How Does the Vermont Paint Stewardship Program Affect Paint Retailers?

VERMONT PAINT STEWARDSHIP PROGRAM

VERMONT’S PAINT STEWARDSHIP LAW

Vermont’s paint stewardship law requires paint manufacturers to set up and operate a paint stewardship program in the state. Funding for the program comes from a fee applied to the price of architectural paint sold in Vermont. The program started in May 2014.

PAINT STEWARDSHIP

PaintCare is a nonprofit organization established by the American Coatings Association to implement state-mandated paint stewardship programs on behalf of paint manufacturers. PaintCare currently operates programs in California, Colorado, Connecticut, District of Columbia, Maine, Minnesota, Oregon, Rhode Island, and Vermont, and is developing programs for New York and Washington. The Vermont program is required by state law, but it is designed and operated by the paint manufacturing industry through PaintCare.

PAINT DROP-OFF SITES

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

PaintCare has established more than 1,800 paint drop-off sites across its programs. While most sites are paint retailers, solid waste facilities including transfer stations, recycling centers, and landfills, as well as municipal household hazardous waste (HHW) facilities, may also volunteer to be paint drop-off sites.

PARTICIPATION AS A DROP-OFF SITE IS VOLUNTARY

Paint retailers that would like to be drop-off sites can participate if they have space for paint storage bins and can provide minimal staff time to accept paint from the public. By doing so, retailers can increase foot traffic and provide an environmental service for their community. They make it convenient for their customers to recycle leftover paint and help provide relief to local government programs that manage leftover paint. PaintCare provides everything the store will need, including paint storage bins, site training, and support. PaintCare pays for paint transportation and recycling and promotes sites to the local community.

Stores that would like to become a drop-off site can fill out the Interest Form available in the Retailers section of www.paintcare.org/VT.

REQUIREMENTS OF RETAILERS

1. CHECK REGISTERED MANUFACTURERS AND BRANDS

Retailers may not sell architectural paints in Vermont that are not registered. Paint manufacturers must register their company with PaintCare, and they must register all architectural paint brands they sell in the state. PaintCare publishes lists of registered brands and manufacturers on its website so retailers can check to make sure that the products they sell are registered. Please visit www.paintcare.org for registration lists.

2. PASS ON THE STEWARDSHIP FEE

State law requires that a stewardship fee (PaintCare fee) be applied by manufacturers to the wholesale price of architectural paint sold in store and online in Vermont. This fee pays for all aspects of running the program.

The fee is paid by manufacturers to PaintCare and then passed to their dealers. Retailers should see the PaintCare
fee on invoices from suppliers. The law also requires that retailers and distributors apply the fee to the price of architectural paint they sell. The fees paid by the customers to the retailers offset the fees charged to the retailers. This ensures a level playing field for all parties.

3. Provide Information to Customers
Paint retailers in Vermont must provide customers with information regarding the program and how paint is managed. The requirement to provide paint stewardship information at the time of purchase applies to both in store paint retail and online paint retail. PaintCare has developed educational materials that meet state requirements, and provides them free of charge to all paint retailers and others wishing to distribute them.

COMMON QUESTIONS ABOUT FEES

How much are the fees?
Fees are by container size, as follows:

$0.00 — Half pint or less
$0.49 — More than half pint up to less than 1 gallon
$0.99 — 1 gallon
$1.99 — More than 1 gallon up to 5 gallons

How were the fees calculated?
Fees are set to cover the cost of a fully operating program. PaintCare estimates the annual sales of architectural paint in each state and divides the estimated annual expenses of the program by the estimated number of containers to be sold, adjusts for container size, and determines a fee per container size that will provide the revenue needed to fund the program.

When the Vermont program started in May 2014, the fees were lower. Since then, the fees were increased to cover expenses. PaintCare is a nonprofit organization and operates programs on a state-by-state basis, so the fees may increase or decrease and are different from state to state.

Is the fee a deposit to be returned to customers?
No, the fee is not a deposit. Fees are used entirely to cover the cost of running the program and not given back as a deposit for the return of paint or empty paint cans — a common misunderstanding.

Must we show the fee on receipts?
No, this is not required, but most stores do show the fee in order to explain the price increase to their customers. PaintCare also encourages retailers to show the fee to increase awareness of the program.

Do we refund the fee if a product is returned?
Yes, the fee should be returned because it is part of the purchase price.

Is sales tax applied to the fee itself?
Yes, the fee is part of the purchase price; therefore, sales tax is collected on the fee.

How does the public know about the fee?
PaintCare provides brochures and other printed materials for retailers to distribute to the public to help explain the purpose of the fee, how the program works, and how to find paint drop-off sites. Additional materials can be ordered at any time for free.

What products are covered?
Architectural paints include most house paints, stains, and clear coatings (e.g., varnish and shellac). For a definition of architectural paint for the purposes of this program or for examples of PaintCare and non-PaintCare products, please contact PaintCare or visit www.paintcare.org.

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