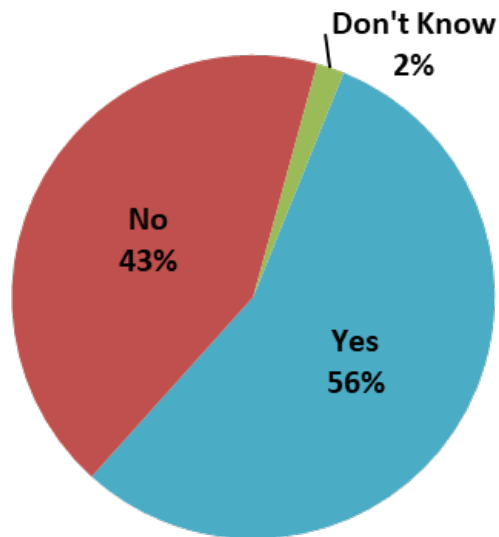
A large, hand-drawn orange circle with a textured, brushstroke-like appearance, centered on the page.

Connecticut

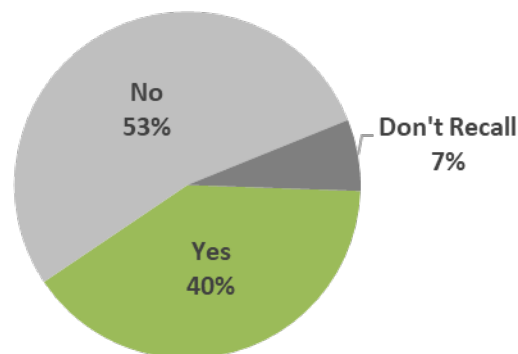
Connecticut Highlights

- ❖ 56% of those surveyed have purchased paint in the last year. 40% of them were helped by the store in determining needs. 59% took measurements themselves.

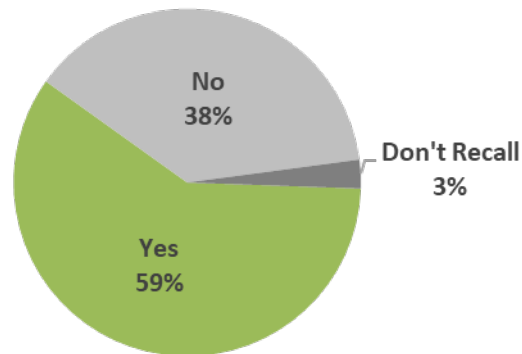
Have you purchased paint in the last year?



Did the staff of the paint retail store assist you with figuring out exactly how much paint you needed for your specific project?

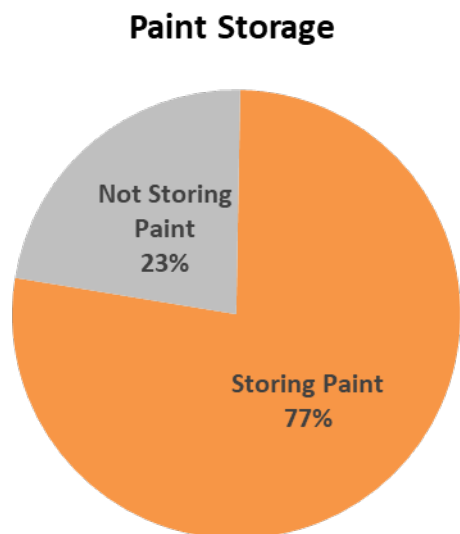


Before purchasing, did you take any measurements of the area to be painted to figure out how much paint was needed for the project?

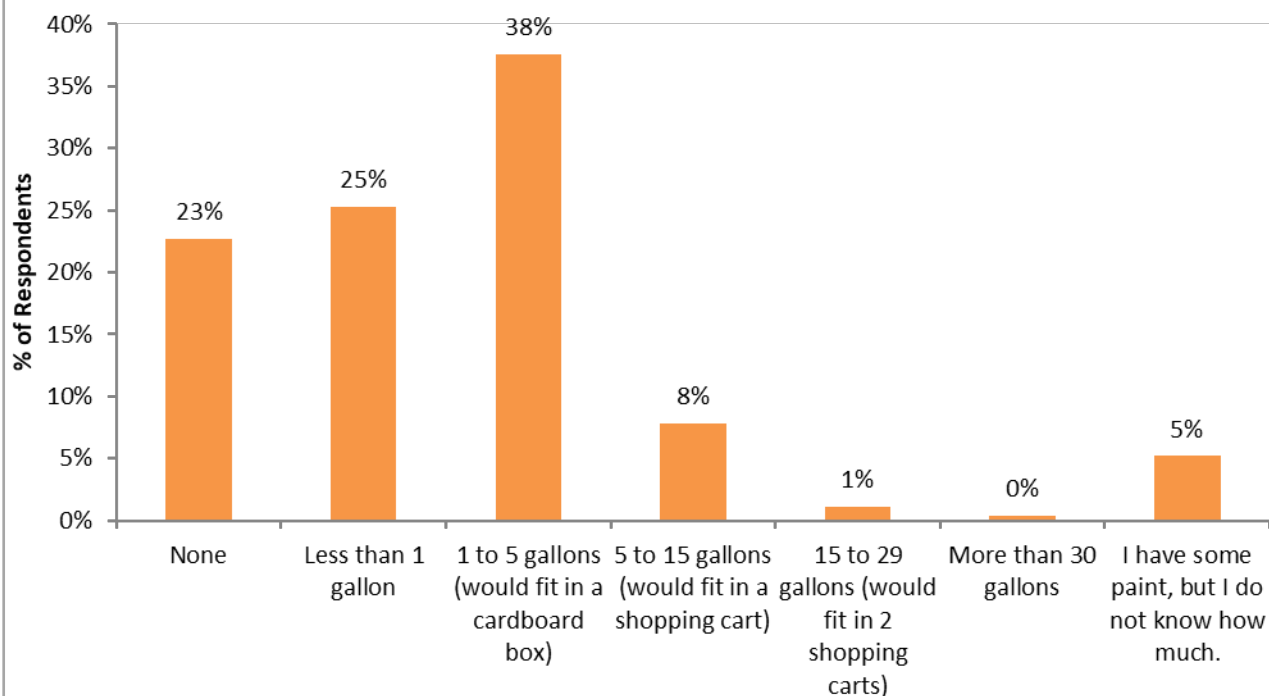


Connecticut Highlights

- ❖ 23% of respondents are NOT storing paint at home or at their business. The median amount stored was “1 to 5 gallons.”



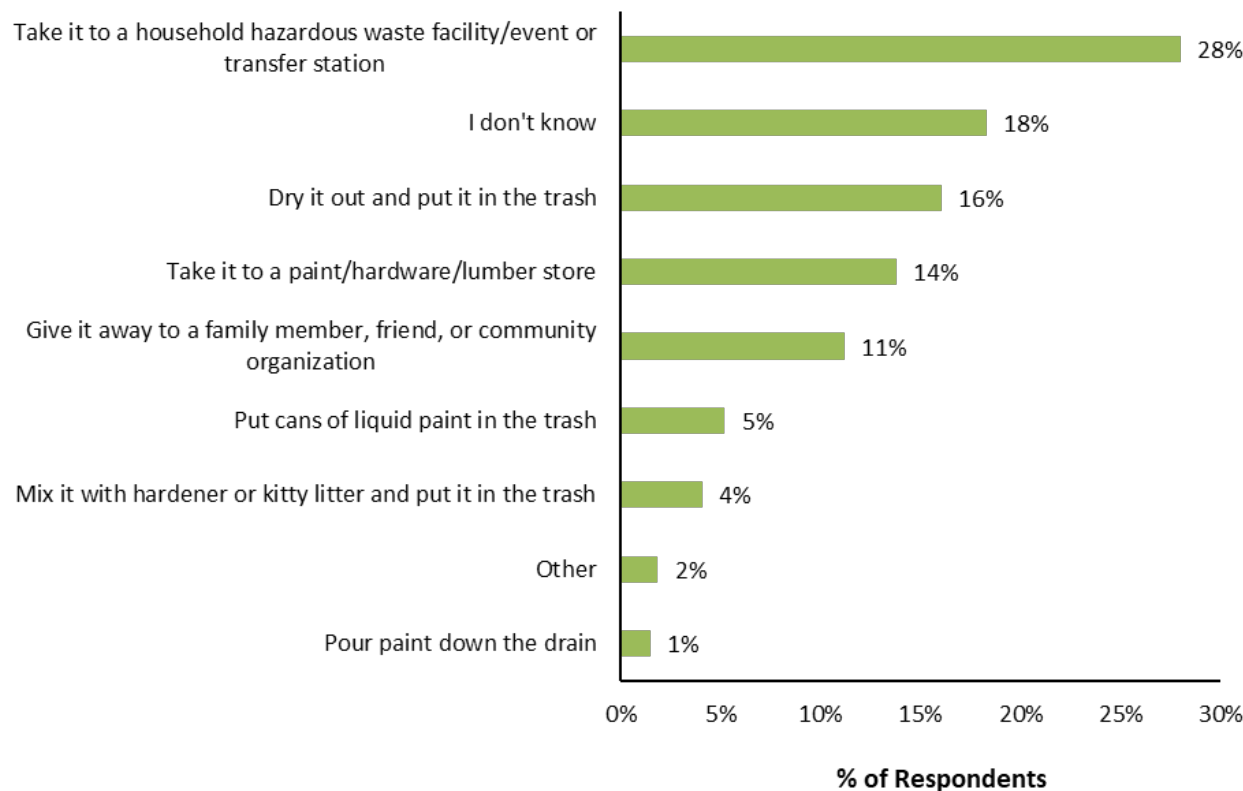
How much leftover or unwanted paint do you have in your home or business at this time (e.g., primer, interior or exterior house paint, stain, deck sealer, or clear finishes like varnish)?



Connecticut Highlights

- ❖ 42% of respondents said they would take unwanted paint to a HHWF or a retail store in the future.
- ❖ Only 6% said they would put liquid paint in the trash or pour it down the drain.

If you wanted to get rid of unwanted paint in the near future, what would you most likely do with it?

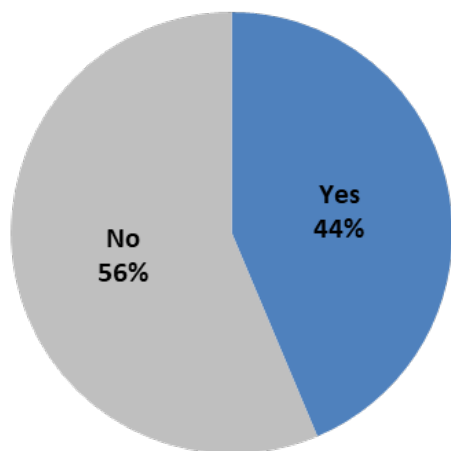


Other Disposal Methods
google what to do with it
nearby
I didn't know hardware stores would take it back

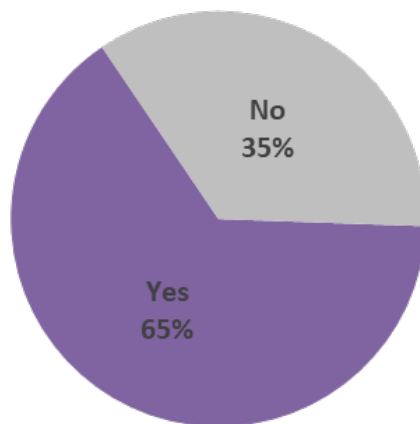
Connecticut Highlights

- ❖ 44% of respondents knew that paint can be recycled.
- ❖ Of those, 65% knew where to take it; 56%, about the fee added to paint purchases.

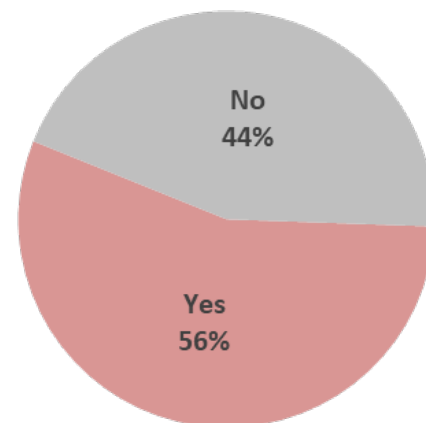
Prior to this survey, did you know that paint can be recycled?



If you wanted to take paint somewhere to be recycled, do you know where to take it?



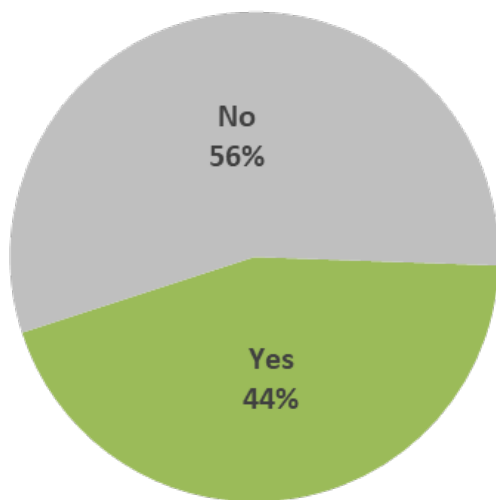
Are you aware that when you buy paint in your state, there is a small fee added to the price to pay for a program to recycle any leftover paint you have?



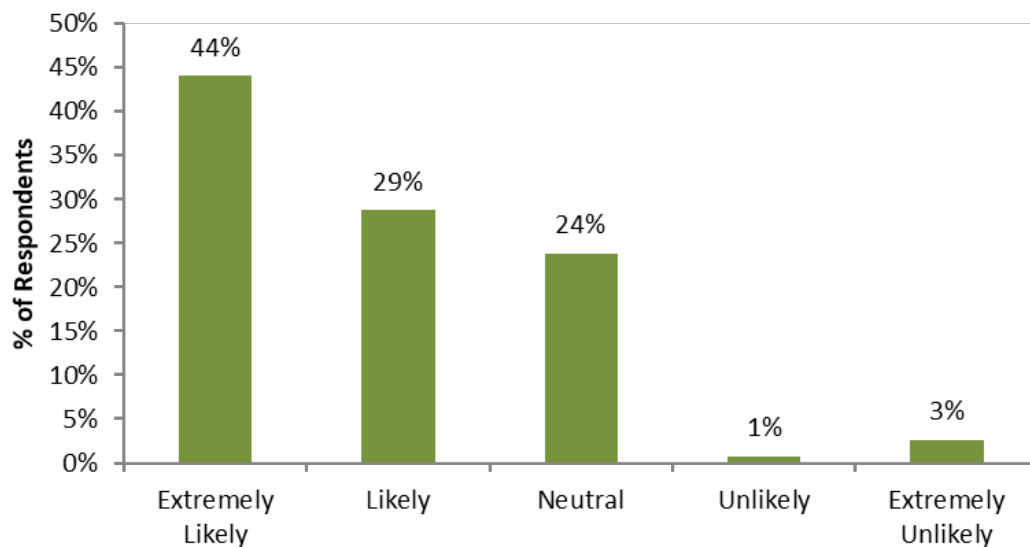
Connecticut Highlights

- ❖ Of those who knew that paint could be recycled, 44% have taken paint somewhere to be recycled in the past.
- ❖ 73% said they would be likely to recycle paint in the future.

Have you ever taken paint somewhere to be recycled?



How likely will you recycle next time you have paint to dispose?



What would be your personal motivation for recycling your leftover paint in the future?

Environmental reasons	I don't want to pour it out anywhere that could hurt the environment
It's the rite thing to do and now I know how and were to go	seems like right thing to do
Most of the times when I hear a good idea I run with it	Keeping my child happy as I try and save the planet
saving the planet	Out of basement
Save our planet	Ensure that it does not go down drains.
To keep chemicals away from nature	I would rather recycle anything rather than throw it away.
I would recycle oil based paints	Protecting the earth
to get rid of it and not have it hanging around	We would love to recycle any products that we have in our house. Recycling paint is an excellent idea and I'd be happy to participate.
I'd like to leave the earth a bit healthier for my children.	TO GET RID OF THE PAINT
To use again	Knowing that it could be used instead of throwing it away would motivate me.
Clean enviroment	More informed
Not to keep it home	Keeping it out of the landfill/groundwater
Do not want to waste the product since it came from resources. Do not know where trashed paint ends up so better for environ. if can be used again	it is beneficial to the environment and safety issue
Good for nature. No wastage	Easy and free to do
Avoid creating more waste.	I always recycle paint. I go to our transfer station weekly for trash and recycling and bring paint when I need to get rid of it.
believe in recycling and protecting nature	I consider myself somewhat a "green" person and like to do things like recycling to help the environment. I recycle cans, glass, paper and cardboard. I have also brought paint to be recycled to Sherwin Williams, a paint recycling collection point here. I brought paint from my friends and neighbors too, in order to avoid it getting in the waste stream.
Doing what is best for the environment and not wasting things	its the right thing to do. recycle
To return my extra money they charge when I bought the paint.	I am a wastewater engineer, and I know firsthand the problems that arise from people dispose of paint improperly down the drain. Similarly paint should not be incinerated without the proper controls
Saving the planet	Maybe cheaper costs
to help make the world better	Preserve the environment, ecological reasons
help the environment. The paint store took our old paint and they said it was to be recycled	I would be very motivated.
easy way to get rid of unwanted paint	Safer
It is not good for the environment and I don't want to contribute to that.	not letting the paint getting to the wrong place and adding to pollution or destruction
Recycling. cut down on pollution	probably better for the environment. Also - if it could be used by someone else - even better.
Dont wanna contribute to pollution.	Money
I don't like the idea of being thrown away if it can be reused in the future	I recycle what ever I can
so I don't leave any hazardous waste behind or dispose of it that isn't environmentally safe	It is a small step I can take to leave my small corner of the world a healthier place.
get rid of it properly	You should make an effort to recycle or reuse everything. I usually use all my paint, but what I don't use could and should be recycled.
1. keep environment safe	Paint is harmful to watersheds and instead of making more I would want to recycle it to help out
2. glad that paint can be recycled and re-used	