



## Oregon Paint Stewardship Program

# *Six Month Report July – December 2013*

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## EXECUTIVE SUMMARY

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PaintCare is the representative stewardship organization of the Oregon Architectural Paint Stewardship Program, as set forth by Chapter 459A, Reuse and Recycling, Subsection 820-855 of the 2013 Oregon Laws. That Paint Stewardship Law provides for the establishment of a permanent statewide paint stewardship program, managed by a stewardship organization, to accomplish the following:

1. Establish an environmentally sound and cost-effective architectural paint stewardship program;
2. Undertake responsibility for the development and implementation of strategies to reduce the generation of post-consumer architectural paint;
3. Promote the reuse of post-consumer architectural paint; and
4. Collect, transport and process post-consumer architectural paint for end-of-product-life management, including reuse, recycling, energy recovery and disposal.

Under the Oregon Paint Stewardship Law, PaintCare must submit an annual report to the Oregon Department of Environmental Quality (DEQ) on April 1 of each year. In July 2013, the Paint Stewardship Law was amended from a July 1 – June 30 reporting year to a January 1 – December 31 reporting year, beginning in 2014. The last PaintCare report covered the period July 1, 2012 – June 30, 2013. This 6 months report covers the period July 1, 2013 – December 31, 2013.

The amended Law also required an updated Program Plan which was submitted to DEQ on January 1, 2014. The Plan follows the specific elements required in the amended statute. Similarly, this 6 month report is written to address the elements required in the amended statute, listed here:

*(a) A description of the methods used to collect, transport, recycle and process postconsumer architectural paint in this state;*

*(b) A calculation of the total volume in gallons of post-consumer architectural paint collected by the program, categorized by latex, alkyd and any other type of paint;*

*(c) For each permanent collection site and collection event under the program: (A) A calculation of the total volume in gallons of post-consumer architectural paint collected at the site or event; (B) The address or, if no address is available, the physical location of the site or event; (C) A description of whether the site or event is: (i) A permanent collection site located at a retailer; (ii) A permanent collection site or collection event for the program located within the local solid waste collection infrastructure; or (iii) A collection event promoted and paid for by a stewardship organization;*

*(d) An estimate of the total weight and disposition of all paint containers collected by the program;*

*(e) The total volume of post-consumer architectural paint collected [in this state] under the program, categorized by method of disposition, including reuse, recycling, energy recovery and disposal;*

*(f) The data, conversion factors and any changes from prior years in the methodology used to complete the*

*analysis required to comply with paragraphs (b) to (e) of this subsection;*

*(g) An independent financial audit of the program;*

*(h) A description of program [costs] revenues and costs for the prior year that follows the budget requirements provided in section 4, chapter 777, Oregon Laws 2009, and that further describes: (A) The total cost of the program during the prior year calculated as a per capita amount for each resident of this state; (B) The cost per gallon of the program during the prior year; (C) The use by the stewardship organization of any revenues from the program during the past year that exceeded the total costs of the program, including a description of the amount held by the stewardship organization in unallocated reserve funds at the end of the reporting period; and (D) If requested by the director, any additional budgetary information necessary for the director to determine whether the stewardship organization must amend the plan under section 5 (1)(d) of this 2013 Act;*

*(i) An updated budget for the next calendar year that follows the budget requirements provided in section 4, chapter 777, Oregon Laws 2009;*

*(j) An evaluation of the operation of the program's funding mechanism;*

*(k) Samples of educational and outreach materials provided to consumers of architectural paint, an evaluation of the methods used to disseminate those materials and an assessment of the effectiveness of the education and outreach, including levels of waste prevention and reuse;*

*(l) Documentation of compliance with the requirements of section 4 (2)(b), chapter 777, Oregon Laws 2009, and section 4 of this 2013 Act;*

*(m) A description of the activities undertaken to achieve, and the progress made toward achieving, the program goals as provided for in the program plan; and*

*(n) Notification to the director of any additional proposed changes to the operation of the program for the following calendar year, or a statement that the stewardship organization intends to continue to implement the program in the manner approved by the director under section 6 of this 2013 Act.*

Highlights of 6 month reporting period include:

- This reporting period ended with 120 active drop-off sites, representing a 20% increase in the number of sites over the previous reporting period.
- The addition of these sites provides access within 15 miles to a site for 95.5% of all Oregon residents, an increase from the previous reporting period.
- The program processed 312,339 gallons of post-consumer paint.
- The cost per resident (pro-rated for 12 months) was \$1.06.
- The cost per gallon was \$6.56.

## SECTION 1. Collection, Transportation and Processing

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459A.842 Reports by stewardship organizations. At a minimum, the report must contain:

(a) A description of the methods used to collect, transport, recycle and process post-consumer architectural paint in this state.

(l) Documentation of compliance with the requirements of 459A.827(2)(b) and 459A.830.

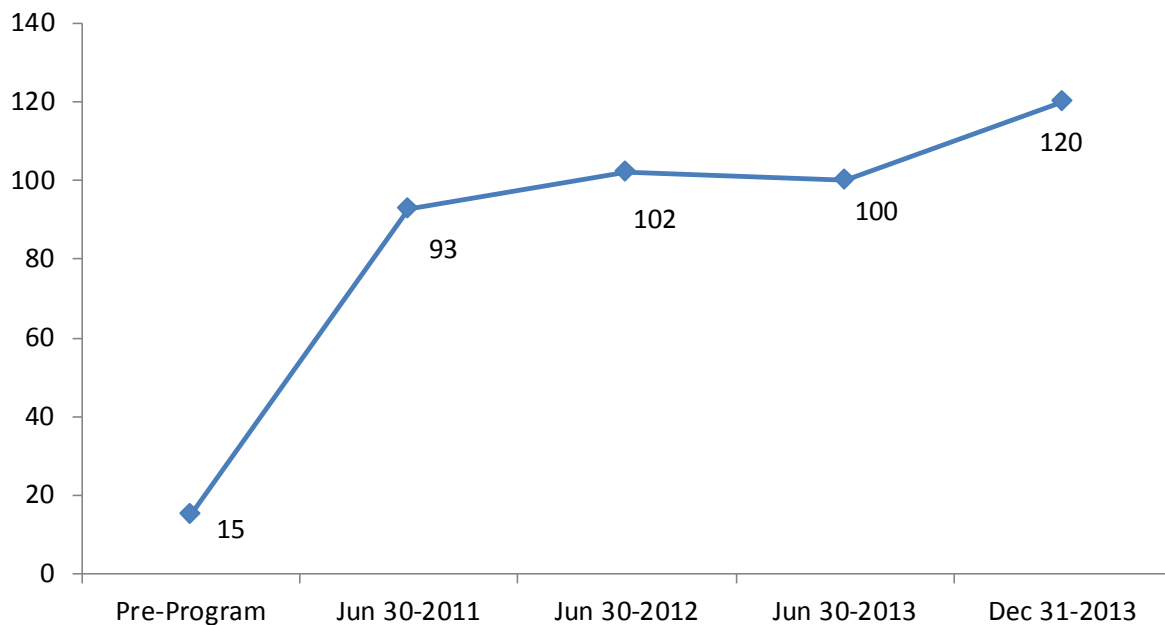
### Collection and Convenience

#### Drop-Off Sites and Events

At the end of 2013, the Oregon PaintCare program had 120 active drop-off sites throughout the state, an increase of 20 sites since the end of the third year of the program (June 30, 2013). Drop-off sites as of December 31, 2013 are listed in Appendix A.

Figure 1 shows the number of drop-off sites prior to the launch of the PaintCare program and at the end of each reporting period through December 2013.

**Figure 1. Permanent Drop-Off Sites**





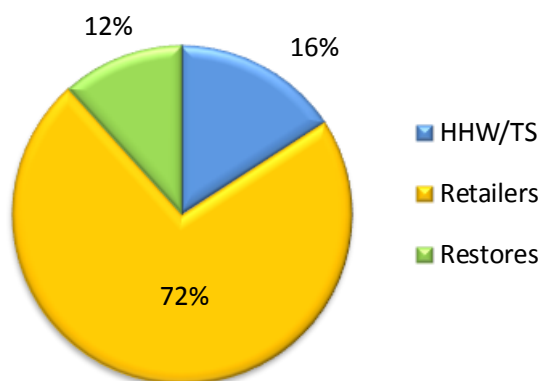
Drop-off sites are predominately retailers, like Colorcraft in Roseburg.

Table 1 summarizes PaintCare’s collection infrastructure at the end of each reporting period, including both permanent facilities and events. It should be noted the PaintCare’s collection infrastructure provides a much greater level of convenience than pre-program collection services comprised primarily of household hazardous waste (HHW) programs with limited hours of operation. The majority of PaintCare drop-off sites are retail stores that are open five or more days per week. Figure 2 shows the number of PaintCare drop-off sites by the following categories: HHW/solid waste facilities, retail stores, and reuse stores (e.g. Habitat for Humanity ReStores).

**Table 1. PaintCare Collection Infrastructure**

<b>Collection Site</b>	<b>Jun 30-2011</b>	<b>Jun 30-2012</b>	<b>Jun 30-2013</b>	<b>Dec 31-2013</b>
HHW & Solid Waste Facilities	15	19	19	19
Retailers	69	71	68	87
ReStores	9	12	13	14
Total Sites	93	102	100	120
<b>Collection Events</b>				
PaintCare-Sponsored	2	6	4	0
HHW/Municipal-Sponsored	57	57	79	30
Total Events	59	63	83	30

**Figure 2. Collection Site Demographics**



In addition to drop-off sites and events, the PaintCare program provided 16 direct pick-ups to 10 commercial and institutional entities, including trade painters, apartment complexes, state universities and other private businesses.

### **Convenience**

At the end of 2013, the 120 drop-off sites resulted in 95.5% of Oregon residents having a drop-off site within 15 miles of their home, with one site for every 31,926 residents. Coverage is determined by independent, third party GIS analysis. An explanation of the process is provided in Appendix B.

Table 2 shows the change in convenience since the start of the program.

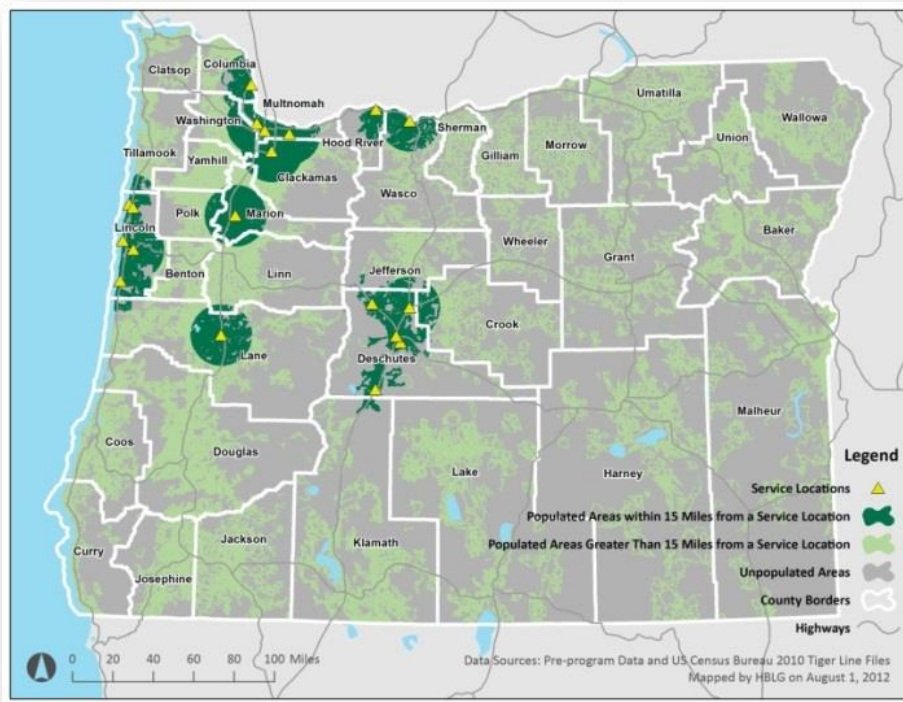
**Table 2. Convenience Year-to-Year**

	Jun 30 2010	Jun 30 2011	Jun 30 2012	Jun 30 2013	Dec 31 2013
Population Living within 15 Miles of a Site	64.7%	93.1%	94.4%	95.0%	95.5%
Change Year Over Year		+28.4%	+1.3%	+0.6%	+0.5%

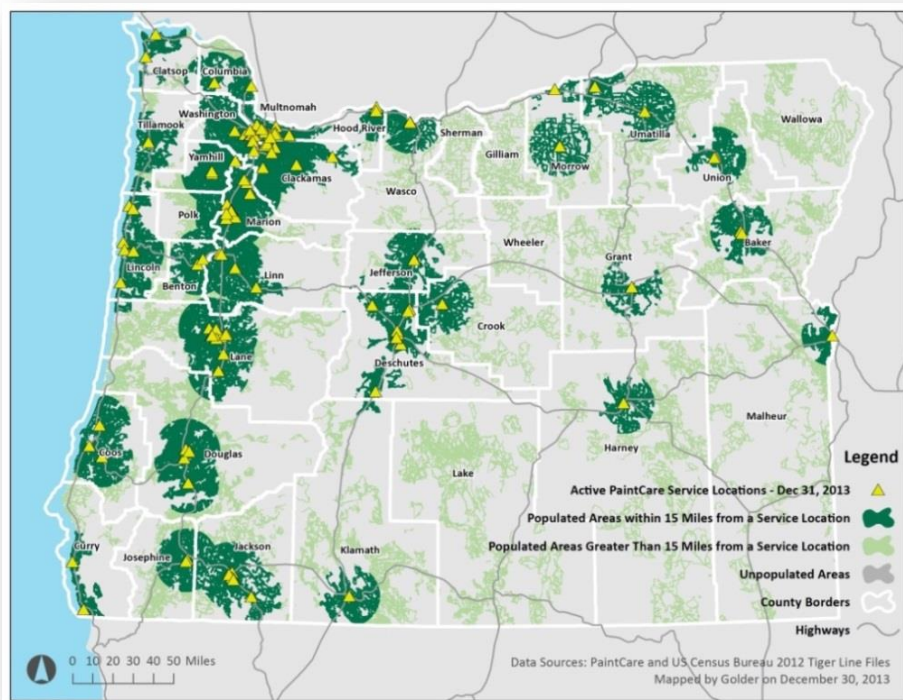
Collection site locations prior to June 30, 2010 (pre-program) and at the end of this reporting period are shown in the following maps. The yellow triangles on the maps indicate the location of a permanent drop-off site. The dark green circles show a 15 mile radius around a drop-off site.



## Paint Drop-Off Sites: Pre-Program



## PaintCare Drop-Off Sites: December 31, 2013





## Collection Procedures

The program enters into collection contracts with all drop-off sites. New sites receive in-store program training and a program procedures manual. The training and program manual cover:

- Program and non-program products
- Acceptable containers
- Whom to accept paint from and how much
- CEG determination and log form
- Proper storage
- Spill response procedures and reporting requirements
- Employee training
- How to schedule a pickup
- Required paperwork and retention schedules

Drop-off site personnel are required to visually inspect, but not open, containers of post-consumer paint to confirm that they are Program Products and then place them in the spill proof collection containers provided by the program. Drop-off sites are visited by the program on a routine basis (generally at least twice per year) to ensure compliance by the site with program requirements, as well with health, safety and environmental standards and/or in response to complaints or compliance issues. There were 86 site visits conducted during this 6 month reporting period.



Collection bins are about 1 cubic yard in volume.

## **Transportation and Processing**

### **Transportation**

As described in the 2011 PaintCare Annual Report, the program continues to utilize the transportation procedures and material tracking systems that were implemented in at the start of the program, including contracting with PSC to provide transportation services to drop-off sites, events and large volume direct pick-ups.

### **Latex Paint Processing**

Metro, Lincoln County Haulers Association (LCHA), Marion County and PSC continued to provide recycling and latex paint management services to the program.

As described in the 2011 PaintCare Annual Report, Metro collects latex paint from its two fixed HHW facilities and events in the Portland metropolitan area. Metro also receives latex paint collected by PSC from statewide drop-off sites. Under the agreement with Metro, recyclable latex paint is made into new recycled-content latex paint and sold or distributed through a variety of channels. Any latex paint processed at the Metro paint facility that is not of suitable quality or useful color to recycle back into paint is used for biodegradation, a process used to extract gas from landfills. For more information about this process, please refer to the 2011 PaintCare Annual Report. It should also be noted that the market for recycled-content paint, particularly for less popular colors, may vary from year to year.

Latex paint collected outside the Portland Metro area and deemed unsuitable for recycling at Metro is sent by PSC to Amazon Environmental. Amazon recycles this material into recycled-content paint and a biomass fuel product. For more information about the biomass fuel product, please refer to the 2011 PaintCare Annual Report.

Latex paint collected in Lincoln County by members of the LCHA is segregated into good, recyclable paint and poor quality, non-recyclable paint. Recyclable paint is made into recycled-content paint and sold locally. Unsold recycled-content and non-recyclable paint (and alkyd paint) is transported back to PSC's consolidation facility and managed through PSC and Metro.

Similarly, recyclable latex paint collected by Marion County is processed into recycled-content paint and given away locally for free. Non-recyclable latex paint (and alkyd paint) is sent to the County's incinerator for energy recovery.

### **Alkyd Paint Processing**

PSC continues to be the primary service provider for alkyd paint. With the exception of Marion County, PSC services the entire state for alkyd paint management, including Metro. All alkyd collected by PSC goes for fuel blending. Alkyd (along with unusable latex paint) collected by Marion County is utilized for energy recovery at Marion County's incinerator in the City of Brooks.

**Reuse**

Metro runs an alkyd paint reuse program under contract for the PaintCare program. In addition, PaintCare partners with 14 reuse stores to facilitate latex and alkyd paint reuse. Under this program, good, usable paint in its original container is offered back to the public either for free or for a discounted price. Collection sites with reuse programs report the gallons they distributed to the public to PaintCare. However, to be conservative, PaintCare only reports 75% of the volume reported by the drop-off sites to account for the fact that not all paint containers are full.

**Container Recycling**

When feasible, plastic paint pails and metal cans from Metro and Amazon's operations continue to be sent for recycling.

## SECTION 2. Collection Volume and Disposition Methods

459A.842 Reports by stewardship organizations. At a minimum, the report must contain:

(b) A calculation of the total volume in gallons of post-consumer architectural paint collected by the program, categorized by latex, alkyd and any other type of paint.

(c) For each permanent collection site and collection event under the program:

(A) A calculation of the total volume in gallons of post-consumer architectural paint collected at the site or event;

(B) The address or, if no address is available, the physical location of the site or event; and

(C) A description of whether the site or event is:

(i) A permanent collection site located at a retailer;

(ii) A permanent collection site or collection event for the program located within the local solid waste collection infrastructure; or

(iii) A collection event promoted and paid for by a stewardship organization.

(d) An estimate of the total weight and disposition of all paint containers collected by the program.

(e) The total volume of post-consumer architectural paint collected under the program, categorized by method of disposition, including reuse, recycling, energy recovery and disposal.

(f) The data, conversion factors and any changes from prior years in the methodology used to complete the analysis required to comply with paragraphs (b) to (e) of this subsection.

### Collection Volumes by Type and Site/Service

A total of 312,339 gallons of paint was collected during this six month reporting period. Table 3 show the volume of post-consumer architectural paint collected in each reporting period since the start of the program.

**Table 3. Gallons of Paint Collected by Type and Reporting Period**

	Jun 30-2011		Jun 30-2012		Jun 30-2013		Dec 31-2013	
	Gallons	Percent	Gallons	Percent	Gallons	Percent	Gallons	Percent
Alkyd	117,529	25	150,578	26	162,108	28	99,715	32
Latex	352,136	75	420,227	74	418,585	72	212,624	68
Total	469,665	100	570,805	100	580,693	100	312,339	100

As noted previously, there were 120 active drop-off sites at the end of this reporting period. Appendix A provides the name, address, type of facility, and collection activity reported by the number of totes (cubic yard box) of paint collected at each site. Because the volume of paint recovered in a tote can vary significantly, PaintCare and DEQ have agreed that reporting the

number of totes collected per site is sufficient to provide for a picture of collection activity at a particular site and to allow for year-to-year comparisons.

It's important to note that all volumes are approximate and subject to rounding errors because a conversion factor must be applied to convert not only the weight of the full collection containers to volumes, but also to provide an estimate of the amount of paint in those containers (since not all collection containers are completely full). PSC sampled 10% of collection containers to determine the average volume per collection container by type and size. However, due to the complexity of measuring volume and the application of conversion factors, the total number of gallons attributed to the collection systems may not match the total program gallons reported. For this reporting period, results show a discrepancy of 25% and an estimate of 52.8 gallons per collection container. For the 2013 Report, the discrepancy was 37% and an estimate of 50.6 gallons per collection container. Additionally, the conversion factors differ from last year because the sample amounts of volume per container differed from last year. In addition to paint that is collected at drop-off sites and managed downstream by PSC and Metro, paint is processed on-site by Lincoln County Haulers Association, Marion County and Metro. This volume is provided in Appendix A. Also in Appendix A is the volume collected at HHW events (in bins), large volume pick-ups (in bins), and reuse (in gallons).

### Paint Disposition

As described in Section I of this report, latex paint is processed into recycled-content paint, used for landfill biodegradation, given away or sold in a reuse program, and used for energy recovery either directly or as a biomass product. Alkyd paint is primarily used for energy recovery, with a small volume given away or sold through reuse programs.



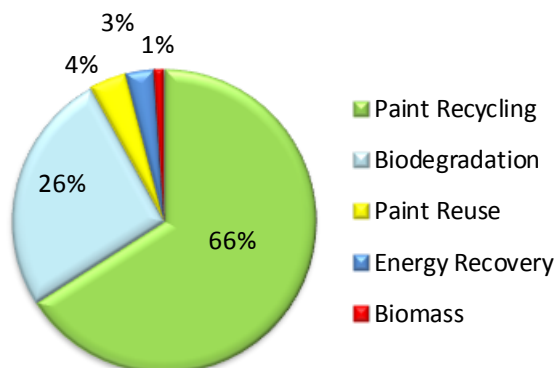
5 gallon buckets of recycled paint at Metro are sold or distributed through local outlets.

Table 4 and figures 3 and 4 on the following page illustrate paint disposition during this reporting period.

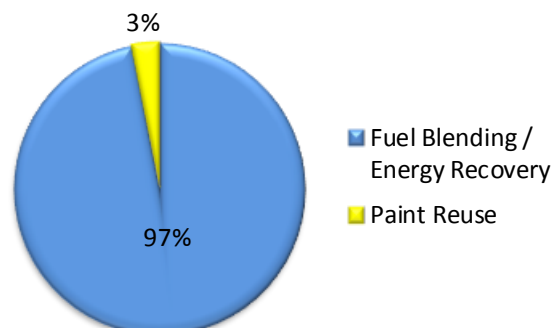
**Table 4. Summary of Paint Disposition Method by Percentage by reporting year**

	Jun 30 2011 Percent	Jun 30 2012 Percent	Jun 30 2013 Percent	Dec 31 2013 Percent
<b>Latex</b>				
Paint to Paint Recycling	57	72	64	66
Biodegradation	28	15	24	26
Paint Reuse	3	3	5	4
Energy Recovery	0	4	5	3
Biomass	4	6	2	1
Cement Additive	8	-	-	-
Total	100	100	100	100
<b>Alkyd</b>				
Fuel Blending/Energy Recovery	97	98	96	97
Paint Reuse	3	2	4	3
Total	100	100	100	100

**Figure 3. Latex Disposition**



**Figure 4. Alkyd Disposition**



## Container Recycling

As described in Section I of this report, plastic paint pails and metal cans from Metro and Amazon's operations continue to be sent for recycling when feasible. During this 6 month reporting period, the program recycled 23.7 tons of plastic paint containers and 42.2 tons of metal cans.

## SECTION 3. Financial Summary, Independent Audit, and Program Budget

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*459A.842 Reports by stewardship organizations. At a minimum, the report must contain:*

*(g) An independent financial audit of the program.*

*(h) A description of program revenues and costs for the prior year that follows the budget requirements provided in ORS 459A.827 and that further describes:*

*(A) The total cost of the program during the prior year calculated as a per capita amount for each resident of this state;*

*(B) The cost per gallon of the program during the prior year;*

*(C) The use by the stewardship organization of any revenues from the program during the past year that exceeded the total costs of the program, including a description of the amount held by the stewardship organization in unallocated reserve funds at the end of the reporting period; and*

*(D) If requested by the director, any additional budgetary information necessary for the director to determine whether the stewardship organization must amend the plan under ORS 459A.835 (1)(d).*

*(i) An updated budget for the next calendar year that follows the budget requirements provided in ORS 459A.827.*

*(j) An evaluation of the operation of the program's funding mechanism.*

### Independent Financial Audit

An independent financial audit was conducted of the PaintCare program by Rogers & Company PLLC. This independent CPA firm conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that the firm plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 December 31, 2013, and the changes in its net assets and its cash flows for the six months then ended in conformity with accounting principles generally accepted in the United States of America.

Please see Appendix C for the independent financial audit of the PaintCare program.



## Program Revenue and Costs

### Revenue

Total revenue for the Oregon program was \$2,213,829 during the six month reporting period, which was adequate to cover the total expenses for the program. Total architectural paint containers sold in Oregon were 2.6 million, equating to a total volume of over 3.9 million gallons of paint. As in previous years, the container size representing the largest share of revenue was the one-gallon container.

Table 5 shows the total number of containers and corresponding revenue for each container size category.

**Table 5. Paint Sales Revenue July-December 2013**

Container Size	Containers	Gallons	Revenue
Half pint or less	33,539	2,096	-
More than half pint to less than 1 gallon	534,142	133,536	186,950
1 gallon	1,619,386	1,619,386	1,214,527
More than 1 gallon to 5 gallons	445,805	2,229,023	713,264
Total	2,632,872	3,984,041	\$ 2,114,741

### Expenses

- Paint collection, transportation and processing costs (collectively termed Operations for the purpose of the Oregon budget) are the most significant expenses of the program. Collection costs include training materials for sites, site securement (e.g. fencing), spill kits and other miscellaneous supplies needed to maintain operations. Transportation costs include money paid to PSC and Metro to pick up bins of Program Products from drop-off sites and deliver them to their own sites, recyclers or disposal facilities. Processing costs include sorting, recycling, and proper disposal.
- Communications expenses include advertising and promotional materials to increase program visibility through education and outreach.
- State agency administrative fees are paid to the Oregon DEQ annually. A fee of \$10,000 for program oversight to cover this 6-month reporting period was paid in advance during the previous reporting period.
- Administrative costs (as defined by the Oregon DEQ) includes overhead expenses for operating the program such as in-state personnel, travel, auditing, legal, insurance, and other administrative services and supplies along with the portion of PaintCare corporate expenses allocated to the Oregon program. [Note: Oregon's definition of administrative costs is distinct from how PaintCare defines it in its other states. In other states, PaintCare categorizes costs as direct (operations) or indirect (administrative). Direct costs include all in-state operational expenses including paint management costs, in-state staffing, and legal fees. Indirect costs (also referred to as administrative expenses) are costs that do not

directly benefit the state program, but are indirectly beneficial to the state program such as corporate staffing, company-wide auditing, and general communications.]

Table 6 summarizes program expenses for this reporting period.

**Table 6. Program Expenses July-December 2013**

<b>Program Expenses</b>	
Operations	1,713,656
Communications	116,626
DEQ Administrative Fee	0
Administrative Costs	218,820
Total	\$ 2,049,102

## Surplus

To illustrate program surplus, Table 7 summarizes program revenue and expenses.

**Table 7. Financial Summary July-December 2013**

<b>Revenue</b>	
Recovery fees	2,114,741
Other	99,088
Total revenue:	2,213,829
<b>Expenses</b>	
Total expenses:	\$ 2,049,102
Total change in net assets	164,727
Net assets, beginning of year	944,952
Net assets, end of year	\$ 1,109,679

The net assets (or “accumulated surplus”) of the Oregon program on June 30, 2013 was \$944,952. During this reporting period, the change in net assets increased by an additional \$164,727, resulting in a balance of net assets on December 31, 2013 of \$1,109,679.

PaintCare has adopted a policy to maintain net asset balances in each state program equal to three months (1 operating quarter) of expenditures. This accumulated balance allows PaintCare programs to continue to operate in times of either high post-consumer paint collection or low retail paint sales – or in a combination of the two. For the Oregon state program, this targeted balance is roughly \$1 million.

At the end of 2013, the Oregon program has reached the target balance. In the third Annual Report, PaintCare noted that once the target balance is reached, we will determine whether to increase certain expenditures, such as outreach and communications, or whether to reduce the assessment fees, or to implement a combination of the two. However, because the revised legislation supporting the permanent program requires an increase in the number of drop-off sites (as compared to the number of sites on June 30, 2013) by approximately 30% through its revised convenience standard that includes “one permanent collection site exists for every 30,000 residents in this state,” PaintCare will revisit this issue once it has evaluate the increased cost of a larger program as part of its decision regarding the current net asset balance.

Table 8 presents costs per capita (using the US Census Bureau’s 2010 Oregon population of 3,831,074) and cost per gallons.

**Table 8. Program Metrics July-December 2013**

	<b>6 Month Period</b>	<b>Pro-Rated for 12 Months</b>
<b>Cost per Capita</b>	\$ 0.53	\$ 1.06
<b>Cost per Gallon</b>	\$ 6.56	

### **Program Budget for Calendar Year 2014**

The budget for the next reporting period, calendar year 2014, is summarized in Table 9 and is the same as the budget presented in the revised Program Plan.

**Table 9. Calendar Year 2014 Budget**

<b>Revenue</b>	
Recovery fees	\$ 4,045,000
Total revenue:	4,045,000
<b>Expenses</b>	
Operations	3,482,592
Communications	300,000
DEQ Administrative Fees	50,000
Administrative Costs	254,902
Total expenses	\$ 4,087,494
Unallocated Reserve Funds	(42,494)

## Evaluation of the Operation of the Program's Funding Mechanism

As described in the PaintCare Oregon Program Plan, the program utilizes the assessment rates (aka "PaintCare Recovery Fee") shown in Table 10.

**Table 10. PaintCare Recovery Fee**

<b>Container size</b>	<b>Fee per container</b>
Half pint or less	\$ 0.00
More than half pint to less than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
More than 1 gallon to 5 gallons	\$ 1.60

As in previous years of the program, the assessment rate and system established to receive payments from manufacturers has continued to perform well for the program through the end of 2013.

## SECTION 4. Education and Outreach

459A.842 Reports by stewardship organizations. At a minimum, the report must contain:

(k) Samples of educational and outreach materials provided to consumers of architectural paint, an evaluation of the methods used to disseminate those materials and an assessment of the effectiveness of the education and outreach, including levels of waste prevention and reuse.

This section describes PaintCare's outreach and education efforts in Oregon during the reporting period. Samples of outreach materials are included in Appendix D.

### Educational Materials Provided to Consumers

#### Point of Sale Materials

PaintCare redesigned the Oregon Point of Sale Print materials to match the look, feel and tone of the PaintCare brand develop for all PaintCare states. A packet of new materials was mailed to more than 500 paint retailers in Oregon in October 2013 along with a form for re-ordering additional materials and an additional piece called "Highlights." Retailers may also request a brochure holder for the counter.

Program materials are often delivered to PaintCare Sites during site visits, but any retailer or interested party may order additional materials using the form and returning it via email, fax or regular mail. Orders are taken throughout the year and sent out within 2-3 days of placement. Orders may also be placed by phone through PaintCare's hotline.

Original Counter Card



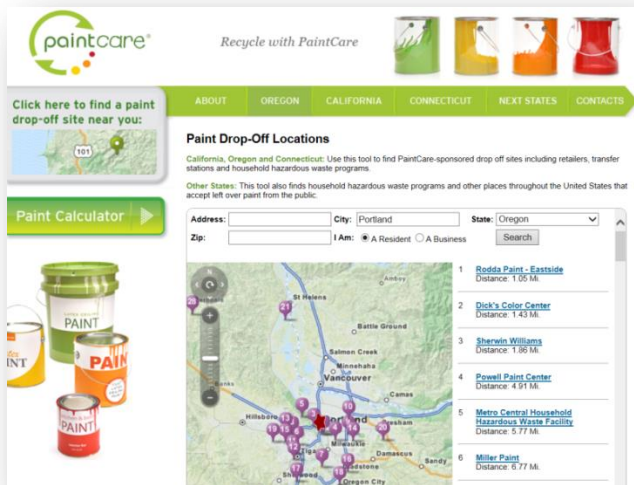
New Trifold Brochure and Mini-Card



## Other Outreach and Advertising

### Website

PaintCare's website ([www.paintcare.org](http://www.paintcare.org)) includes information on all aspects of the program. PaintCare's "site locator" is kept up to date and provides a search engine for finding the closest PaintCare site by zip code, city or street address.



PaintCare's site locator tool can be used to find the PaintCare drop-off site closest to any zip code, city, or street address.

### Toll Free Number: 855-PAINT09 (855-724-6809)

PaintCare's toll free number is used on all promotional materials and is answered by a PaintCare employee in Washington, D.C., Monday-Friday, 7am-2:30pm Pacific Time.

### Earned Media

PaintCare did not distribute any specific press releases during the report period; however the program was the following coverage following news items following passage of the legislation making the program permanent.

Date	Media	Outlet	Title
7.31.13	Online	Sustainable Life	Oregon expands its pioneering paint recycling program
8.4.13	News	Register Guard	Paint Recycling gets a boost
8.17.13	News	Curry Coastal Pilot	Free household hazardous waste collection offered
8.21.13	News	Lake County Examiner	Oregon Paint Collection Program Bolstered by Bill Passage
8.31.13	Radio	FM News 101	Handyman Bob interview (with Roy Weedman, program manager)

## Radio Advertising

PaintCare purchased a variety of radio advertising during the year.

- Commercial English Radio: PaintCare continued to use a radio ad of a couple talking about wishing to free up space in their garage by taking unwanted paint to a drop-off site. This ad was aired 1533 times on 18 stations over a 4 month period starting in July 2013.
- Spanish Radio: Starting in April, PaintCare continued advertising on eight Spanish radio stations (786 airings).
- Public Radio: PaintCare continued sponsorship messages on 25 stations Oregon Public Radio (32 airings).

## Newspaper Advertising

August-October PaintCare ran monthly in 30 newspapers; the ads listed the paint drop-off sites in or near the newspaper's market. A sample ad is shown here:

**Recycle with PaintCare**

Do you know what to do with leftover cans of paint? With PaintCare, recycling unwanted paint is simple and convenient. Just bring it to your local drop-off site and we'll take it from there.

**MILLER'S HOME CENTER & LUMBER**  
3815 Pocahontas Rd  
Baker City, OR 97814  
Mon-Fri 7:30-5:30, Sat 7:30-5, Sun 9-4  
(541) 523-6404

**THATCHER'S ACE HARDWARE**  
2001 2<sup>nd</sup> St  
Baker City, OR 97814  
Mon-Fri 7-6, Sat 8-6, Sun 10-4  
(541) 523-3371



[www.paintcare.org](http://www.paintcare.org)

Thanks to our local drop-off sites, it's easy to recycle our paint!

Leaking, unlabeled and empty containers are not accepted. Sites have limits; please call ahead to check hours and whether the site can accept your amount of paint. For other sites: [www.paintcare.org](http://www.paintcare.org) or 855-724-6809.

The advertisement features a man and a woman sitting on a white tarp with several paint cans between them. A speech bubble from the woman says, "Thanks to our local drop-off sites, it's easy to recycle our paint!". The background is a simple, light-colored surface.

## Miscellaneous

PaintCare's Oregon manager continued a monthly email newsletter to keep retailers informed about the program.



- PaintCare selected a new outreach firm. A Request for Qualifications was initially distributed in July. Only a few firms responded, so PaintCare redistributed the RFQ again in October. PaintCare then interviewed six Portland-based firms. Magneto Brand Advertising of Portland was selected to manage outreach starting in 2014.
- Large Volume Pick-Up Service. Outreach to businesses with more than 300 gallons of program products began during the report period. A new factsheet to promote this service is distributed through drop-off sites, made available to any paint retailers upon request, and posted on PaintCare's website. Although this service is used mostly by businesses, it is also available to households.

### **Activities Postponed**

In the previous Annual Report, PaintCare indicated that it would conduct the following activities in the Fall of 2013; however they were not completed during the report period. These activities have been postponed to 2014.

- Website redesign: Although the PaintCare website continues to be updated, the launch of the new design has been delayed until May 2014.
- Targeted outreach to real estate agents, banks, foreclosure specialists and property managers has also been delayed and will be conducted in 2014 with the new outreach firm and to leverage similar activities being developed in California.

### **Survey and Evaluation**

PaintCare carried out a survey of Oregon residents in 2011 and 2012. In accordance with the first Program Plan, the previous survey included questions about awareness of the fees. The survey population was selected based on those who recently purchased paint and their awareness of paint drop-off sites, fees, and PaintCare.

In June 2013, a new online survey was developed and conducted through Survey Monkey an online surveying company. The audience of the June 2013 survey was 124 randomly selected people representing the general adult population of Oregon, not just paint purchasers, because PaintCare knows that even those who do not purchase paint or have not purchased paint recently could have old, unwanted paint in their home. The survey was repeated with a random selection of 264 people in December 2013 and an abbreviated summary of the results is included in Appendix E.

The difference between the results of the two surveys conducted 6 months apart show modest increases in general awareness and of paint recycling opportunities (both at HHW program and paint stores), that people may be storing less paint at home, and that more people know that paint can be recycled. PaintCare intends to repeat this survey at least annually and use the survey for the next few years to evaluate the effectiveness of its educational efforts.

## **SECTION 5. Analysis of the Environmental Costs and Benefits of Collecting and Recycling Latex Paint**

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The Life Cycle Assessment of environmental costs and benefits was completed in 2011. Please refer to the 2011 PaintCare Annual Report for the study and results.

## Appendix A

## Oregon PaintCare Drop-Off Sites (Jul-Dec 2013)

Types: Retail or Restore [R], Transfer Station Only [T], HHW Only [H], Transfer Station with HHW [TH]

County	Name	Street Address	City	Type	ID	Start	Bins	Notes
Baker	Miller's Home Ctr & Lumber	3815 Pocahontas Rd	Baker City	R	OR1032	7/10/10	5	
	Thatcher's Ace Hardware	2001 Second St	Baker City	R	OR1042	7/10/10	12	
Benton	Habitat for Humanity ReStore	4840 SW Philomath Blvd	Corvallis	R	OR1028	7/10/10	36	
	Sherwin-Williams	2495 NW Ninth St	Corvallis	R	OR1037	7/10/10	37	
Clackamas	Estacada True Value	310 S Main St	Estacada	R	OR1052	8/9/10	6	
	Habitat for Humanity ReStore	411 S Redwood St	Canby	R	OR1117	9/15/13	2	
	Metro HHW Facility	2001 Washington St	Oregon City	TH	OR1010	7/1/10	173	Outbound oil-based paint only
	Miller Paint	10210 SE Hwy 212	Clackamas	R	OR1059	8/17/10	93	
	Miller Paint	544 N State St	Lake Oswego	R	OR1053	8/9/10	46	
	Sherwin Williams	11475 SE 82nd	Clackamas	R	OR1125	12/13/13	0	
	Sherwin Williams	15659 Boones Ferry Rd	Lake Oswego	R	OR1131	12/9/13	0	
	Sherwin Williams	18090 SE McLoughlin Blvd	Milwaukie	R	OR1129	12/13/13	0	
	Welches Mountain Bldg Supply	67250 E Highway 26	Welches	R	OR1107	6/29/12	7	
Clatsop	City Lumber Co.	2142 Commercial St	Astoria	R	OR1077	12/6/10	22	
	Sherwin-Williams	3527 Highway 101 N	Gearhart	R	OR1038	7/10/10	54	
Columbia	Columbia County HHW & TS	1601 Railroad Ave	Saint Helens	TH	OR1047	7/26/10	58	
	Vernonia Hardware & Supply	1026 Bridge St	Vernonia	R	OR1044	7/10/10	3	
Coos	Bayshore Paint	1026 N Bayshore Dr	Coos Bay	R	OR1002	7/1/10	46	
	Beaver Hill Disposal Site	55722 Highway 101	Coos Bay	T	OR1061	9/2/10	22	
	Coquille Supply Inc	10054 Highway 42	Coquille	R	OR1115	11/13/13	0	
Crook	Crook County	110 SW Landfill Rd	Prineville	TH	OR1083	4/26/11	24	
	Parr Lumber	601 N Main St	Prineville	R	OR1015	7/1/10	8	
Curry	Gold Beach Lumber	28680 Hunter Creek Loop	Gold Beach	R	OR1076	11/29/10	6	
	Kerr Ace Hardware	711 Chetco Ave	Brookings	R	OR1006	7/1/10	13	
Deschutes	Deschutes Co. HHW / Recycling	61050 SE 27th St	Bend	TH	OR1048	7/26/10	203	
	Habitat for Humanity ReStore	740 NE First Ave	Bend	R	OR1080	1/31/11	34	
	LaPine Ace Hardware	51615 Huntington Rd	La Pine	R	OR1029	7/10/10	27	
	Lutton's Ace Hardware	373 E Hood Ave	Sisters	R	OR1031	7/10/10	24	
	Habitat for Humanity ReStore	1242 Hwy 97 S	Redmond	R	OR1035	7/10/10	47	

Deschutes (continued)	Rodda Paint and Decor	63007 Layton Ave	Bend	R	OR1018	7/1/10	8
	Sherwin-Williams	125 NE Franklin Ave	Bend	R	OR1039	12/31/13	0
	Sherwin-Williams	20515 Cooley Rd	Bend	R	OR1056	8/13/10	34
	Sherwin-Williams	2835 SW 17th Pl	Redmond	R	OR1065	9/8/10	17
	Standard Paint & Flooring	253 NE Greenwood Ave	Bend	R	OR1070	9/9/10	9
Douglas	Colorcraft Paint	2646 NE Diamond Lake Blvd	Roseburg	R	OR1114	9/19/13	6
	Del's True Value	102 S Old Pacific Hwy	Myrtle Creek	R	OR1106	6/22/12	3
	Heartwood Resources	3495 Old Hwy 99 S	Roseburg	R	OR1092	6/13/11	4
	Sherwin-Williams	287 NW Garden Valley Blvd	Roseburg	R	OR1019	7/1/10	43
Grant	John Day True Value	161 E Main St	John Day	R	OR1005	7/1/10	6
Harney	Parr Lumber	1 S Broadway Ave	Burns	R	OR1016	7/1/10	4
Hood River	Hometown Paint Design Ctr	1737 W Cascade Ave	Hood River	R	OR1103	9/29/11	6
	Tri County HHW Facility	3440 Guignard Dr	Hood River	H	OR1045	7/21/10	20
Jackson	Drake's Paint & Supply	2929 N Pacific Hwy	Medford	R	OR1078	12/9/10	43
	Habitat for Humanity ReStore	2233 S Pacific Hwy	Medford	R	OR1102	9/15/11	39
	Miller Paint	2205 Ashland St	Ashland	R	OR1011	7/1/10	45
	Miller Paint	803 S Central Ave	Medford	R	OR1012	7/1/10	42
	Parr Lumber	1231 Disk Dr	Medford	R	OR1082	3/18/11	3
	Sherwin Williams	1361 Center Dr Ste 110	Medford	R	OR1120	12/11/13	0
	Sherwin-Williams	2220 Ashland St	Ashland	R	OR1119	12/11/13	0
	Sherwin-Williams	2560 Crater Lake Hwy	Medford	R	OR1020	7/1/10	51
Jefferson	Habitat for Humanity ReStore	84 SW K St	Madras	R	OR1099	8/10/11	4
Josephine	Glidden Professional	310 NE Beacon St	Grants Pass	R	OR1071	9/14/10	27
	Sherwin-Williams	1072 Rogue River Hwy	Grants Pass	R	OR1021	7/1/10	40
Klamath	Sherwin-Williams	4525 S Sixth St	Klamath Falls	R	OR1022	7/1/10	61
Lane	Cascade Home Center	40 S Fifth St	Cottage Grove	R	OR1057	8/17/10	12
	Cascade Home Center	104 S Mill St	Creswell	R	OR1105	6/22/12	6
	Forrest Paint Retail Store	990 McKinley St	Eugene	R	OR1003	7/1/10	108
	Jerry's Home Improvement	2600 Hwy 99 N	Eugene	R	OR1097	7/27/11	59
	Jerry's Home Improvement	2525 Olympic St	Springfield	R	OR1098	7/27/11	59
	Lane Co. HHW	3100 E 17th Ave	Eugene	H	OR1050	8/3/10	121
	Sherwin Williams	3390 W 11th Ave # B	Eugene	R	OR1122	12/18/13	0
	Sherwin Williams	2866 Willamette St Ste A	Eugene	R	OR1132	12/18/13	0
	Sherwin Williams	1520 18th St	Springfield	R	OR1126	12/18/13	0

Lane	Sherwin-Williams	1054 Green Acres Rd	Eugene	R	OR1094	6/23/11	56	
(continued)	Tommy's Paint Pot	1000 Conger St	Eugene	R	OR1043	7/10/10	38	
Lincoln	Dahl Sanitary Service (LCHA)	5441 West Hwy 20	Toledo	T	OR1084	5/17/11	17	
	Dahl Sanitary Service (LCHA)	235 SW Dahl Ave	Waldport	T	OR1085	5/17/11	12	
	North Lincoln Sanitary (LCHA)	1726 SE Hwy 101	Lincoln City	T	OR1086	5/17/11	28	
	Schooner Creek TS (LCHA)	367 S Anderson Creek Rd	Lincoln City	T	OR1087	5/17/11	0	Paint consolidated at North Lincoln Sanitary Service
	Sherwin-Williams	121 NE Harney St	Newport	R	OR1072	9/14/10	4	
	Thompsons Sanitary (LCHA)	7450 NE Avery St	Newport	T	OR1088	5/17/11	14	
Linn	Habitat for Humanity ReStore	1225 SE Sixth Ave	Albany	R	OR1027	7/10/10	46	
	Habitat for Humanity ReStore	566 Main St	Lebanon	R	OR1030	7/10/10	12	
	Hoy's Hardware	3041 Main St	Sweet Home	R	OR1049	8/3/10	15	
	Sherwin-Williams	2945 SE Santiam Hwy	Albany	R	OR1073	9/14/10	28	
Malheur	Kinney Bros & Keele True Value	460 SW Fourth Ave	Ontario	R	OR1007	7/1/10	9	
Marion	G W Hardware	1525 N Pacific Hwy	Woodburn	R	OR1004	7/1/10	17	
	Habitat for Humanity ReStore	225 Franklin St	Mount Angel	R	OR1093	6/23/11	1	
	Habitat for Humanity ReStore	1249 13th St SE	Salem	R	OR1108	9/22/12	6	
	No. Marion Transfer Station	17827 Whitney Ln NE	Woodburn	TH	OR1100	8/10/11	0	All paint managed in-house
	Salem-Keizer Transfer Station	3250 Deer Park Dr SE	Salem	TH	OR1101	8/10/11	0	All paint managed in-house
	Sherwin-Williams	4669 River Rd N	Keizer	R	OR1040	7/10/10	14	
	Sherwin-Williams	1805 Lancaster Dr NE	Salem	R	OR1023	7/1/10	12	
	Sherwin-Williams	4596 Commercial St SE	Salem	R	OR1024	7/1/10	27	
	Tommy's Paint Pot	980 Lancaster Dr NE	Salem	R	OR1113	9/13/13	5	
Morrow	Morrow County North TS	69900 Frontage Ln	Boardman	T	OR1089	5/23/11	0	No bins picked up Jul-Dec 2013
	Morrow County South TS	57185 Hwy 74	Lexington	T	OR1090	5/23/11	0	No bins picked up Jul-Dec 2013
Multnomah	Dick's Color Center	909 SE Salmon St	Portland	R	OR1066	9/9/10	37	
	Habitat for Humanity ReStore	10445 SE Cherry Blossom Dr	Portland	R	OR1017	7/1/10	25	
	Metro HHW Facility	6161 NW 61st Ave	Portland	TH	OR1009	7/1/10	179	Outbound oil-based paint only
	Miller Paint	1831 E Powell Blvd	Gresham	R	OR1013	7/1/10	114	
	Parkrose Hardware	10625 NE Sandy Blvd	Portland	R	OR1062	9/2/10	71	
	Powell Paint Center	5205 SE Powell Blvd	Portland	R	OR1095	6/29/11	80	
	Powell Villa Ace Hardware	3660 SE 122nd Ave	Portland	R	OR1096	6/29/11	7	
	Rodda Paint	321 SE Taylor St	Portland	R	OR1064	9/8/10	42	
	Sherwin Williams	1740 E Powell Blvd	Gresham	R	OR1123	12/13/13	0	
	Sherwin Williams	9745 SE Division St	Portland	R	OR1127	12/13/13	0	

Multnomah (continued)	Sherwin Williams	13555 NW Cornell Rd	Portland	R	OR1128	12/18/13	0	
	Sherwin Williams	5128 SE Woodstock	Portland	R	OR1135	12/13/13	3	
	Sherwin-Williams	2246 NW Roosevelt St	Portland	R	OR1074	9/15/10	65	
Tillamook	HHW Facility	1315 Ekloff Rd	Tillamook	H	OR1104	2/22/12	32	
Umatilla	Sherwin-Williams	115 SE Emigrant Ave	Pendleton	R	OR1025	7/1/10	24	
	Smitty's Ace Hardware	1845 N First St	Hermiston	R	OR1112	7/2/13	4	
Union	Miller's Home Ctr & Lumber	307 Greenwood St	La Grande	R	OR1033	7/10/10	21	
	Thatchers Ace Hardware	2212 Island Ave	La Grande	R	OR1081	1/31/11	5	
Wasco	Sawyer's True Value	500 E Third St	The Dalles	R	OR1036	7/10/10	3	
	Tri County HHWF- The Dalles	1317 W First St	The Dalles	H	OR1046	7/21/10	8	
Washington	Habitat for Humanity ReStore	13475 SW Millikan Way	Beaverton	R	OR1091	5/23/11	44	
	Miller Paint	1040 NW Murray Rd	Portland	R	OR1068	9/9/10	157	
	Miller Paint	8703 SW Beaverton-Hillsdale Hwy	Portland	R	OR1069	9/9/10	95	
	Orchard Supply Hardware	10860 SW Barnes Rd	Beaverton	R	OR1110	6/25/13	9	
	Orchard Supply Hardware	9770 SW Scholls Ferry Rd	Tigard	R	OR1111	6/25/13	21	
	Rodda Paint	8614 SW Hall Blvd	Beaverton	R	OR1054	8/9/10	54	
	Sherwin Williams	12480 SW Center St	Beaverton	R	OR1121	12/12/13	0	
	Sherwin Williams	348 SE Tenth Ave	Hillsboro	R	OR1124	12/12/13	3	
	Sherwin-Williams	19390 SW 90th Ct	Tualatin	R	OR1055	8/9/10	151	
	Suburban Ace Hardware	3470 SW 185th Ave	Aloha	R	OR1026	7/1/10	59	
Yamhill	Habitat for Humanity ReStore	1040 E First St	McMinnville	R	OR1008	7/1/10	42	
	Newberg Hardware	2100 Portland Rd	Newberg	R	OR1051	8/3/10	15	Dropped out of program 7/23/13
	Sherwin Williams	2508 Portland Rd	Newberg	R	OR1134	12/15/13	0	
	Sherwin-Williams	570 NE Highway 99W	McMinnville	R	OR1063	9/7/10	32	



### Collection Volumes by Activity (Site/Event)

<i>Site/Event</i>	<i>Amount</i>	<i>Units</i>	<i>Notes</i>
Metro Collection System (South/Central)	174,621	gallons	Latex paint processed onsite from Metro operations and brought in by PSC from most drop-off sites
Lincoln County Haulers Association	840	gallons	Latex paint processed on site
Marion County	35,023	gallons	
HHW Collection Events (Non-Metro)	186	bins	
Direct Large Volume Pick-Up (LVP) Service (16 LVP's)	80	bins	
Direct Reuse	12,579	gallons	

### HHW Collection Events


<i>County</i>	<i>Sponsor</i>	<i>Events</i>	<i>City</i>	<i>Bins</i>
Metro Counties (Clackamas, Multnomah, Washington)	Metro	17	Various	137
Benton	Corvallis Disposal/Allied Waste	2	Corvallis	62
Columbia	Columbia County HHW	1	Clatskanie	6
Curry	Coos County	1	Brookings	9
Hood River	Tri-County HHW	1	Cascade Locks	3
Hood River	Tri-County HHW	1	Odell	1
Josephine	Southern Oregon Sanitation	1	Grants Pass	18
Lane	Lane County Solid Waste	1	Florence	9
Linn	Allied Waste/Albany-Lebanon Sanitation	1	Albany	34
Polk	Polk County Solid Waste	1	Independence	10
Wasco	Tri-County HHW	1	Mosier	2
Wasco	Tri-County HHW	1	Tygh Valley	5
Yamhill	Yamhill County Solid Waste	1	McMinnville	27

## **Appendix B**

**DATE** December 30, 2013**PROJECT No.** 1214410013-002-TM-Rev0**TO** PaintCare Inc.**CC****FROM** Aaron Licker**EMAIL** aaron\_licker@golder.com**TECHNICAL MEMO TO PAINTCARE: GIS METHOD USED TO CALCULATE THE POPULATION  
COVERAGE OF THE PAINTCARE SERVICE LOCATIONS IN OREGON**

All PaintCare service location addresses were mapped and a service area with a 15-mile radius surrounding each location was calculated using ESRI's ArcMap 10 GIS program. Population data for 2011 were downloaded directly from the US Census Bureau for both Census Blocks (the smallest unit for which census data is available) and Cities, Towns & Census Designated Places (CDPs).

An overlay analysis was conducted to calculate the percentage of the population living in each census block that resides within at least one 15-mile service area for current PaintCare service locations (as of December 31st, 2013) and for the final project phase. The block level population coverage calculations were then aggregated to State-level population coverage. Additionally, an analysis was conducted to establish an average service level in terms number of sites per serviced population. Again, a 15 mile service area was used as geographic entity by which the total population in a given service area was divided by the number of sites in that same service area. These service area calculations were completed for each Census tract in the State and averaged State-wide.

  
Anthony Smith B.A. (Hons)  
GIS Analyst and Cartographer

AS/AL/AL

  
Aaron Licker B.A., Adv. Dipl. Tech. GIS  
BC GIS Lead

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## Appendix C

**PaintCare, Inc.**

Financial Statements  
and Independent Auditors' Report

Six Months Ended December 31, 2013

**PaintCare, Inc.**

Financial Statements  
Six Months Ended December 31, 2013

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
PaintCare, Inc.

We have audited the accompanying financial statements of PaintCare, Inc. ("PaintCare"), which comprise the statement of financial position as of December 31, 2013, the related statements of activities and cash flows for the six months 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 audit. We conducted our audit 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 of 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 December 31, 2013, and the changes in its net assets and its cash flows for the six months then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information included on page 12 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Handwritten signature of Rogers & Company PLLC in black ink.

Vienna, Virginia  
March 28, 2014

**PaintCare, Inc.**

Statement of Financial Position  
December 31, 2013

**Assets**

Current assets:

Cash	\$ 18,599,944
Accounts receivable, net	4,922,952
Prepaid expenses	45,510

Total current assets 23,568,406

Property and equipment, net 54,693

Total assets \$ 23,623,099

**Liabilities and Net Assets**

**Liabilities**

Current liabilities:

Accounts payable and accrued expenses	\$ 2,832,559
Due to affiliate	226,369

Total current liabilities 3,058,928

Long-term debt:

Note payable	900,000
Accrued interest	56,700

Total long-term debt 956,700

Total liabilities 4,015,628

**Net Assets**

Unrestricted 19,607,471

Total net assets 19,607,471

Total liabilities and net assets \$ 23,623,099

**PaintCare, Inc.**

Statement of Activities  
For the Six Months Ended December 31, 2013

**Operating Revenue and Support**

Paint recovery fees	\$ 20,560,634
Interest income	15,632

Total operating revenue and support	<u>20,576,266</u>
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**Expenses**

Program services:	
Oregon	1,971,974
California	7,029,425
Connecticut	1,120,244
Rhode Island	15,128
Vermont	13,129
Minnesota	21,251
Maine	1,953

Total program services	<u>10,173,104</u>
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General and administrative	<u>1,082,029</u>
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Total expenses	<u>11,255,133</u>
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<b>Change in Net Assets</b>	9,321,133
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<b>Net Assets</b> , beginning of period	<u>10,286,338</u>
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<b>Net Assets</b> , end of period	<u><u>\$ 19,607,471</u></u>
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**PaintCare, Inc.**

Statement of Cash Flows  
For the Six Months Ended December 31, 2013

**Cash Flows from Operating Activities**

Change in net assets	\$ 9,321,133
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	3,266
Allowance for doubtful accounts receivable	22,256
Change in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	(563,699)
Prepaid expenses	67,394
Increase (decrease) in:	
Accounts payable and accrued expenses	155,414
Accrued interest	(65,640)
Due to affiliate	(55,601)

Net cash provided by operating activities	<u>8,884,523</u>
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**Cash Flows from Investing Activities**

Purchases of property and equipment	<u>(15,208)</u>
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Net cash used in investing activities	<u>(15,208)</u>
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**Cash Flows from Financing Activities**

Principal payments on notes payable	<u>(2,320,000)</u>
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Net cash used in financing activities	<u>(2,320,000)</u>
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<b>Net Increase in Cash</b>	6,549,315
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<b>Cash, beginning of period</b>	<u>12,050,629</u>
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<b>Cash, end of period</b>	<u><u>\$ 18,599,944</u></u>
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## **PaintCare, Inc.**

### **Notes to Financial Statements December 31, 2013**

#### **1. Nature of Operations**

PaintCare, Inc. ("PaintCare"), a not-for-profit 501(c)(3) organization, was created in October 2009 by the American Coating Association (ACA), who, working with state and local government stakeholders, passed the first ever paint product stewardship law in the United States in the state of Oregon in 2009 with implementation of the Oregon Program beginning July 1, 2010. Similar legislation has subsequently been passed in other states. The legislation pilots an industry-led, end-of-life management program for post-consumer paint, which PaintCare operates. The PaintCare Board is made up of architectural paint manufacturers and participation in PaintCare is not limited to ACA members, but open to all architectural paint manufacturers. There are no dues or registration fees associated with PaintCare.

#### **2. Summary of Significant Accounting Policies**

##### Basis of Accounting and Presentation

PaintCare's financial statements are prepared on the accrual basis of accounting and are in accordance with generally accepted accounting principles for not-for-profit organizations. Unrestricted net assets represent funds that are not subject to donor-imposed stipulations and are available for support of PaintCare's operations. At December 31, 2013, all net assets were unrestricted. The accompanying financial statements represent the results of operations for the period from July 1, 2013 to December 31, 2013.

##### 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 December 31, 2013, an allowance of \$22,256 was recognized.

##### Property and Equipment

Property and equipment with a projected useful life ranging from three to ten years and in excess of \$1,000 are capitalized and recorded at cost. Depreciation is computed using the straight line method over the estimated useful lives of the individual assets, ranging from three to ten years.

## PaintCare, Inc.

### Notes to Financial Statements December 31, 2013

## 2. Summary of Significant Accounting Policies (continued)

### Communications Costs

PaintCare holds communication-related contracts for advertising, marketing, and consumer awareness. Communications costs are charged to operations when incurred. Communications expenses were \$1,398,739 for the six months ended December 31, 2013.

### Revenue Recognition

PaintCare recognizes revenue from post-consumer paint recovery fees at the time architectural paint product is sold by a manufacturer participant of the paint product stewardship program. Manufacturer participants in the program pay the PaintCare recovery fee to PaintCare based on the amount of program products they sell on a monthly basis.

Program participants report their monthly unit sales of paint through a secure, HTTPS online system using their unique user ID and password. The participant must pay a paint recovery fee per unit sold according to the following fee schedule:

1/2 pint container or less		No charge
Greater than 1/2 pint to less than 1 gallon	\$	0.35
1 gallon	\$	0.75
Greater than 1 gallon to 5 gallons	\$	1.60

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 payment 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 providing the various program and supporting activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

## PaintCare, Inc.

### Notes to Financial Statements December 31, 2013

#### 2. Summary of Significant Accounting Policies (continued)

##### 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

PaintCare follows the guidance of FASB ASC 855, *Subsequent Events*, which establishes general standards of accounting for and disclosure of events that occur after the statement of financial position date but before the financial statements are issued. FASB ASC 855 also requires disclosure of the date through which an entity has evaluated subsequent events. In preparing these financial statements, PaintCare has evaluated events and transactions for potential recognition or disclosure through March 28, 2014, the date the financial statements were available to be issued.

#### 3. Concentration of Credit Risk

Financial instruments that potentially subject PaintCare to significant concentrations of credit risk consist of cash. PaintCare maintains cash deposit and transaction accounts with various financial institutions and these values, from time to time, may exceed insurable limits under the Federal Depository Insurance Corporation (FDIC). PaintCare has not experienced any credit losses on its cash to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

#### 4. Accounts Receivable

Accounts receivable related to the following programs was due as follows at December 31, 2013:

California	\$ 4,294,766
Connecticut	353,385
Oregon	<u>297,057</u>
Accounts receivable	4,945,208
Less: allowance for doubtful accounts	<u>(22,256)</u>
Total accounts receivable, net	<u><u>\$ 4,922,952</u></u>

## PaintCare, Inc.

### Notes to Financial Statements December 31, 2013

#### 5. Property and Equipment

PaintCare held the following property and equipment at December 31, 2013:

Computer equipment	\$	21,846
Software		<u>37,964</u>
Total property and equipment		59,810
Less: accumulated depreciation		<u>(5,117)</u>
Property and equipment, net	\$	<u><u>54,693</u></u>

Depreciation and amortization expense totaled \$3,266 for the six months ended December 31, 2013.

#### 6. Note Payable

PaintCare has entered into promissory notes payable with member companies in order to fund start-up costs incurred in connection with expanding their paint recovery fee program into new states.

Note payable consists of the following at December 31, 2013:

Note payable, accruing interest at 3.6%, unsecured, with principal and interest due April 30, 2015 to: PPG Industries, Inc.	\$	<u>900,000</u>
Total long-term note payable	\$	<u><u>900,000</u></u>

The above note was negotiated during 2012 with an interest rate of 3.6% per annum. The principal payments due on the notes payable, in the aggregate, are as follows for the years ending December 31:

2014	\$	-
2015		<u>900,000</u>
Total	\$	<u><u>900,000</u></u>



## **PaintCare, Inc.**

### Notes to Financial Statements December 31, 2013

#### **7. Related Party**

American Coatings Association (ACA), a related party, is a separate, 501(c)(6) nonprofit organization working to advance the needs of the paint and coatings industry and the professionals who work in it. Through advocacy of the industry and its positions on legislative, regulatory, and judicial issues at the federal, state, and local levels, it acts as an effective ally, ensuring that the industry is represented and fairly considered. ACA also devotes itself to advancing industry efforts with regard to product stewardship, through its signature Coating Care<sup>®</sup> resources, and focuses on advancements in science and technology through its technical conferences and journals, as well as online training opportunities. ACA incorporated PaintCare for the sole purpose of implementing programs for post-consumer architectural paint. ACA maintains a controlling interest in PaintCare through the ability to appoint its Board of Directors.

In February 2011, ACA and PaintCare entered into an affiliation agreement whereby ACA provides staffing, an office, office equipment and furniture, supplies, and other administrative support services. The term of the agreement is for one year and automatically renews for one-year terms unless canceled by either party.

For the six months ended December 31, 2013 the total administrative fees charged by ACA to PaintCare were \$265,000. At December 31, 2013, PaintCare owed ACA \$226,369, which is included in due to affiliate in the accompanying statement of financial position.

#### **8. PCA Paint Stewardship, Inc.**

Product Care Association (PCA) is a Canadian nonprofit industry association that manages product stewardship programs for household hazardous and special waste on behalf of its members across Canada. PCA incorporated PCA Paint Stewardship, Inc. (PCA-USA) as a nonprofit organization in order to expand its work in managing product stewardship programs into the United States. PCA is the sole member of PCA-USA.

On April 1, 2010, PaintCare entered into an agreement with PCA-USA for the purpose of providing administrative and operational support for the Oregon Architectural Paint Stewardship Pilot Program. The agreement commenced on April 1, 2010 and was scheduled to terminate on June 30, 2014, calling for a monthly management fee of \$16,667. Effective April 1, 2013, the terms of the agreement were amended as PCA-USA transitioned the majority of the administrative and operational activities to PaintCare. The amendment moved up the termination date to March 31, 2014 and decreased the monthly management fee to \$5,556. For the six month period ended December 31, 2013, management service fees under this agreement totaled \$36,733.

## **PaintCare, Inc.**

### Notes to Financial Statements December 31, 2013

#### **8. PCA Paint Stewardship, Inc. (continued)**

In addition to the contract described in the preceding paragraph, PCA-USA contracts with independent subcontractors to perform the collection, transportation, processing, and recycling services of post-consumer paint at pre-determined rate schedules. Contracts with the two largest subcontractors extend through December 31, 2014 with one-year renewal options. PCA-USA invoices PaintCare on a monthly basis to recover the payments made by PCA-USA to the subcontractors. Expenses related to the subcontractor activity are recorded in program and delivery expenses. For the six months ended December 31, 2013, expenses related to the subcontractor activity were \$1,643,555.

#### **9. Income Taxes**

PaintCare is recognized as a tax-exempt organization under IRC §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.

## **SUPPLEMENTAL INFORMATION**

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**PaintCare, Inc.**

Schedule of Activities, Organized by Program  
For the Six Months Ended December 31, 2013

	Oregon	California	Connecticut	Rhode Island	Vermont	Minnesota	Maine	General and Administrative	Total
<b>Operating Revenue and Support</b>									
Paint recovery fees	\$ 2,213,829	\$ 16,634,407	\$ 1,712,398	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,560,634
Interest income	-	-	-	-	-	-	-	15,632	15,632
Total operating revenue and support	2,213,829	16,634,407	1,712,398	-	-	-	-	15,632	20,576,266
<b>Expenses</b>									
Program and delivery:									
Transportation and processing	1,713,656	4,854,279	724,052	-	-	-	-	-	7,291,987
Communications	116,626	1,139,327	140,079	426	1,395	886	-	-	1,398,739
Legal fees	-	74,532	2,580	-	-	-	-	-	77,112
State agency administrative fees	-	130,833	-	-	-	-	-	-	130,833
Collection support	-	575,266	159,093	-	23	-	-	-	734,382
Other program expenses	141,692	255,188	94,440	14,702	11,711	20,365	1,953	-	540,051
Total program and delivery	1,971,974	7,029,425	1,120,244	15,128	13,129	21,251	1,953	-	10,173,104
Administrative:									
Legal fees	-	-	-	-	-	-	-	57,680	57,680
Administrative fees	-	-	-	-	-	-	-	265,000	265,000
Insurance	-	-	-	-	-	-	-	85,981	85,981
Interest expense	-	-	-	-	-	-	-	73,560	73,560
Other expense	-	-	-	-	-	-	-	599,808	599,808
Total administrative	-	-	-	-	-	-	-	1,082,029	1,082,029
Total expenses	1,971,974	7,029,425	1,120,244	15,128	13,129	21,251	1,953	1,082,029	11,255,133
<b>Change in Unrestricted Net Assets (Deficit) Before Allocation of General and Administrative Activities</b>	241,855	9,604,982	592,154	(15,128)	(13,129)	(21,251)	(1,953)	(1,066,397)	9,321,133
<b>Allocation of General and Administrative Activities</b>	(77,128)	(750,003)	(71,954)	(21,190)	(12,598)	(106,780)	(26,744)	1,066,397	-
<b>Total Change in Net Assets (Deficit)</b>	164,727	8,854,979	520,200	(36,318)	(25,727)	(128,031)	(28,697)	-	9,321,133
<b>Net Assets (Deficit)</b> , beginning of period	944,952	9,892,568	(495,872)	(49,117)	-	(6,193)	-	-	10,286,338
<b>Net Assets (Deficit)</b> , end of period	\$ 1,109,679	\$ 18,747,547	\$ 24,328	\$ (85,435)	\$ (25,727)	\$ (134,224)	\$ (28,697)	\$ -	\$ 19,607,471

## Appendix D

# What Is the Oregon Paint Stewardship Program?

*More than 700 million gallons of architectural paint is sold each year in the U.S., and it is estimated that about 10 percent of that goes unused and is available for recycling.*

Unused, leftover (postconsumer) paint has generally been managed through programs operated and paid for by local and state government agencies.

Starting in July 2010, an Oregon law required the paint and coatings industry to develop a financially and environmentally sustainable solution to manage postconsumer architectural paint. Under the program, the paint industry is making paint recycling more convenient by setting up drop-off sites throughout the state where consumers can take their paint. PaintCare will also conduct outreach and education about buying the right amount and using up remaining paint.

## Program Products

*These products have fees and are accepted 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

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

## ⊘ Non-Program 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
- Tar and bitumen-based products
- 2-component coatings
- Deck cleaners
- Traffic and road marking paints

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



## Recycle with PaintCare

*About the Oregon Program*



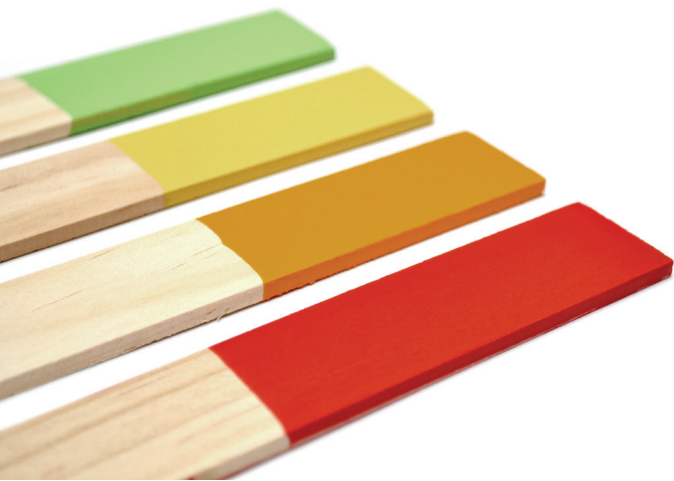
## Who Is PaintCare?

PaintCare is a non-profit 501(c)(3) organization, established by the American Coatings Association to implement state-mandated paint stewardship programs on behalf of paint manufacturers in states that adopt a paint stewardship law.

PaintCare is currently running or preparing to implement programs in California, Connecticut, Oregon, and Rhode Island.

## Paint Drop-Off Sites

PaintCare has established drop-off sites at paint retail stores, government-run household hazardous waste programs, transfer stations and other locations across Oregon. PaintCare sites accept latex paint (and other water-based program products) from all residents and businesses. PaintCare sites accept oil-based program products from all residents and from most businesses with certain restrictions. To find a site near you, visit [www.paintcare.org](http://www.paintcare.org) or call (855) 724-6809.



## Recycling New and Old Paint

PaintCare will make sure your paint gets recycled or properly disposed of at state-authorized paint processing facilities. You can drop off new paint and old paint, even if it is over 20 years old!

## Who Can Use the Program?

In addition to residents, this program is available to trade painters, contractors, and other businesses with one restriction: If your business produces more than 220 pounds (about 25 gallons) of hazardous waste per month, you may only use the drop-off sites for your latex paint and not for your oil-based paint. To learn more about the 25 gallon restriction, contact PaintCare or the Oregon Department of Environmental Quality.

## Limits on Quantities at Drop-Off Sites

Drop-off sites may establish limits on the quantity of products they accept. Generally, the limit in small stores will be lower than in large stores. Please check with the site in advance if you have more than 5 gallons.

## What Products Are Covered?

Architectural paint or “Program Products” are defined as interior and exterior architectural paints, stains, and varnish sold in containers of 5 gallons or less. They do not include thinners, aerosols, industrial, original equipment, or specialty coatings. See back panel for examples of program and non-program products.

## Funding and Fees

The program is funded by a fee that paint manufacturers pay to PaintCare for each container of architectural paint sold in Oregon. Manufacturers pass the fee to distributors and retailers, who include the fee in the purchase price of paint. Fees are by container size as follows:

Half pint or less	\$ 0.00
More than half pint to less than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
More than 1 gallon to 5 gallons	\$ 1.60

Retail stores can choose whether or not to display the fee separately on sales receipts.

The fee is not a deposit – you do not receive it back when you drop off paint for recycling.

## Contact Us

For more details, please visit [www.paintcare.org](http://www.paintcare.org) or call (855) 724-6809.



Find a paint drop-off  
site near you by  
visiting [paintcare.org](http://paintcare.org)



Recycle with PaintCare

Buy right.  
Use it up.  
Recycle the rest.

*PaintCare is the non-profit  
product stewardship organization  
established by the American  
Coatings Association to represent  
architectural paint manufacturers.*

We're working to provide environ-  
mentally sound and cost-effective  
paint recycling programs in states  
with paint stewardship laws.

To find a site near you, please call  
(855) 724-6809 or visit [www.paintcare.org](http://www.paintcare.org)

[www.paintcare.org](http://www.paintcare.org)





# Oregon Paint Recycling Program

## About the PaintCare Program

### PAINTCARE®

PaintCare® is a non-profit 501(c)(3) organization, established by the American Coatings Association to implement paint stewardship programs on behalf of paint manufacturers in states that adopt a paint stewardship law.

### PROGRAM PRODUCTS

*These products have fees and will be accepted at PaintCare-partnering drop-off sites:*

- Latex paints (acrylic, water-based)
- Oil-based paints (alkyd)
- Stains
- Primers and undercoaters
- Shellacs, lacquers, varnishes, urethanes
- Deck and floor paints
- Sealers and waterproofing coatings for wood, concrete and masonry

### ⊘ NON-PROGRAM PRODUCTS

- Paint thinners and solvents
- Aerosol paints (spray cans)
- Auto and marine paints
- Paint additives, colorants, tints, resins
- Wood preservatives (containing pesticides)
- Tar, asphalt, and bitumen-based products
- 2-component coatings
- Coatings used for Original Equipment Manufacturing or shop application
- Any non-coatings (caulk, spackle, cleaners, etc.)

### FEES

The "PaintCare Recovery Fee" is applied to the purchase price of architectural paint sold in Oregon as required by the Oregon Paint Stewardship Law. Fees are based on container size as follows:

Half pint or less	\$ 0.00
More than half pint to less than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
More than 1 gallon to 5 gallons	\$ 1.60

*For more information, please ask for the PaintCare brochure, visit [www.paintcare.org](http://www.paintcare.org) or call (855) 724-6809.*



*Recycle with PaintCare*



## Oregon Paint Recycling Program Information for Trade Painters

### Oregon has had a Pilot Paint Stewardship Program since July 2010.

**Oregon law requires paint manufacturers to add a paint recovery fee to architectural paint products and pass the fee to paint dealers (distributors and retailers). Dealers must include the fee in their sales in Oregon and may not sell brands from manufacturers not complying with the law.**

**Funds from the program are used to set up drop-off sites where residents and businesses (with some restrictions) may take leftover paint for recycling, free of charge. Drop-off sites are at retail stores and other locations throughout the state.**

### Paint Stewardship Led by Industry

The American Coatings Association (ACA) worked with various stakeholders interested in the management of postconsumer paint to develop and implement an industry-led Paint Stewardship Program in the United States.

PaintCare Inc. is a non-profit 501(c)(3) organization established by the ACA to implement paint stewardship programs on behalf of paint manufacturers in each state that adopts a paint stewardship law. PaintCare is currently operating or planning programs for California, Oregon, Connecticut, Rhode Island and Minnesota.

The broad goals of the PaintCare Program are to increase recycling of postconsumer paint and to decrease paint waste. Increased recycling is achieved through the addition of new paint drop-off sites across each state. In the first two years of the Oregon Program, PaintCare established 100 drop-off sites and collected more than 1 million gallons of postconsumer paint.

### PaintCare Recovery Fee and Funding

As required by the law, a fee ("PaintCare Recovery Fee") must be added by manufacturers to the wholesale price of all architectural paint sold in Oregon. This fee is paid by manufacturers to PaintCare to fund setting up drop-off sites for leftover, postconsumer architectural paint, and for the transportation, recycling, and proper disposal of that paint. It also pays for consumer education and program administration.

The fees are based on container size as follows:  
(Fees are the same in all states with a program.)

Half pint or less	\$ 0.00
More than half pint to less than 1 gallon	\$ 0.35
1 gallon	\$ 0.75
More than 1 gallon to 5 gallons	\$ 1.60

Paint distributors and retailers will see this fee on their invoices from paint manufacturers. The law also requires that each distributor and retailer include the PaintCare Recovery Fee with their sale price of architectural paint sold in Oregon.

While displaying the fee on invoices and receipts is not mandatory for distributors or retailers, PaintCare encourages retailers to list the fee, and for it to be listed as "PaintCare Recovery Fee" to aid in customer and dealer education and to ensure transparency.



### MORE INFORMATION:

(855) 724-6809 or (855) PAINT09  
[www.paintcare.org](http://www.paintcare.org) or [info@paintcare.org](mailto:info@paintcare.org)

PAINTCARE INC.  
1500 RHODE ISLAND AVENUE N.W.  
WASHINGTON, DC 20005

### Advance Notice for Trade Painters

Trade painters may decide to pass on the PaintCare Recovery Fee to their customers in order to recoup the cost paid to their suppliers.

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

### New Paint Drop-Off Sites

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

### Use of Retail Drop-Off Sites by Businesses

Retail sites participating as drop-off sites in the PaintCare Program will provide a convenient recycling option at no additional cost to trade painters and other businesses. CEG\* businesses will be able to use these sites to recycle all program products (latex/water-based and oil/solvent-based). Larger non-CEG businesses (those that generate more than approximately 25 gallons of hazardous waste per month) will be able to use the PaintCare sites for their latex/water-based program products only; they will not be able to use the sites for their oil/solvent-based program products.

### Pick-Up Service for Large Volumes

Businesses with at least 300 gallons of postconsumer paint to recycle, may qualify to have their paint picked up by PaintCare at no additional cost. Call (855) 724-6809 to learn more or to request this service.

*\*A Conditionally Exempt Generator or CEG is a business that generates less than 25 gallons of hazardous waste per month. Most small to medium-sized trade painters are CEGs. Note: Latex paint does not count toward the 25 gallon limit.*

### What Products Are Covered?

Architectural paints ("Program Products") are interior and exterior architectural coatings sold in containers of 5 gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), or specialty coatings. Examples are below.

### PROGRAM PRODUCTS

*These products have fees and are accepted at drop-off sites:*

- Interior and exterior architectural paints: latex, acrylic, water-based, alkyd, oil-based, enamel (including textured coatings)
- Deck coatings, floor paints (including elastomeric)
- Primers, sealers, undercoaters
- Stains
- Shellacs, lacquers, varnishes, urethanes (single component)
- Waterproofing concrete/masonry/wood sealers and repellents (not tar or bitumen-based)
- Metal coatings, rust preventatives
- Field and lawn paints

### NON-PROGRAM PRODUCTS

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

- Paint thinners, mineral spirits, solvents
- Aerosol paints (spray cans)
- Auto and marine paints
- Art and craft paints
- Caulking compounds, epoxies, glues, adhesives
- Paint additives, colorants, tints, resins
- Wood preservatives (containing pesticides)
- Roof patch and repair
- 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

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#### MORE INFORMATION:

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

PAINTCARE INC.  
1500 RHODE ISLAND AVENUE N.W.  
WASHINGTON, DC 20005



# Large Volume Pick-Up Service

## PaintCare

PaintCare Inc. is a non-profit 501(c)(3) organization established by the American Coatings Association to implement paint stewardship programs on behalf of paint manufacturers in states that adopt a paint stewardship law. The primary goal of this program is to make paint recycling more convenient. PaintCare does this through a number of services.

## Paint Drop-Off Sites

In states with Paint Stewardship laws, PaintCare's main effort is to set up conveniently located drop-off sites – places where residents and businesses may take their unwanted paint for no charge. Most new drop-off sites are paint retailers. PaintCare also works with many local household hazardous waste programs and transfer stations and arranges for them to serve as PaintCare drop-off sites.

There is no charge to drop off program products at PaintCare sites, but sites set their own limits on the volume they accept per visit (ranging from 5 to 200 gallons). Certain business may only use the program to drop off latex paint, not oil-based paint or solvent-based program products (see next page). To find the drop-off sites near you, please use the site locator at [paintcare.org](http://paintcare.org) or call (855) 724-6809.



## Large Volumes

For businesses and households with large volumes of postconsumer paint to recycle, a direct pick-up service may be available in states with a PaintCare Program. Typically *large volume* means at least 300 gallons, measured by container size (not content). On a case-by-case basis, we may offer to pick up less than 300 gallons if there are no drop-off sites in your area.

## Drums and “Bulked Paint” Are Not Accepted

This program is for paint in containers no larger than 5 gallons. If you have leftover paint in drums or any containers larger than 5 gallons, please contact a licensed paint recycling company or hazardous waste transportation company. Leave paint in original cans with original labels; do not combine or “bulk” paint from smaller cans into large cans.

## Making a Request for a Pick-Up

**1. Sort and count your paint:** We need to know the number of each container size and the type of products you have, sorted into two categories: (1) water based paints and stains and (2) oil-based paint and stains and any other program products (stains, sealers, clear *top-coat* products, such as varnish and shellac).

**2. Fill out the LVP Request Form and send it in:**

Fill out a paper or electronic version of the “Large Volume Pick-Up Request Form” and return it to PaintCare by email, fax, or regular mail.

## Scheduling

After reviewing your form, PaintCare staff will either approve your site for a pick-up or inform you of the best place to drop off your paint.

If you qualify for a pick-up, you will be put in contact with our licensed transporter to schedule a pick-up. It may be several weeks before your pick-up occurs.

### On the Day of Your Pick-Up

Have your paint sorted into the three categories noted previously and stored in an area that has easy access. If the paint is stored a far distance from where the transporter parks, the path in between should be about four feet wide.

Please plan to have staff available on the day of your pickup to pack the paint containers into the boxes. The transporter may be able to provide some assistance, but we require your staff to be present and provide labor to pack boxes. Once your paint is properly packed and loaded onto the transporter's truck, you will sign a *bill of lading* and receive a copy for your records. Your paint will then be taken to an authorized processing facility for further sorting and recycling.

### Limits on Businesses

Businesses that generate more than 220 pounds (20-28 gallons depending on the type) of hazardous waste per month may use PaintCare drop-off sites and pick-up service for their water-based program products *only*. They will not be able to use the Program for their solvent-based or oil-based products.

To have your solvent-based and oil-based program products accepted, a business must certify that it generates less than 220 pounds of hazardous waste per month (not including latex paint). Most small to medium-sized trade painters should qualify. The PaintCare LVP Request Form asks if your business is a CESQG. By responding yes, you are certifying that your business generates less than 220 pounds per month.

### What About Non-Program Products?

This program does not accept all paints (such as aerosols and automotive finishes) or other hazardous waste. If you have solvents, paint thinners, pesticides, or any other non-program products (see list to right for examples) we recommend that residents contact their local household hazardous waste (HHW) program. Some HHW programs allow CESQG businesses to use their programs for a modest fee. Otherwise, businesses should contact a licensed hazardous waste transportation company.

*Note: Paint must be in original containers. The transporter cannot pick up containers that are leaking or unlabeled.*

### What Products Are Covered?

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

### PROGRAM 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-PROGRAM PRODUCTS

- Paint thinners, mineral spirits, solvents
- Aerosol paints (spray cans)
- Auto and marine paints
- Art and craft paints
- Caulking compounds, epoxies, glues, adhesives
- Paint additives, colorants, tints, resins
- Wood preservatives (containing pesticides)
- Roof patch and repair
- 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

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#### MORE INFORMATION:

(855) 724-6809 or (855) PAINT09  
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# Program Highlights

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*Oregon Paint Stewardship Program  
The First 3 Years: July 2010 - June 2013*

## **How Much Paint?**

In the first three years, PaintCare's Oregon program has managed 1.6 million gallons of postconsumer (leftover) paint. More than 52% of this paint was reused or recycled back into paint; 20% was recycled in other ways, and 28% was used as a fuel.

## **Increased Convenience**

95% of Oregonians now have a PaintCare drop-off site within 15 miles of their home or business. Most of the 100 drop-off sites are conveniently located at retail stores and are open 6-7 days each week.

## **Savings to Local Government**

Local government-run household hazardous waste programs and transfer stations that partner with PaintCare are able to realize significant savings by having their paint transportation and recycling costs paid by nominal fees collected on new paint purchases instead of taxes and garbage bills.

## **Just the Beginning**

Oregon's pilot paint stewardship program was the first of its kind in the United States. The success of the program has inspired other states. New laws have led to programs for California, Connecticut, Rhode Island, Vermont, Minnesota, and Maine and in June 2013, Oregon's pilot program was made permanent.



## Appendix E

## Oregon Paint Usage & Disposal Survey

Online survey conducted using SurveyMonkey - June 2013 and December 2013

Question/Responses	Jun 2013 Percent	Jun 2013 Count	Dec 2013 Percent	Dec 2013 Count
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### 1. Do you currently have any leftover paint in your home? If yes, how much?

None	3.2	4	7.6	20
Less than 1 gallon	7.3	9	12.5	33
1-5 gallons (would fit in a cardboard box)	58.9	73	51.5	136
5-15 gallons (would fit in a shopping cart)	28.2	35	25.0	66
15-30 gallons (would fit in two shopping carts)	0.8	1	3.0	8
More than 30 gallons	0.0	0	0.0	0
Yes, but I don't know how much	1.6	2	0.4	1

### 2. Where did the paint come from? (check all that apply)

I did some painting myself and had some leftover	80.6	100	73.9	195
I hired someone to paint and they left it behind.	27.4	34	30.3	80
I found it in my home/business when I moved in	22.6	28	23.1	61
I am a painting contractor and it is from one of my jobs	0.0	0	0.4	1
Other	5.6	7	3.8	10

### 3. What did you do with leftover paint from your past painting projects?

Poured it down the drain	0.8	1	0.8	2
Put can(s) of liquid paint in the trash	4.0	5	3.8	10
Dried out the paint and put it in the trash	25.0	31	21.6	57
Stored it in the basement or garage intend to use	66.9	83	62.1	164
Stored it in the basement or garage, don't know to do	20.2	25	16.7	44
Took it to a paint store	4.8	6	7.2	19
Took it to a household hazardous waste event or facility	31.5	39	36.4	96
Gave it away to a family, friend or community organization	8.1	10	8.7	23
Left it behind when I moved	4.0	5	6.4	17
I don't know	1.6	2	2.7	7
Other (please specify)	3.2	4	5.7	15

### 4. If you wanted to get rid of unwanted paint, what would you do with it?

Pour it down the drain	0.0	0	0.0	0
Put can(s) of liquid paint in the trash	3.2	4	1.9	5
Dry out the paint and put it in the trash	14.5	18	11.7	31
Take it to a paint store	10.5	13	8.3	22
Take it to a household hazardous waste event or facility	50.0	62	56.1	148
Give it away to a family, friend or community organization	13.7	17	7.6	20
I don't know	5.6	7	9.5	25
Other (please specify)	2.4	3	4.9	13

### 5. Did you know that paint can be recycled?



Yes	63.7	79	68.9	182
No	36.3	45	31.1	82
<i>6. Have you ever taken paint somewhere to be recycled or disposed? If yes, when?</i>				
No	53.2	66	45.5	120
Yes, at some point during the past year	16.1	20	18.9	50
Yes, more than one year ago	30.6	38	35.6	94
<i>7. If you wanted to take paint to be recycled or disposed, do you know where to take it?</i>				
No	52.8	65	39.8	104
Yes	47.2	58	60.2	157
If yes, where? (please specify)		44		109
<i>8. Thinking of the closest store where you can buy paint, about how far is it located from you?</i>				
Less than 1 mile	16.9	21	17.8	47
1-5 miles	67.7	84	65.9	174
5-10 miles	9.7	12	12.1	32
10-20 miles	2.4	3	3.0	8
20-30 miles	3.2	4	0.8	2
not sure	0.0	0	0.4	1
<i>9. What is the farthest distance you would drive to take your paint somewhere to get rid of it?</i>				
20-30 miles	10.5	13	4.9	13
10-20 miles	21.0	26	22.0	58
5-10 miles	37.9	47	40.5	107
1-5 miles	22.6	28	29.9	79
Less than 1 mile	2.4	3	1.1	3
Not sure	5.6	7	1.5	4
<i>10. What county do you live in?</i>				
Baker	0.8	1	0.4	1
Benton	0.8	1	1.9	5
Clackamas	12.9	16	13.3	35
Clatsop	0.8	1	0.8	2
Columbia	1.6	2	0.8	2
Coos	0.8	1	1.1	3
Curry	0.8	1	0.4	1
Deschutes	4.0	5	3.4	9
Douglas	0.8	1	0.8	2
Hood River			0.4	1
Jackson	3.2	4	4.2	11
Jefferson			0.4	1
Josephine	1.6	2	2.3	6
Klamath	0.8	1	1.5	4
Lake			0.4	1
Lane	12.9	16	9.1	24

Lincoln	1.6	2		
Linn	0.8	1	1.1	3
Marion	8.1	10	8.0	21
Multnomah	25.0	31	27.3	72
Polk	1.6	2	1.5	4
Umatilla	1.6	2	1.1	3
Union			0.4	1
Wallowa			0.4	1
Wasco			0.8	2
Washington	18.5	23	15.5	41
Yamhill	0.8	1	2.3	6

Note: There were no responses for Crook, Gilliam, Grant, Harney, Jefferson, Lake, Malheur, Union Counties

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

Urban / Major City	29.0	36	31.1	82
Suburban	36.3	45	34.1	90
Small town	18.5	23	16.7	44
Rural / Countryside	14.5	18	18.2	48
Other (please specify)	1.6	2	0.0	0

#### 12. Where do you live?

Single-family house	96.8	120	91.3	241
Two or Three-family house	0.0	0	3.0	8
Condominium or apartment building with many units	2.4	3	4.5	12
Other (please specify)	0.8	1	1.1	3

#### 13. Do you paint professionally?

Yes	0.0	0	0.4	1
No	100.0	124	99.6	263

#### 14. What is your age?

Under 21	1.6	2	0.4	1
21-40	16.1	20	18.6	49
41-60	41.9	52	40.5	107
Over 60	39.5	49	38.6	102
Prefer not to say	0.8	1	1.9	5

#### 15. Gender

Male	50.8	63	45.1	119
Female	48.4	60	53.8	142
Prefer not to say	0.8	1	1.1	3

#### 16. Educational Level

Some High School	0.8	1	0.4	1
High School Graduate	5.6	7	6.1	16
Some College	25.8	32	23.5	62
College Graduate	64.5	80	68.6	181

Prefer not to say	3.2	4	1.5	4
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*17. What is your household income?*

Less than \$50K	22.6	28	17.0	45
\$50 – 100K	37.9	47	36.4	96
\$100 – 150K	16.9	21	22.7	60
Over \$150K	6.5	8	8.7	23
Prefer not to say	16.1	20	15.2	40