



Maine Paint Stewardship Program

Annual Report July 1, 2016 – June 30, 2017



SUBMITTED BY
John Hurd
Maine Program Manager
jhurd@paintcare.org
(802) 245-4821

SUBMITTED TO
Paul Mercer
Commissioner
Department of Environmental Protection
17 State House Station, Augusta, ME 04333

Contents

Executive Summary	4
Maine Paint Stewardship Law	4
Program Highlights	4
Program Plan and Annual Report	5
Section 1. Paint Collection, Transportation and Processing	7
A. Collection Sites, Events and Services	7
A1. Paint Retailers	8
A2. Household Hazardous Waste Programs	9
A3. Transfer Stations	9
A4. Reuse Stores	10
A5. Paint-Only Drop-Off Events	11
A6. Large Volume Pick-Up Service	11
B. Convenience Criteria	12
C. Paint Collection Procedures	18
D. Paint Transportation and Processing	18
D1. Paint Transportation	18
D2. Latex Paint Processing	19
D3. Oil-Based Paint Processing	20
Section 2. Paint Collection Volume and Disposition Methods	21
A. Paint Sales	21
B. Paint Collection And management	21
B1. Collection Volume and Recovery Rate	21
B2. Latex vs. Oil-Based Paint	22
B3. Paint Management Methods	22
B4. Collection by Program Type	24
C. Container Recycling	24

Section 3. Independent Audit and Financial Summary **25**

- A. Independent Financial Audit 25
- B. Financial Summary and Discussion 25
 - B1. Expense Categories 25
 - B2. Financial Summary 27
- C. Reserves Policy 28
- D. Evaluation of the Program’s Funding Mechanism 28

Section 4. Outreach **29**

- A. Outreach Activities 29
 - A1. Introduction 29
 - A2. Print Materials for Consumers 30
 - A3. Print Materials for Stakeholders 31
 - A4. Website 31
 - A5. Translations 32
 - A6. Facebook Advertising 32
 - A7. Face-to-Face 33
 - A8. Signage 33
 - A9. Joint Projects 33
- B. Awareness Survey 34
- C. Recommendations 35

Maps

- Year-Round Drop-Off Sites 14
- Supplemental Drop-Off Sites and Events 15
- Year-Round and Supplemental Drop-Off Sites and Events 16
- Large Volume Pick-Up Sites 17

Appendices

- A. PaintCare Drop-Off Sites and Events
- B. Independent Financial Audit of the PaintCare Program
- C. Samples of Outreach Materials

Executive Summary

MAINE PAINT STEWARDSHIP LAW

PaintCare is the representative stewardship organization of the Maine Architectural Paint Stewardship Program, codified in Maine Revised Statute, Title 38, Chapter 24, Subchapter 3, Section 2144.

The broad goals of the Maine paint stewardship law are for paint manufacturers to develop and implement a paint management program that reduces the generation of leftover paint, provides a convenient statewide paint collection system, and manages the paint collected in an environmentally and economically sound manner.

PROGRAM HIGHLIGHTS

Sites, Events and Service. PaintCare brought on 11 new year-round drop-off sites in the second reporting period – three paint retailers and eight transfer stations – ending the reporting period with 106 year-round paint drop-off sites. Of the 106 sites, 75 are paint retailers, 29 are transfer stations, one is an environmental services company, and one is a reuse store. The 106 year-round drop-off sites provided a site within 15-miles to 95.3% of Maine’s residents.

PaintCare also managed paint from two seasonal household hazardous waste (HHW) facilities, 25 HHW drop-off events, two week-long paint events at a transfer station, and provided direct large volume pick-ups from six locations that had accumulated more than 200 gallons of paint at their facilities.

Paint Collection Volume. The program processed 109,267 gallons of postconsumer paint during the reporting period. Disposition of the two paint streams is available; however, an accurate split between latex paint and oil-based paint cannot be provided for this reporting period due to a procedural error on the part of the program’s transportation service provider as described in Section 2-B2. The majority of the latex products collected were used to manufacturer recycled content latex paint, while some of the non-recyclable paint was sent to landfill or a waste-to-energy facility. All the oil-based paint was used as fuel. In addition to paint, 51 tons of metal and plastic paint containers were recycled.

Expenses and Revenue. The program’s financing mechanism remained the same, through a fee on new paint sales: 35 cents on pints and quarts; 75 cents on 1-gallon containers; and \$1.60 on 5-gallon containers. Approximately 2.2 million gallons of architectural paints were sold in Maine during the reporting period. The program collected \$1,473,307 in fees from these sales.

Expenses, including paint transportation and processing, outreach, staffing, and administrative costs were \$1,163,291. The program ended the reporting period with reserves of \$16,284.

Total program cost per gallon of paint processed in the reporting period was \$10.68.

Paint Recovery Rate. The paint recovery rate – the volume of postconsumer paint processed divided by the volume of new paint sales in the same period – was 4.9%.

Outreach. Early in the fiscal year, most advertising was put on hold due to the financial position of the program. Outreach activities were limited to the distribution of informational brochures to retailers and transfer stations and others who requested them. Other outreach was limited to maintaining PaintCare’s website and Facebook account, and running Facebook ads.

PROGRAM PLAN AND ANNUAL REPORT

The Maine paint stewardship law required the submission and approval of a program plan prior to the program’s launch. The Commissioner of the Maine Department of Environmental Protection (DEP) approved PaintCare’s program plan in June 2015, and the Maine program began on October 1, 2015. The plan is available from PaintCare’s website.

The Maine paint stewardship law also requires the submission of an annual report to DEP October 15 each year.

At a minimum, annual reports must include:

- (1) A description of the methods used to collect, transport, reduce, reuse and process post-consumer paint in the State;
- (2) The volume of post-consumer paint collected in the State;
- (3) The volume and type of post-consumer paint collected in the State by method of disposition, including reuse, recycling and other methods of processing;
- (4) The total cost of implementing the paint stewardship program, as determined by an independent financial audit funded from the paint stewardship assessment. The report of total cost must include a breakdown of administrative, collection, transportation, disposition and communication costs;
- (5) A summary of outreach and educational activities undertaken and samples of educational materials provided to consumers of architectural paint;
- (6) The total volume of post-consumer paint collected by the paint stewardship program and a breakdown of the volume collected at each collection site;
- (7) Based on the paint stewardship assessment collected by the paint stewardship program, the total volume of architectural paint sold in the State during the preceding year;
- (8) A list of all processors, including recyclers and disposers, used to manage post-consumer paint collected by the paint stewardship program in the preceding year up to the paint’s final disposition, the volume each processor accepted and the disposition method used by each processor; and

- (9) An evaluation of the effectiveness of the paint stewardship program compared to prior years and anticipated steps, if any are needed, to improve performance throughout the State.

PaintCare's Maine program plan and first annual reports are available on PaintCare's website. (Note: The first report period covered only a nine-month period of October 2015-June 2016. All subsequent reports cover the 12-month fiscal year July-June.)

Section 1. Paint Collection, Transportation and Processing

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(1) A description of the methods used to collect, transport, reduce, reuse and process post-consumer paint in the State.

A. COLLECTION SITES, EVENTS AND SERVICES

The Maine paint stewardship law requires a program that provides convenient statewide collection of post-consumer paint and manages the paint in an environmentally and economically sound manner. Prior to the PaintCare program, most waste paint from households was handled either through municipal HHW programs, or the public was encouraged to dry and dispose of latex paint. Maine municipalities did not offer any services for business; all businesses regardless of their size had to contract with private hazardous waste haulers for paint disposal, which was generally cost-prohibitive for painting contractors and other small businesses.

To increase recycling opportunities for Maine households, businesses and others with leftover paint, all suitable locations were invited to participate as PaintCare drop-off sites, provided they met PaintCare's operational requirements, including adequate space for storage of paint collection bins and willingness to accept all program products (latex and oil-based products). PaintCare reached out to paint retailers, material reuse stores, household hazardous waste programs, public and private waste transfer stations to partner as paint drop-off sites.

At the end of the second reporting period, the Maine program had 106 year-round retail drop-off sites located throughout the state. They included 75 paint retailer stores, 29 transfer stations, one environmental services company, and one reuse store. PaintCare also managed paint from 25 HHW drop-off events, two seasonal HHW facilities, and two week-long paint events at a transfer station. In addition, PaintCare conducted six large volume pick-ups (LVP) directly from businesses and other sites that had accumulated more than 200 gallons of paint.

All PaintCare drop-off sites and the LVP service accept both latex and oil-based paint. All retailers and the environmental services company accept paint from both residents and qualifying businesses, as does the LVP program. The HHW programs and transfer stations serve only residents, with the exception that some transfer station acceptation latex paint from businesses.

PaintCare drop-off sites, events, and services are summarized in the following tables:

SUMMARY OF PAINTCARE DROP-OFF SITES, EVENTS, AND SERVICES

YEAR-ROUND DROP-OFF SITES	YEAR 1 FY2016	YEAR 2 FY2017
Paint Retailers	73	75
Transfer Stations	21	29
Reuse Stores	1	1
Environmental Services Companies	1	1
Total	96	106

SUPPLEMENTAL SITES, EVENTS, AND SERVICES

HHW Events	13	25
PaintCare Paint-Only Event	1	0
Transfer Station Paint-Only Events	1	2
Seasonal HHW Facilities	2	2
Paint Retailer (partial year)	0	1
Direct Large Volume Pick-Ups	7	6

The following subsections discuss the various paint drop-off sites, events, and services provided by the Maine program. Section 2 of the report details the volumes of paint collected by each site type and service.

A1. Paint Retailers

PaintCare added three new retail sites and one participating retailer closed during the reporting period. Paint retailers are ideal locations to serve as paint drop-off sites because they are situated throughout the state, are often centrally located in cities and towns, are open five or more days per week, and have staff familiar with paint products and their safe handling. In addition, their customers are likely to have some leftover paint and often ask store staff for advice on what to do with it.

Prior to the start of the program, six rounds of mailings were sent to paint retailers that included information about retailer requirements under the new law and about becoming a PaintCare drop-off site (current versions of the fact sheets are available at paintcare.org). These mailings were sent either directly to the stores or to their corporate office. In addition, four webinars were offered for retailers to learn about the program and ask questions, and a video was posted on PaintCare's website that explains the program and shows what it takes to be a PaintCare drop-off site.

As discussed in the Maine program plan, approximately 350 sites were identified that sold paint, consisting of paint, hardware, and home improvement stores. PaintCare updated the list of paint retailers during the reporting period. As of June 2017, there were 330 paint retailers, and 246 are considered potential drop-off sites. (PaintCare has been informed by the corporate headquarters of big box stores and variety stores that they are not interested in serving as drop-off sites.)

Of the 246 paint retailers, 75 (30%) were participating as drop-off sites at the end of the reporting period. Paint retailers participate in the program to increase foot traffic through their stores and to provide a service for their customers. A list of the names and addresses of the paint retailers that participated during the reporting period is included in the appendix.



PaintCare signage at the Sherwin-Williams store in Waterville

A2. Household Hazardous Waste Programs

Prior to program launch, PaintCare contacted all identified HHW programs that were operating facilities and events in the state. Print materials about the benefits to HHW programs of participating in the PaintCare program were made available to the HHW contacts (current version of the HHW fact sheet is available at paintcare.org). PaintCare continued its efforts to partner with the remaining HHW programs during the reporting year, managing paint from two seasonal HHW facilities and 25 HHW drop-off events (from 23 locations). A list of the names and addresses of the HHW facilities and events that participated during the reporting period is included in the appendix.

A3. Transfer Stations

Prior to the launch of the program, PaintCare reached out to the councils of government and independent towns in the state. In addition, many of the sites received an in-person visit from PaintCare staff. A fact sheet was developed and distributed to explain the PaintCare program and benefits to transfer stations and

recycling facilities. The current version of the transfer station/recycling facility fact sheet is available at paintcare.org.

PaintCare continued to meet with interested councils of government and independent towns in the state during the reporting period to discuss the PaintCare program and benefits to them, and added eight more transfer stations to the program. Transfer stations participate as drop-offs sites to expand the recycling services provided to their customers and to help keep paint out of the waste stream.

Transfer stations also helped promote the new program to their area residents. In addition to distributing brochures, a few towns partnered with PaintCare on outreach projects where PaintCare provided artwork and wording for their use and reimbursed the towns for banners. The names and addresses of the transfer stations that participated during the reporting period are included in the appendix.



Signage at the Belgrade Transfer Station (left) and storage area at the Oxford Transfer Station (right)

A4. Reuse Stores

Seven material reuse stores – the Maine Building Materials Exchange and six Habitat for Humanity ReStores – were identified prior to program launch and invited to join the program. Along with participating as drop-off sites, these types of stores can operate paint reuse programs by donating or selling good quality leftover paint back to the local community to use, rather than sending it through PaintCare for processing. PaintCare provides compensation for this service.

PaintCare has found in Maine, as well as in other PaintCare programs, that reuse stores that sell remanufactured/recycled-content paint are often not interested in becoming PaintCare reuse sites because it

is more profitable and simpler to just sell recycled-content paint, rather than add used paint to their shelves as well.

PaintCare has one reuse store in the program and will continue its efforts to recruit other reuse stores in the future.

A5. Paint-Only Drop-Off Events

Due to the Maine program's financial constraints, PaintCare did not hold any paint-only drop off events in the reporting period. The program appears to be moving in a positive direction financially and is beginning to build reserves. PaintCare will monitor the financial position of the program over the next few months and consider holding some events in the spring in areas including Washington County, northern Somerset County, and northern Penobscot/southern Aroostook counties where there are few year-round sites.

A6. Large Volume Pick-Up Service

The Large Volume Pick-Up Service (LVP service) was offered to painting contractors and others that had accumulated large volumes of paint. Painting contractors often store paint for future use or because it is expensive to dispose of. Property management companies are constantly repainting the buildings they manage and are left with excess or aging paint. In the spring 2017, PaintCare lowered the threshold amount from 300 to 200 gallons to qualify for a pick-up. PaintCare arranged six LVPs during the reporting period. The users of the service included two painting contractors, three property management companies, and a medical center.



Before and after cleaning out an LVP customer in Biddeford

B. CONVENIENCE CRITERIA

PaintCare used Geographic Information System (GIS) modeling to determine the appropriate minimum number and distribution of drop-off sites based on the following baseline criteria required by the Maine paint stewardship law:

Distribution: At least 90% of state residents have a permanent (year-round) site within a 15-mile radius of their residence.

Density: One additional site for each 30,000 residents in a population center that is located to provide convenient and reasonably equitable access for residents within the population center.

Urbanized Areas and Urban Clusters are provided by the Census Bureau to delineate areas of concentrated population, i.e., an “urban footprint,” to distinguish between urban and rural areas. An Urbanized Area has a minimum of 50,000 residents. An Urban Cluster is a similar geographic representation of densely populated areas with population between 2,500 and 50,000. The Census Bureau uses documented and repeatable methodology and rules to identify and delineate Urbanized Areas and Urban Clusters, and they are defined consistently nationwide.

Application of these criteria resulted in the need for approximately 60 optimally located year-round drop-off sites, which PaintCare considers its baseline service level goal. The 105 year-round drop-off sites in place at the end of the reporting period provided 95.3% of Maine residents a drop-off site within 15 miles of their residence.

The Census Bureau identified three Urbanized Areas and one Urban Cluster with populations greater than 30,000 in Maine. They are the broader areas (broader than the city limits) of Portland, Lewiston, Bangor, and Brunswick. The following table shows the populations of these areas as provided by the Census Bureau, the number of sites each area needs to meet the density requirement, and the number of sites each had at the end of the reporting period:

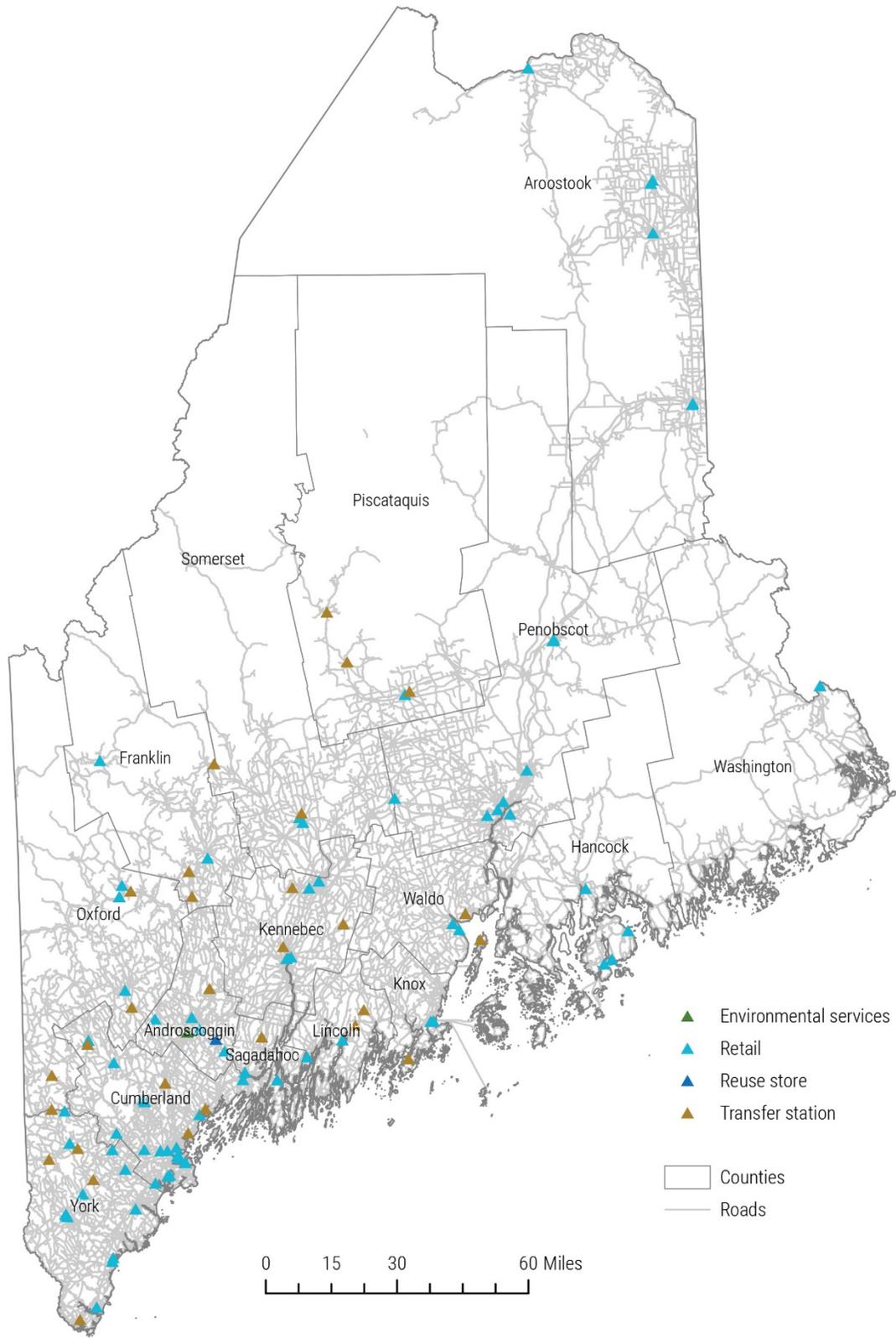
URBANIZED AREAS & URBAN CLUSTERS	POPULATION	NUMBER OF SITES NEEDED	FY2017 YEAR-ROUND SITES
Portland	226,711	7	17
Lewiston	69,221	2	5
Bangor	68,574	2	5
Brunswick	34,546	1	3

The following maps show the locations of (1) year-round sites, (2) supplemental sites and events, (3) year-round sites and supplemental sites and events, and (4) LVP sites. (LVP sites were not included when calculating the values needed to measure convenience for the distribution or density criteria, but are mapped for illustrative purposes.)

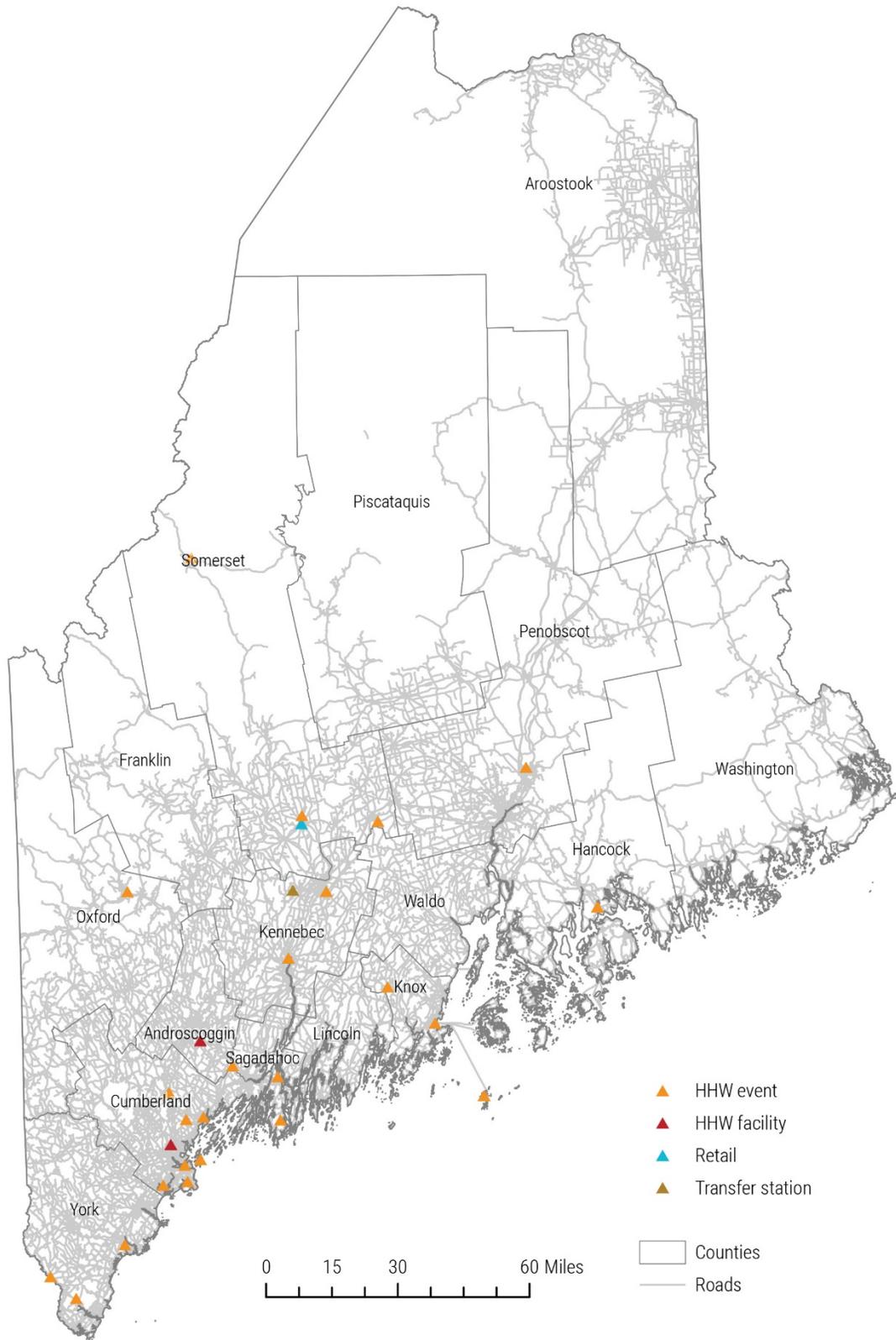
For this report, GIS analysis was conducted by Dewberry, an engineering firm with expertise in geographic analysis and mapping.

As described previously, Maine had many HHW services prior to the PaintCare program. However, the level of service and types of paint products that were accepted varied greatly in different parts of the state. Of all of the HHW programs, none had facilities that were open year-round, and very few accepted latex paint. The remainder of the state was served by HHW events, with some areas having access to few or no events. For businesses, options were even fewer. Through its drop-off sites and LVP service, the PaintCare program has significantly increased paint recycling opportunities for Maine residents and businesses

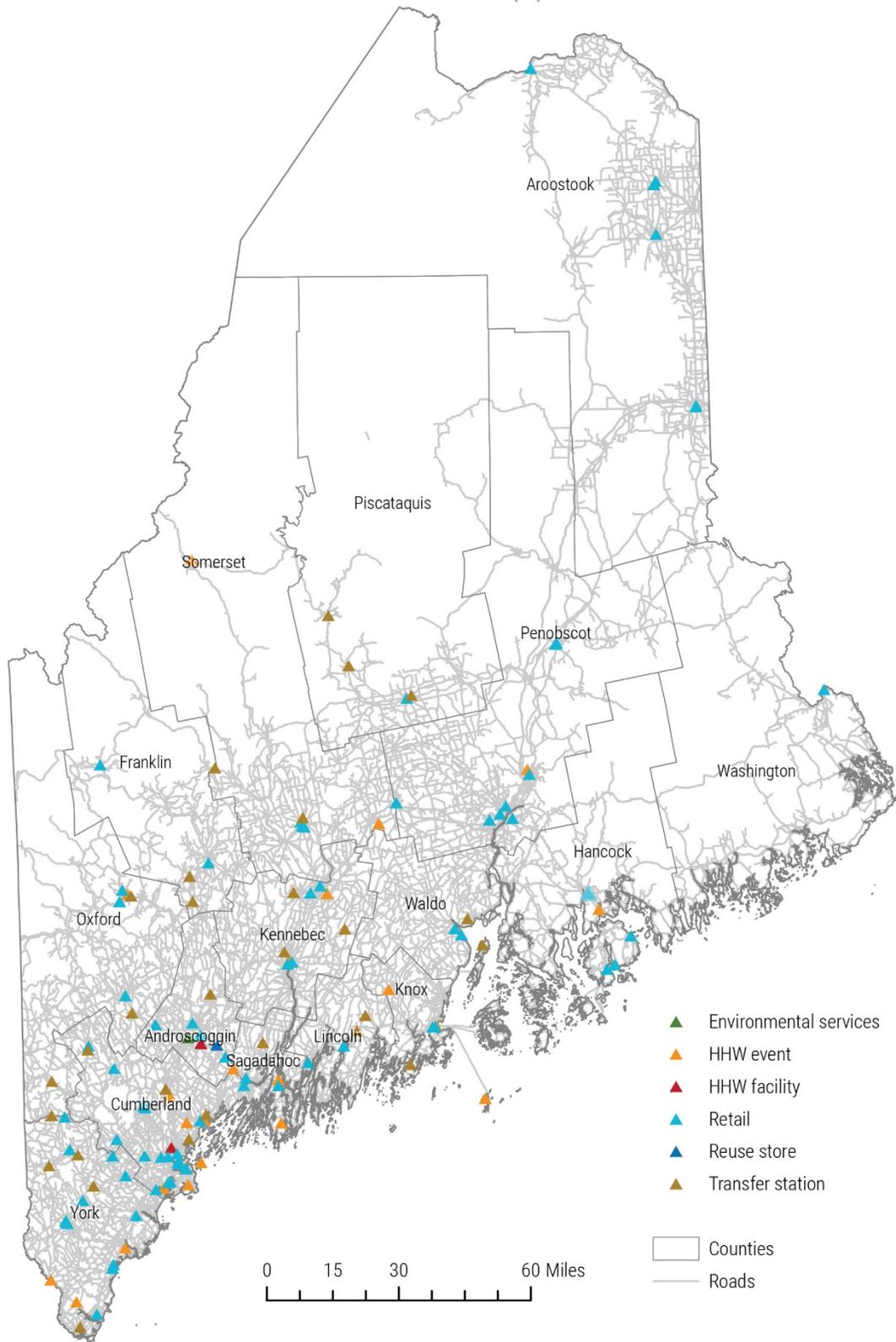
YEAR-ROUND DROP-OFF SITES



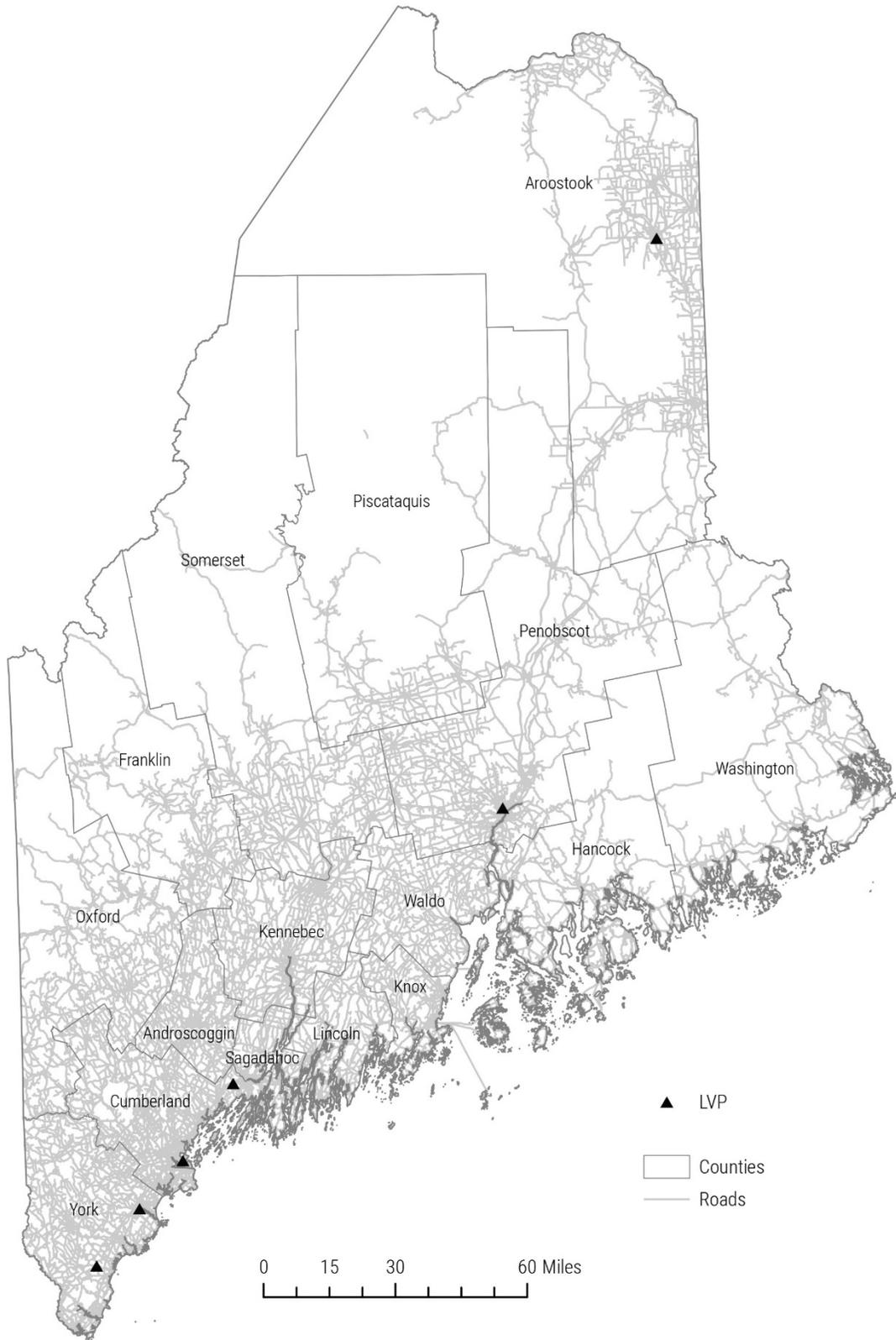
SUPPLEMENTAL DROP-OFF SITES



YEAR-ROUND AND SUPPLEMENTAL DROP-OFF SITES AND EVENTS



Large Volume Pick-Up Sites



C. PAINT COLLECTION PROCEDURES

PaintCare entered into contract agreements with sponsors or operators of all drop-off sites (and events). PaintCare contracts require that all drop-off sites meet requirements of local, state, and federal law, regulations, and policies.

Except for HHW programs and the environmental services company whose staff were already familiar with managing waste paint, PaintCare provided all other sites with an on-site, in-person training and a program procedures manual. The training and program manual covered the following topics:

- ◆ Identification of program and non-program products
- ◆ Acceptable containers
- ◆ Whom to accept paint from and how much
- ◆ Screening procedure for Conditionally Exempt Small Quantity Generators (CESQGs) and the required log form
- ◆ Proper storage
- ◆ Spill response procedures and reporting requirements
- ◆ Employee training
- ◆ How to schedule a pick-up
- ◆ Required paperwork and record retention schedules

Site personnel are required to visually inspect containers of postconsumer paint – but not open them – to confirm that they are acceptable program products and then place them in the spill proof collection bins provided by the program. Unlabeled and leaking cans are not accepted at retail or transfer station sites, but trained staff at HHW facilities and events, and the environmental services company, are allowed to accept and prepare them for management under the program.

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

D. PAINT TRANSPORTATION AND PROCESSING

D1. Paint Transportation

PaintCare contracted with three companies for transportation services in the reporting period – Clean Harbors Environmental Services, Environmental Projects Inc. (EPI), and Loop.

Clean Harbors and EPI are both registered hazardous waste haulers. Loop subcontracted transportation services to Frank's Vacuum Truck Service, Inc. which is also a registered hazardous waste hauler. PaintCare requires that transportation service providers have the ability and knowledge to respond to incidents involving hazardous materials and comply with all applicable U.S. Department of Transportation (DOT) and state transportation rules.

Clean Harbors provided transportation services to all the retail and transfer station drop-off sites, one of the HHW facilities, some of the HHW events, and all the LVP sites. EPI provided transportation services to one of the HHW facilities and some of the HHW events. Loop arranged for the transportation of paint bins collected by EPI and aggregated at EPI's facility in Auburn.

Clean Harbors transported paint from all their assigned sites and events to their permitted facility in Cranston, RI for screening, separation and consolidation.

EPI transported paint from all their assigned sites and events to their permitted facility in Auburn, ME. Frank's Vacuum Truck Services, Inc., as directed by Loop, picked up the paint from EPI's facility and delivered it to Loop in Niagara Falls, ON for screening, separation and consolidation.

D2. Latex Paint Processing

The condition in which postconsumer latex paint is received by the program determines its available management options. If containers are not properly sealed during storage, latex paint can harden due to evaporation and may no longer be usable or recyclable. Similarly, if latex paint freezes numerous times, it may not be suitable for reuse or recycling. Ultimately, the method of storage and the timing of the decision to bring leftover paint to a drop-off site are determined by the consumer.

The program's outreach messages encourage the timely return of unwanted postconsumer paint to reduce the age and improve the condition of the paint for end of life management.

PaintCare managed latex paint under the following waste management hierarchy:

Recycled Paint. Clean Harbors transported paint to GDB International's facility in New Brunswick, NJ. GDB utilized paint-to-paint recycling as their primary method for managing latex paint. GDB processed postconsumer latex paint by manufacturing a variety of colors of recycled-content paint which were either distributed and sold domestically and internationally in 1-gallon and 5-gallon containers or sold in bulk in international markets.

Loop also utilized paint-to-paint recycling as their primary method for managing latex paint and processed postconsumer paint into a variety of colors of recycled-content paint which were sold domestically in quart, 1-gallon and 5-gallon containers or sold in bulk in international markets. Additionally, Loop sells recycled-content latex paint into every U.S. state via WalMart.com.

Energy Recovery. Loop transports dry and unusable latex paint to Covanta in Buffalo, NY, where it is processed via energy recovery.

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

D3. Oil-Based Paint Processing

Recycled Paint. Loop utilized paint-to-paint recycling as their primary method for managing oil-based paint and processed postconsumer paint into a variety of colors recycled-content paint which were sold in small containers (quarts and 1-gallon) in international markets.

Energy Recovery. Clean Harbors shipped some volume of oil-based paint to their Safety-Kleen facility in Smithfield, KY, where the paint was bulked and subsequently transported to five cement kilns – Giant Cement in Harleyville, SC; Lone Star Cement in Greencastle, IN; Buzzi Unichem in Cape Girardeau, MO; ESSROC in Logansport, IN; and Green America in Hannibal, MO for energy recovery. Loop utilized Covanta's waste-to-energy facility in Buffalo, NY.

Incineration. Clean Harbors transported some volume of oil-based paint to their own facilities in El Dorado, AR; Kimball, NE; and Deer Park, TX, where it served as fuel in the incineration process.

Section 2. Paint Collection Volume and Disposition Methods

Annual Report Statutory Citation

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(2) The volume of post-consumer paint collected in the State.

(3) The volume and type of post-consumer paint collected in the State by method of disposition, including reuse, recycling and other methods of processing.

(6) The total volume of post-consumer paint collected by the paint stewardship program and a breakdown of the volume collected at each collection site.

(7) Based on the paint stewardship assessment collected by the paint stewardship program, the total volume of architectural paint sold in the State during the preceding year.

(8) A list of all processors, including recyclers and disposers, used to manage post-consumer paint collected by the paint stewardship program in the preceding year up to the paint's final disposition, the volume each processor accepted and the disposition method used by each processor.

A. PAINT SALES

As discussed in PaintCare's Maine program plan, the volume of paint sold on a state-by-state basis is not available from or tracked by the paint industry. To estimate sales in Maine, PaintCare commissioned a study in the fall of 2012 by a consultant who specializes in analysis and economic forecasting for the coatings industry. The study – which had provided accurate data for previous PaintCare programs – projected annual sales of 3.34 million gallons in Maine. The projected volume was used in the program plan to (1) project program revenue and to (2) project potential collection volumes based on previous studies indicating that approximately 10% of paint purchased is leftover.

Sales for the FY2017 reporting period were 2.22 million gallons or 34% lower than projected. Going forward, revenue forecasting for budgeting will be done using actual Maine sales data from previous years, collected from PaintCare's reporting system. The effect of this are discussed in Section 3.

B. PAINT COLLECTION AND MANAGEMENT

B1. Collection Volume and Recovery Rate

The program processed 109,267 gallons of paint during the reporting period. Site specific collection volumes for the reporting period are presented in the appendix. The recovery rate in the reporting period was 4.9% (4.9% of 2,217,161 gallons sold).

In the Maine program plan, PaintCare estimated an annual recovery rate of 6.5%. The program is still young and may take some years to reach the target recovery rate. The table below shows that the recovery rates of the first two reporting periods. However, as the program was only active for nine months in the first reporting period, and because it didn't collect revenue in the months with the highest paint sales (July-September), comparison of the information between the first two reporting periods is misleading.

GALLONS SOLD AND PROCESSED

	YEAR 1 FY2016 (9 MONTHS)	YEAR 2 FY2017 (12 MONTHS)
Gallons Sold	1,552,611	2,217,161
Gallons Processed	87,453	109,267
Change in Gallons Processed	NA	25%
Recovery Rate	5.6%	4.9%

B2. Latex vs. Oil-Based Paint

This section (and section B3 and C that follow) reflect a procedural error discovered at the end of 2016. The error occurred at the Clean Harbors facility in Cranston, RI, where paint from the Maine, Rhode Island and Vermont PaintCare programs was received, sorted by type, and repacked for shipment to downstream processors. From the start of the Maine program, paint from the state was combined with paint from the other two states. Although PaintCare can report the total weight (and estimated volume) of paint received from each state (because the bins from each state were weighed before their contents were repacked), the breakdown by type (latex vs. oil-based) is not available from the start of the Maine program through October 2016.

Starting November 2016, paint from Maine was no longer commingled with paint from the other two states. The paint collected between November 2016-June 2017 was 77% latex and 23% oil-based.

B3. Paint Management Methods

Although we do not know the gallons of latex versus oil-based paint for the full reporting period, we do know the percentage of each management method used for paint managed in the reporting period by Clean Harbors and Loop separately as shown in the following two tables:

SUMMARY OF PAINT MANAGEMENT
FOR PROCESSORS USED BY CLEAN HARBORS

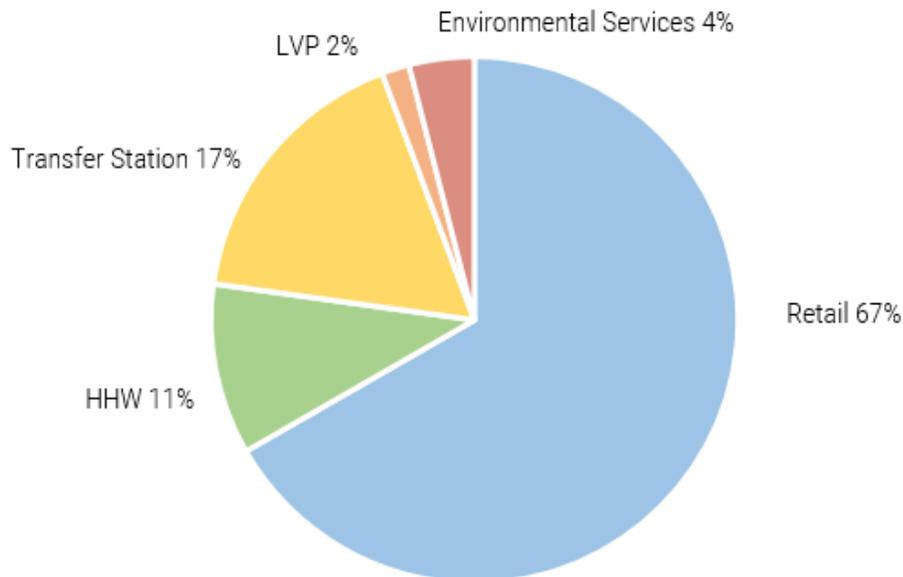
LATEX PAINT	DISPOSITION	FY2016	FY2017
GDB International – Nashville, IL and New Brunswick, NJ	Recycled Paint	83%	83%
Waste Management – Wilmington, IL	Disposal	17%	17%
OIL-BASED PAINT			
Clean Harbors El Dorado – El Dorado, AR Clean Harbors Environmental Services – Kimball, NE Clean Harbors Environmental Services – Deer Park TX Covanta – Buffalo, NY ESSROC – Logansport, IN Giant Cement – Harleyville, SC Green America – Hannibal, MO Lone Star Cement – Green Castle, IN	Incineration / Energy Recovery	100%	100%

SUMMARY OF PAINT MANAGEMENT
FOR PROCESSORS USED BY LOOP

LATEX PAINT DISPOSITION	DISPOSITION	FY2016	FY2017
Loop – Niagara Falls, ON	Recycled Paint	-	82%
Covanta – Buffalo, NY	Energy Recovery	-	18%
OIL-BASED PAINT DISPOSITION			
Loop – Niagara Falls, ON	Recycled Paint	-	82%
Covanta – Buffalo, NY	Energy Recovery	-	18%

B4. Collection by Program Type

The following pie chart shows the breakdown of collection volume by site type:



C. CONTAINER RECYCLING

Metal and plastic paint containers were recycled whenever possible. All latex paint containers managed by the downstream processor, GDB, the metal cans in the portion of oil-based paint managed at the Smithfield, KY facility, and all latex and oil-based paint containers managed by Loop were recycled. However, the exact tonnage of cans recycled during the reporting period cannot be determined due to the error described in section B2 above.

The breakdown of latex paint vs. oil-based paint and the breakdown of the oil-based managed at each of the downstream facilities is unavailable for the volume of paint managed by Clean Harbors July 2016 through October 2016. While, the exact tonnage of containers recycled cannot be determined for the entire reporting period, Loop recycled nine tons of containers which was 100% of the containers managed. During the period of November 2016 through June 2017, GDB recycled 39 tons, 100% of the containers managed, and Clean Harbors recycled three tons of containers. Therefore, for the period of November 2016 through June 2017, the processors recycled a combined total of 51 tons of containers.

Section 3. Independent Audit and Financial Summary

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(4) The total cost of implementing the paint stewardship program, as determined by an independent financial audit funded from the paint stewardship assessment. The report of total cost must include a breakdown of administrative, collection, transportation, disposition and communication costs;

A. INDEPENDENT FINANCIAL AUDIT

An independent financial audit of the national PaintCare program was conducted by Rogers & Company PLLC. This independent CPA firm conducted the audit in accordance with auditing standards generally accepted in the United States. Those standards require that the firm plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. The audit process includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. In Rogers & Company's opinion, the financial statements of PaintCare present fairly, in all material respects, the financial position as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States. Please see the appendix for the independent financial audit of the PaintCare program.

B. FINANCIAL SUMMARY AND DISCUSSION

B1. Expense Categories

Revenue is derived from fees on new paint sales. Expense categories for the Maine program are discussed below.

Paint Processing. Paint processing is the largest expense in all PaintCare programs. In Maine, paint processing costs were billed based on the weight and included the cost of sorting mixed boxes of latex and oil-based paint.

Paint Transportation. Paint transportation is another significant expense in all PaintCare programs. In Maine, transportation costs were billed per cubic yard collection bin picked up and included a minimum stop charge.

Collection Supplies and Support. Collection support expenses included paint collection bins (single use and reusable), spill kits, training materials, signs, and miscellaneous supplies for drop-off sites operations.

Communications. Communications expenses included social media management and advertising, and distribution of promotional materials to increase awareness of the program and use of the drop-off sites.

Personnel, Professional Fees and Other. Personnel, professional fees and other included the proportional cost of one full-time employee managing both the Maine and Vermont programs, GIS analysis, legal costs, travel, office supplies, and other logistical and professional support.

State Administrative Fees. PaintCare pays administrative fees to DEM, up to a maximum of \$82,000 annually.

Corporate Activity. Corporate activity costs are those that are shared across all PaintCare programs and allocated relative to the population of the state or jurisdiction. For the reporting period, Maine's corporate allocation was 2.3%. These costs include but are not limited to corporate staffing, insurance, maintenance of data management systems, auditing fees, software licenses, legal fees, occupancy, and general communications. (Corporate activity was referred to as administrative costs in the Maine program plan.)

B2. Financial Summary

The following tables show program revenue and expenses during the first two reporting periods:

REVENUE AND EXPENSES

REVENUE	YEAR 1 FY2016 (9 MONTHS)	YEAR 2 FY2017 (12 MONTHS)
Larger than half pint to smaller than 1 gallon	\$ 144,882	\$ 189,848
1 gallon	754,220	1,077,369
Larger than 1 gallon up to 5 gallons	141,578	206,090
Total revenue	1,040,680	1,473,307
EXPENSES		
Paint processing	426,058	561,974
Paint transportation	137,104	173,816
Collection supplies and support	143,016	142,640
Communications	107,362	18,210
Personnel, professional fees, and other	94,688	93,904
State administrative fees	63,570	82,000
Allocation of corporate activity	69,212	90,747
Total expenses	1,041,010	1,163,291
Allocation of investment activity	(13,412)	(6,545)
Change in net assets (revenue minus expenses)	(13,742)	303,471
Net assets, beginning of reporting period	(273,445)	(287,187)
Net assets, end of reporting period	\$ (287,187)	\$ 16,284

- ◆ The current funding mechanism for the Maine PaintCare program seems to be working well. Paint sales are significantly lower than original projections, but collection volumes and expenses are also lower.
- ◆ The increase in most expense line items is proportional to the full year of expenses versus nine months in the first program year.
- ◆ Communications expenses were reduced this fiscal year as a controllable cost as we carefully watched the budget. With the retirement of pre-program expenses and a bit of surplus building, we plan to resume some advertising and outreach activities in the second half of FY2018.

C. RESERVES POLICY

PaintCare’s Reserves Policy establishes a minimum threshold of 16% of annual expenses (i.e., at least two months of operating expenses); a target reserve amount of 50% of annual expenses; and a maximum amount of 75% of annual expenses. This accumulated balance allows PaintCare programs to continue to operate in times of either higher than expected paint collection or lower than expected paint sales (and revenue) – or a combination of the two. Reserves (or net assets) represent the accumulated surplus/deficit of the program. If the program reserves fall below the minimum threshold of 16% or rise beyond the maximum threshold of 75%, an evaluation of the programs expenses and/or revenue will be performed to determine if changes are needed in operations, outreach, or the assessment structure.

At the end of the reporting period, the Maine program was able to establish a small surplus in reserves in the amount of \$16,284 (1.4% of operating expenses for FY2017).

D. EVALUATION OF THE PROGRAM’S FUNDING MECHANISM

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

PAINTCARE FEE SCHEDULE

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

The funding mechanism, fee structure, and system to receive sales reports and payments from manufacturers performed well during the reporting period. The revenue generated was sufficient to cover expenses. No adjustment to the fee structure or payment system is proposed at this time.

Section 4. Outreach

Annual Report Statutory Citation

Minnesota Session Laws 2013, Chapter 114, Section 78

Subd. 12. Stewardship reports. Beginning October 1, 2015, producers of architectural paint sold in the state must individually or through a stewardship organization submit an annual report to the agency describing the product stewardship program. At a minimum, the report must contain:

(4) Samples of educational materials provided to consumers and an evaluation of the effectiveness of the materials and the methods used to disseminate the materials.

A. OUTREACH ACTIVITIES

A1. Introduction

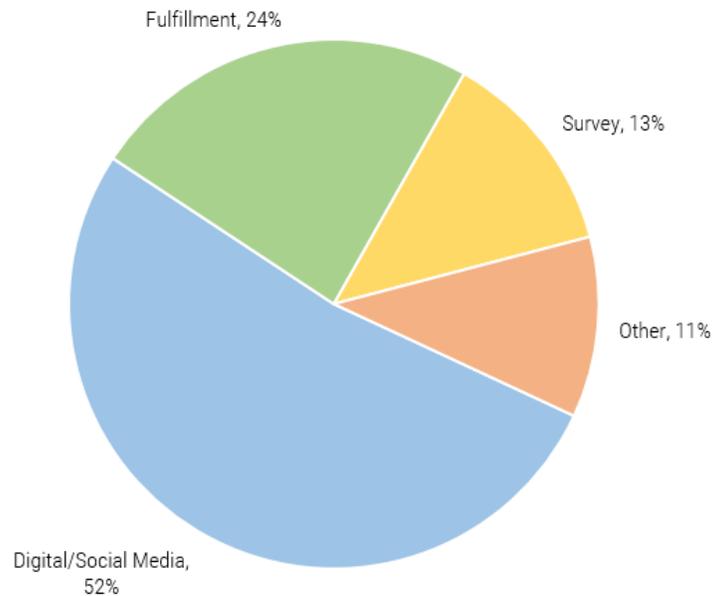
PaintCare's outreach strategy includes a variety of activities targeted to retailers, painting contractors, municipal agencies, and the general public through direct contact and advertising. Initial outreach focused on recruiting drop off sites – retail, HHW programs, and transfer stations. The first year used a phased in approach. The intent of phasing in outreach was to allow drop-off sites to become comfortable with operations before implementing general advertising to the public to increase participation.

Early in this reporting period, the outreach budget was cut back to due to the financial position of the program at the end of FY2016. Outreach efforts in the reporting period included fulfillment of orders for brochures and point-of-sale materials, maintaining PaintCare's website and Facebook account, and some social media advertising (Facebook ads). General advertising through radio, newspaper and other means was put on hold. PaintCare also conducted a survey to measure awareness of the program.

All materials and advertising directs the public to PaintCare's website to find drop-off sites using PaintCare's site locator search tool.

The relative amounts of spending dedicated to outreach activities about the Maine program are summarized in the following pie chart:

RELATIVE SPENDING ON OUTREACH ACTIVITIES



A2. Print Materials for Consumers

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

During the reporting period, PaintCare fulfilled 25 requests for materials by mail, and the Maine program manager delivered materials in person during site visits. PaintCare distributed a total of 2,086 brochures, mini cards, and fact sheets during the reporting period.

PaintCare also provided counter mats to retailers to use in the paint department to reference when customers have questions. The counter mat is popular with retailers and more likely than the poster to be seen by customers while they wait for their paint to be mixed. This year the counter mat used in all states was redesigned to allow for a state-specific insert that can be customized for each.

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



Brochure, mini card, program poster, counter mat, and fact sheets

A3. Print Materials for Stakeholders

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

- ◆ How Does the Maine Paint Stewardship Program Affect Paint Retailers?
- ◆ How to Become a Retail Drop-Off Site
- ◆ About PaintCare Fees
- ◆ Information for HHW Programs
- ◆ Information for Solid Waste Transfer Stations, Recycling Facilities and Landfills
- ◆ Reuse Programs – Compensation and Reporting

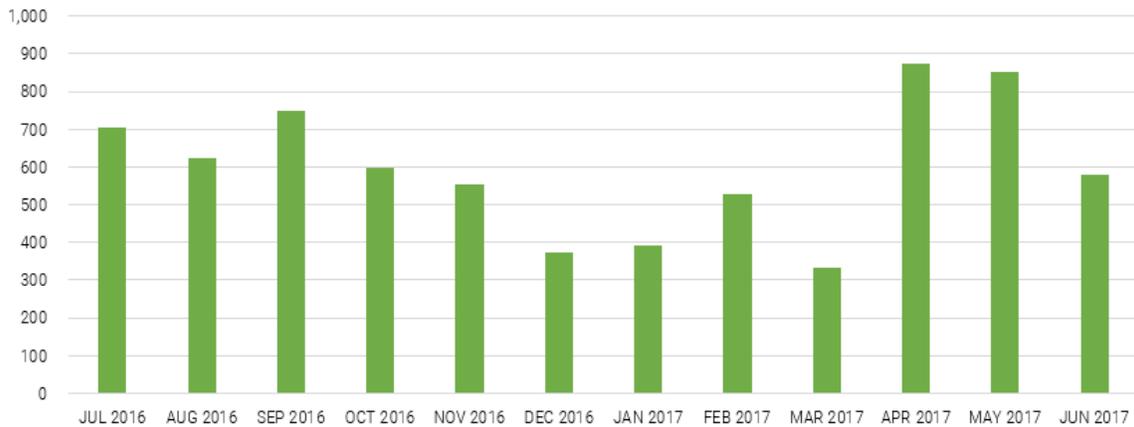
A4. Website

Nearly all PaintCare advertising and outreach efforts direct the public to PaintCare’s website for more information and to find a local PaintCare site. The most frequently visited part of the website is the PaintCare site locator tool on the page titled Drop-Off Locations. PaintCare’s website is updated throughout the year.

The website is easy to navigate and features topics on buying the right amount of paint, storage and reuse tips, and recycling. It has special pages for manufacturers and retailers, explains what products are covered by the program, and has a Maine page with tabs for different audiences (Everyone, Contractors, Retailers, Waste Facilities, and Official Docs).

Web traffic from Maine was the highest in April and May and was lower December-March.

MONTHLY WEBSITE TRAFFIC FROM MAINE



A5. Translations

PaintCare translates consumer brochures and fact sheets into languages of known ethnic groups in the state, especially those in the painting business, and upon request from paint retailers or other stakeholders. PaintCare translated Maine’s program brochure to Spanish.

Two of the most widely-used fact sheets are the LVP fact sheet and the painting contractor fact sheet. The LVP fact sheet is available in Spanish. The fact sheet for painting contractors is available in a total of 11 languages other than English due to requests from other PaintCare programs.

A6. Facebook Advertising

PaintCare used Facebook to promote all three of its messages Buy Right, Use Up Leftover Paint, and Recycle with PaintCare. Here is an example of the Use It Up Facebook ad from the spring advertising campaign.



A7. Face-to-Face

The Maine program manager continued to visit with retail drop-off sites regularly to make sure there were no problems or concerns, to help coach them on how to answer questions they receive from customers, provide brochures and other point-of-sale materials, and order signs. The manager also talked to customers in the stores when they were dropping off paint or buying paint and had questions.

He also visited PaintCare's HHW facility and transfer station partners to check on operational issues and answer questions.

In addition to regular contact with drop-off sites, the Maine program manager participated in the following face-to-face events during the reporting period:

DATE	EVENT	LOCATION	DECIPTION
September 2016	EcoMaine Open House	South Portland	Resident outreach
October 2016	MRRA Annual Meeting	Hermon	Transfer station outreach
February 2017	Maine Home and Remodeling Show	Portland	Public outreach table
May 2017	MRRA Conference	Rockland	Transfer station outreach

A8. Signage

PaintCare developed several signs for drop-off sites to help them let the public know about the program, screen program products, and address concerns they have about illegal dumping. Drop-off sites may order the following signs: Program Products Sign (English/Spanish), Program Partner Sign, Combination (Program Partner with simplified products list), No Dumping, and Please Wait for Assistance. These signs can now be found online at www.paintcare.org/signs.



A9. Joint Projects

PaintCare provided artwork and financial support to two organizations during the reporting period:

- ◆ Belgrade Transfer Station (in support of a week-long paint collection in August 2016 and June 2017), PaintCare provided a new banner this year for the transfer station and continues to host a special landing page for the transfer station at www.paintcare.org/Belgrade.
- ◆ St. George Parade and Transfer Station (PaintCare Month), provided paint can costumes, and special banners and other signage for a transfer station that joined the program. (Signs were provided before the reporting period; the parade was in July during the reporting period.)



Participants in the paint recycling contingent of the St. George Parade in July 2016.

B. AWARENESS SURVEY

PaintCare conducted a two baseline Paint Usage and Disposal Surveys in Maine prior to the start of the program using Survey Monkey, an online survey instrument. (One was conducted in June 2014 and another in June 2015). The survey is used to evaluate awareness of paint recycling options over time, and it is repeated each year.

PaintCare is especially interested in the questions related to how much paint people store in their homes and whether they know where to recycle unwanted paint. A summary of questions and answers for the four rounds of surveys is included in the appendix. Here are few highlights from this year's survey:

Here are some highlights of the surveys:

- ◆ There is a trend showing that respondents store less paint. In general, each year fewer respondents said that they had 5 or more gallons of paint, and more respondents said they had 0-5 gallons.
- ◆ Another trend is that fewer respondents reported that the paint in their home came from either (1) someone they hired to paint left it behind, or (2) it was there when they moved in. With many easy-to-find year-round drop-off sites open several days a week, it may be that painting contractors are more

likely to take away leftover paint when the job is done, and home sellers are more likely to clean out their old paint storage areas throughout the year or when then get ready to sell.

- ◆ The percentage of respondents who said they had (or would) dry out unwanted paint and dispose of it in the trash decreased each year. Prior to PaintCare, drying and disposing of latex paint was recommended by the state and local government programs as the way to get rid of unwanted latex paint.
- ◆ The percentage of respondents who said they had (or would) take unwanted paint to an HHW program decreased each year – and the percentage who said they had (or would) take it to a paint store increased each year. Prior to PaintCare, very few paint stores took back paint, so this is an indicator of awareness of the options provided by PaintCare’s retail partners.
- ◆ The percentage of respondents who said they know that paint can be recycled increased each year. This year it was 43%.
- ◆ The percentage of respondents who said they know where to take paint for recycling or disposal increased most years. This year 70% of respondents said they know where to take old paint.

C. RECOMMENDATIONS

- ◆ When the financial position of the program improves further, PaintCare should consider a variety of media activities, including television, radio, online and newspaper advertising to increase awareness of the program.
- ◆ PaintCare’s outreach should continue to reach all parts of the state, and continue to be sure that media does not cross borders into nearby states or Canada.
- ◆ The use and effectiveness of digital and social media strategies should be increased. Digital advertising is likely to increase as people spend more time online each year. Digital and social media strategies can target relevant messages to specific geographic areas.
- ◆ PaintCare should offer its joint outreach program to local governments to leverage their messaging and outreach for recycling and solid waste programs.
- ◆ The program manager should identify new events and other face-to-face outreach opportunities (e.g., home shows, painting contractor association meetings, etc.) to raise awareness of the program.

**Appendix
Section A**



PAINTCARE SITES

FY2017 PAINTCARE SITES IN MAINE - PAGE 1

City/Town	Site Name	Address	Type	Gallons Collected
Year-Round Sites		106 Sites		101,784
Auburn	Environmental Projects Inc	664 Washington St N	Environmental Services	4,130
Auburn	Sherwin-Williams	445 Center St	Retail	924
Augusta	Aubuchon Hardware	10 Bangor St	Retail	423
Augusta	Hatch Hill Solid Waste Facility (New)	112 Hatch Hill Rd	Transfer Station	0
Augusta	Sherwin-Williams	68 Western Ave	Retail	3,158
Bangor	Color Concepts	840 Hammond St	Retail	1,126
Bangor	JB Paint Co	2225 Odlin Rd	Retail	119
Bangor	Sherwin-Williams	625 Broadway	Retail	2,783
Bar Harbor	Paradis True Value Hardware	31 Holland Ave	Retail	396
Bath	Rogers Ace Hardware	55 Congress Ave	Retail	1,483
Belfast	Aubuchon Hardware	231 Northport Ave	Retail	585
Belfast	Sherwin-Williams	15 Starrett Dr	Retail	2,002
Biddeford	Sherwin-Williams	420 Alfred St	Retail	2,845
Bowdoinham	Bowdoinham Recycling Barn	243 Post Rd	Transfer Station	589
Brewer	Aubuchon Hardware	484 Wilson St	Retail	946
Bridgton	Bridgton Transfer Station	118 Sandy Creek Rd	Transfer Station	718
Bridgton	Hayes True Value Hardware	204 Portland Rd	Retail	865
Brownfield	Brownfield Transfer Station	1076 Pequawket Trl	Transfer Station	426
Brunswick	Sherwin-Williams	179 Pleasant St	Retail	2,695
Buxton	Aubuchon Hardware	400 Narragansett Trl	Retail	1,066
Buxton	Plummers Buxton Hardware	241 Parker Farm Rd	Retail	375
Calais	Sherwin-Williams	305 North St	Retail	482
Caribou	S W Collins Co	6 Washburn St	Retail	289
Caribou	Sherwin-Williams	118 Bennett Dr	Retail	278
China	China Transfer Station	191 Alder Park Rd	Transfer Station	919
Cornish	Cornish Hardware	13 Maple St	Retail	223
Dover Foxcroft	Dover Foxcroft Transfer Station	66 Landfill Rd	Transfer Station	948
Dover Foxcroft	Dover True Value Hardware	69 E Main St	Retail	178
Ellsworth	Sherwin-Williams	43 Downeast Hwy	Retail	2,671



PAINTCARE SITES

FY2017 PAINTCARE SITES IN MAINE - PAGE 2

City/Town	Site Name	Address	Type	Gallons Collected
Falmouth	Falmouth Transfer Station	101 Woods Rd	Transfer Station	1,690
Farmington	Aubuchon Hardware	361 Wilton Rd	Retail	582
Fort Kent	SW Collins (formerly Quigleys)	35 W Main St	Retail	276
Gorham	Gorham Hardware (formerly Cooks)	57 Main St	Retail	693
Gray	Gray Transfer Station	Seagull Dr	Transfer Station	2,170
Greene	Greene Transfer Station	281 Quaker Ridge Rd	Transfer Station	456
Greenville	Greenville Transfer Station	7 Minden St	Transfer Station	527
Hiram	Tri Town Transfer Station	208 S Hiram Rd	Transfer Station	420
Houlton	S W Collins Co	57 Bangor St	Retail	204
Houlton	Sherwin-Williams	2 Smyrna St	Retail	557
Islesboro	Islesboro Transfer Station	1299 Meadow Rd	Transfer Station	358
Jay	Jay Transfer Station	672 Main St	Transfer Station	472
Kingfield	Kingfield Transfer Station	304 Lexington Rd	Transfer Station	165
Kittery	Kittery Transfer Station	1 Mackenzie Ln	Transfer Station	1,247
Lewiston	Sherwin-Williams	1168 Lisbon St	Retail	2,883
Limerick	Limerick Transfer Station	86 Doles Hill Rd	Transfer Station	300
Limerick	Plummers Limerick Hardware	42 Central Ave	Retail	131
Lincoln	Aubuchon Hardware	245 W Broadway	Retail	314
Lincoln	S W Collins Co	302 W Broadway	Retail	378
Lisbon	Maine Building Materials Exchange	102 Lisbon Rd	Reuse Store	649
Lisbon Falls	Aubuchon Hardware	572 Lisbon St	Retail	507
Mechanic Falls	Depot Square Hardware	9 Depot Square	Retail	436
Mexico	Rumford Transfer Station	388 River Rd	Transfer Station	1,428
Monson	Monson Transfer Station	80 Chapin Ave	Transfer Station	38
Naples	Aubuchon Hardware	499 Roosevelt Trl	Retail	1,187
Newcastle	Louis Doe Home Center	92 Mills Rd	Retail	74
Newfield	Newfield Transfer Station	320 Water St	Transfer Station	754
Newport	Aubuchon Hardware	80 Moosehead Trl	Retail	50
Nobleboro	Nobleboro Transfer Station	25 Transfer Ln	Transfer Station	1,094
Northeast Harbor	F T Brown	106 Main St	Retail	34
Northeast Harbor	S R Tracy Inc	8 Summit Rd	Retail	259



PAINTCARE SITES

FY2017 PAINTCARE SITES IN MAINE - PAGE 3

City/Town	Site Name	Address	Type	Gallons Collected
Norway	Aubuchon Hardware	138 Main St	Retail	652
Oakland	Oakland Transfer Station	343 Town Farm Rd	Transfer Station	265
Old Town	Aubuchon Hardware	486 Stillwater Ave	Retail	636
Oxford	Oxford Transfer Station	89 Smith St	Transfer Station	874
Portland	Aubuchon Hardware	832 Stevens Ave	Retail	1,200
Portland	Maine Hardware	274 Saint John St	Retail	1,046
Portland	PPG Portland	973 Congress St	Retail	410
Portland	The Paint Pot	1236 Congress St	Retail	893
Presque Isle	S W Collins Co	21 Rice St	Retail	462
Rangeley	Rangeley Lakes Builders Supply	2742 Main St	Retail	594
Rockland	E L Spear Inc Lumber & Hardware	10 Payne Ave	Retail	1,899
Rockland	Sherwin-Williams	96 Park St	Retail	2,634
Rumford	Aubuchon Hardware	65 Falmouth St	Retail	218
Rumford	Sherwin-Williams	1023 Route 2	Retail	0
Scarborough	Dunstan Ace Hardware	636 US Hwy 1	Retail	815
Scarborough	Oak Hill Ace Hardware	Oak Hill Plaza 29 Gorham Rd	Retail	1,642
Scarborough	Sherwin-Williams	166 US Route 1	Retail	330
Searsport	Searsport Transfer Station	Dump Rd	Transfer Station	497
Skowhegan	Quinn True Value Hardware	125 Waterville Rd	Retail	155
Skowhegan	Sherwin-Williams	257 Madison Ave	Retail	503
Skowhegan	Skowhegan Transfer Station	29 Transfer Station Dr	Transfer Station	281
South Portland	Maine Paint Company	153 Ocean St	Retail	1,761
South Portland	Sherwin-Williams	180 Waterman Dr	Retail	1,371
Southwest Harbor	Southwest Trustworthy Hardware	345 Main St	Retail	288
Springvale	Aubuchon Hardware	640 Main St	Retail	855
Springvale	Sherwin-Williams	544 Main St	Retail	2,500
Springvale	Springvale Hardware	489 Main St	Retail	570
Standish	Steep Falls Building Supply	190 Ossipee Trl W	Retail	294
Tenants Harbor	St George Transfer Station	176 Wallston Rd	Transfer Station	637
Topsham	Sherwin-Williams	86 Topsham Fair Rd	Retail	911
Waldoboro	Waldoboro Transfer Station	885 N Nobleboro Rd	Transfer Station	435



PAINTCARE SITES

FY2017 PAINTCARE SITES IN MAINE - PAGE 4

City/Town	Site Name	Address	Type	Gallons Collected
Waterboro	Plummers Waterboro Hardware	1009 Main St	Retail	251
Waterboro	Waterboro Transfer Station	132 Bennett Hill Rd	Transfer Station	1,870
Waterville	Aubuchon Hardware	485 Kennedy Memorial Dr	Retail	982
Waterville	Sherwin-Williams	343 Main St	Retail	990
Wells	Aubuchon Hardware	1165 Post Rd	Retail	1,006
Wells	Sherwin-Williams	1521 Post Rd	Retail	1,371
Westbrook	Sherwin-Williams	100 Larrabee Rd	Retail	4,120
Westbrook	Sportsmans True Value Hardware	30 Central St	Retail	396
Wilton	Wilton Transfer Station	158 Weld Rd	Transfer Station	611
Windham	Aubuchon Hardware	777 Roosevelt Trl	Retail	823
Windham	Sherwin-Williams	859 Roosevelt Trl	Retail	1,723
Wiscasset	Ames Supply True Value	447 Bath Rd	Retail	831
Yarmouth	Maine Paint Company	412 US Route 1	Retail	2,222
Yarmouth	Yarmouth Transfer Station	659 E Main St	Transfer Station	3,098
York	Eldredge Lumber & Hardware	627 US Route 1	Retail	1,886



PAINTCARE SITES

FY2017 PAINTCARE SITES IN MAINE - PAGE 5

City/Town	Site Name	Address	Type	Gallons Collected
Supplemental Sites and Events				13,013
28 Sites				
Augusta	Municipal Garage (HHW Event)	55 North St	HHW Event	566
Bath	Bath Public Works Dept (HHW Event)	450 Oak Grove Ave	HHW Event	434
Belgrade	Belgrade Transfer Station	41 Transfer Station Rd	Transfer Station	874
Brunswick	Brunswick Landfill (HHW Event)	49 Graham Rd	HHW Event	811
Cape Elizabeth	Cape Elizabeth Recycling (HHW Event)	Dennison Dr (off Spurwink Ave)	HHW Event	502
Cumberland	Town Public Works (HHW Event)	23 Drowne Rd	HHW Event	235
Ellsworth	Ellsworth Transfer Station (HHW Event)	13 Industrial Dr	HHW Event	99
Gray	Gray Transfer Station (HHW Event)	14 Seagull Dr	HHW Event	12
Jackman	Jackman (HHW Event)	31 Hastings Rd	HHW Event	15
Kennebunk	Kennebunk Public Services (HHW Event)	36 Sea Rd	HHW Event	752
Lewiston	Western Maine Env'l Depot	424 River Rd	HHW Facility	486
Matinicus	Matinicus Island (HHW Event)	Unknown Street Address	HHW Event	93
Mexico	Mexico Transfer Station (HHW Event)	342 River Rd	HHW Event	106
Old Town	Old Town Trans Station (HHW Event)	246 Gilman Falls Ave	HHW Event	348
Phippsburg	Phippsburg Trans Station (HHW Event)	58 Sam Day Hill Rd	HHW Event	324
Pittsfield	Pittsfield Recycling Center (HHW Event)	601 Peltoma Ave	HHW Event	109
Portland	Peaks Island (HHW Event)	10 Florida Ave	HHW Event	188
Portland	Riverside Portland HHW Facility	910 Riverside St	HHW Facility	2,882
Rockport	Mid Coast Solid Waste Corp (HHW Event)	90 Union St	HHW Event	362
Scarborough	Scarborough Public Works (HHW Event)	20 Washington Ave	HHW Event	885
Skowhegan	Aubuchon (Closed Jul 1, 2016)	9 Commercial St	Retail	3
Skowhegan	Skowhegan Recycling (HHW Event)	29 Transfer Station Dr	HHW Event	250
South Berwick	Berwick Transfer Station (HHW Event)	534B Route 4	HHW Event	294
South Portland	South Portland Water Dept (HHW Event)	111 Waterman St	HHW Event	1,133
Union	Tri County Recycling (HHW Event)	3368 Heald Hwy	HHW Event	94
Winslow	Winslow Parks & Rec (HHW Event)	135 Halifax St	HHW Event	800
Yarmouth	Yarmouth Fire Rescue (HHW Event)	178 North Rd	HHW Event	128
York	York (HHW Event)	65 Witchtrot Rd	HHW Event	231



PAINTCARE SITES

FY2017 PAINTCARE SITES IN MAINE - PAGE 6

City/Town	Site Name	Address	Type	Gallons Collected
Large Volume Pick-Up Sites			6 Sites	2,119
Bangor	Property Manager		LVP	260
Biddeford	Property Manager		LVP	424
Brunswick	Painting Contractor		LVP	311
Portland	Property Manager		LVP	688
Presque Isle	Medical Center		LVP	161
Wells	Painting Contractor		LVP	275
Total Gallons in FY2017				116,916

**Appendix
Section B**

PaintCare Inc.

Financial Statements
and Independent Auditors' Report

June 30, 2017 and 2016

PaintCare Inc.

Financial Statements
June 30, 2017 and 2016

Contents

Independent Auditors' Report.....	1-2
<i>Financial Statements</i>	
Statements of Financial Position.....	3
Statements of Activities	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6-14
<i>Supplementary Information</i>	
Schedules of Activities, Organized by Program.....	15-16

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
PaintCare Inc.

We have audited the accompanying financial statements of PaintCare Inc. ("PaintCare"), which comprise the statements of financial position as of June 30, 2017 and 2016, the related statements of activities and cash flows for years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PaintCare as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 15-16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Vienna, Virginia
September 26, 2017

PaintCare Inc.

Statements of Financial Position
June 30, 2017 and 2016

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

PaintCare Inc.

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

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

See accompanying notes.

PaintCare Inc.

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

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

See accompanying notes.

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

1. Nature of Operations

PaintCare Inc. (“PaintCare”), a not-for-profit 501(c)(3) organization, was created in October 2009 by the American Coatings Association (ACA), who, working with state and local government stakeholders, passed the first ever paint product stewardship law in the United States in the state of Oregon in 2009 with implementation of the Oregon Program beginning July 1, 2010. Similar legislation has subsequently been passed in other jurisdictions. The legislation pilots an industry-led, end-of-life management program for post-consumer paint, which PaintCare operates. The PaintCare Board is made up of architectural paint manufacturers and participation in PaintCare is not limited to ACA members, but open to all architectural paint manufacturers. There are no dues or registration fees associated with PaintCare. During 2015, PaintCare organized single-member limited liability companies (LLC) for the Oregon, Connecticut, and Rhode Island programs in an effort to shield the assets of each state program from liability stemming from acts and obligations of other PaintCare state programs.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

PaintCare’s financial statements are prepared on the accrual basis of accounting. Unrestricted net assets represent funds that are not subject to donor-imposed stipulations and are available for support of PaintCare’s operations. At June 30, 2017 and 2016, all net assets were unrestricted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable are recorded at net realizable value and represent amounts due from post-consumer paint recovery fees. PaintCare provides an allowance for bad debts using the allowance method, which is based on management’s judgment considering historical information. Accounts are individually analyzed for collectability, and will be reserved based on individual evaluation and specific circumstances. When all collection efforts have been exhausted, the accounts are written off against the related allowance. At June 30, 2017 and 2016, an allowance of \$25,848 and \$13,122, respectively, was recognized.

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are stated at fair value, based on quoted market prices. All realized and unrealized gains and losses are included in the accompanying statements of activities.

Property and Equipment

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

Revenue Recognition

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

Program participants report their monthly unit sales of paint through a secure, HTTPS online system using their unique user ID and password. The participant must pay a paint recovery fee per unit sold, based on container size, according to the established fee schedule for each state program. As the PaintCare recovery fee is added to the wholesale price of paint and passed through uniformly to the retail purchase price of paint—so that the manufacturer, distributor, and/or retailer is made whole—in some cases, distributors or retailers have elected to undertake the obligation of the manufacturer for these fees. Thus, PaintCare has allowed remitter agreements in the program, whereby a distributor or retailer reports and remits directly to PaintCare on behalf of a participant manufacturer's brand or brands. Reports and payments are due by the end of the month following the reporting period.

Revenue from all other sources is recognized when earned.

Communications Costs

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

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing the various program and supporting activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Programs are categorized by the states where services are conducted.

Measure of Operations

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

Recently Issued Accounting Pronouncement

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

Reclassifications

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

Subsequent Events

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

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

3. Concentration of Credit Risk

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

4. Accounts Receivable

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

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

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

5. Investments and Fair Value Measurements

PaintCare invests a portion of its accumulated surplus in a portfolio with Bank of America/Merrill Lynch. The sole objective of the portfolio is to earn a return equal to the rate of inflation and thus preserve the purchasing power of its capital. Interest, dividends, changes in market value, and other investment activities are allocated to each state program based on the relative net asset balances of each state program. Oversight of the investments is provided by the PaintCare Budget and Finance Committee and by the PaintCare Board of Directors.

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

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. Transfers between levels in the fair value hierarchy are recognized at the end of the reporting period.

In general, and where applicable, PaintCare uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 investments. Level 2 inputs include government securities as well as some mutual funds consisting mainly of fixed income instruments, which are valued based on quoted prices in less active markets.

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

5. Investments and Fair Value Measurements (continued)

The following table presents PaintCare's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2017:

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

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

5. Investments and Fair Value Measurements (continued)

The following table presents PaintCare's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2016:

	Level 1	Level 2	Level 3	Total
Equities:				
Energy	\$ 593,060	\$ -	\$ -	\$ 593,060
Materials	382,906	-	-	382,906
Industrials	1,080,718	-	-	1,080,718
Consumer discretionary	1,191,847	-	-	1,191,847
Consumer staples	892,418	-	-	892,418
Health care	1,245,045	-	-	1,245,045
Financials	1,691,497	-	-	1,691,497
Information technology	1,540,323	-	-	1,540,323
Telecommunication service	267,707	-	-	267,707
Utilities	326,170	-	-	326,170
Blend	39,683	-	-	39,683
Mutual funds:				
Fixed income	1,355,644	2,187,213	-	3,542,857
Corporate bonds	9,795,643	-	-	9,795,643
Cash equivalents	1,223,806	-	-	1,223,806
Government securities:				
U.S. Treasury	-	8,246,317	-	8,246,317
Total investments	\$ 21,626,467	\$ 10,433,530	\$ -	\$ 32,059,997

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

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

PaintCare Inc.

Notes to Financial Statements June 30, 2017 and 2016

6. Property and Equipment

PaintCare held the following property and equipment at June 30:

	<u>2017</u>	<u>2016</u>
Software	\$ 421,822	\$ 421,822
Computer equipment	-	63,932
Furniture	-	22,008
	<hr/>	<hr/>
Total property and equipment	421,822	507,762
Less: accumulated depreciation and amortization	(169,460)	(115,253)
	<hr/>	<hr/>
Property and equipment, net	<u>\$ 252,362</u>	<u>\$ 392,509</u>

7. Related Party

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

In February 2011, ACA and PaintCare entered into an affiliation agreement whereby ACA charges PaintCare an administrative fee, annually, to cover the following expense categories: allocation of time incurred by PaintCare officers, allocation of other direct labor, and allocation of occupancy and infrastructure costs. The term of the agreement is for one year and automatically renews for one-year terms unless canceled by either party.

For the years ended June 30, 2017 and 2016, the total administrative fees charged by ACA to PaintCare were \$1,956,462 and \$1,720,000, respectively. At June 30, 2017 and 2016, PaintCare owed ACA \$716,410 and \$693,054, respectively, which is recorded as due to affiliate in the accompanying statements of financial position.

PaintCare Inc.

Notes to Financial Statements
June 30, 2017 and 2016

8. Income Taxes

PaintCare is recognized as a tax-exempt organization under Internal Revenue Code (IRC) Section 501(c)(3), and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is recorded in the accompanying financial statements for PaintCare, as there was no unrelated business taxable income. Contributions to PaintCare are deductible as provided in IRC Section 170(b)(1)(A)(vi).

Management evaluated PaintCare's tax positions, and concluded that PaintCare's financial statements do not include any uncertain tax positions.

SUPPLEMENTARY INFORMATION

PaintCare Inc.

Schedule of Activities, Organized by Program
For the Year Ended June 30, 2017

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	General and Administrative	Total
Operating Revenue and Support											
Paint recovery fees	\$ 4,625,604	\$ 34,996,367	\$ 3,619,770	\$ 933,217	\$ 5,405,122	\$ 849,926	\$ 1,473,308	\$ 6,956,690	\$ 440,721	\$ -	\$ 59,300,725
Other income	103,648	-	-	-	-	-	81,296	-	-	-	184,944
Total operating revenue and support	4,729,252	34,996,367	3,619,770	933,217	5,405,122	849,926	1,554,604	6,956,690	440,721	-	59,485,669
Expenses											
Program and delivery services:											
Collection support	17,287	3,025,711	373,436	99,116	210,544	72,887	142,640	525,763	34,675	-	4,502,059
Transportation and processing	4,405,460	21,726,877	1,861,716	456,393	4,523,534	560,497	735,789	3,683,548	83,421	-	38,037,235
Communications	98,254	3,753,494	474,641	88,715	113,166	8,583	18,210	606,972	41,210	-	5,203,245
Legal fees	7,507	141,732	4,886	3,131	-	283	-	-	-	-	157,539
State agency administrative fees	40,000	154,935	20,000	-	35,131	15,000	82,000	120,000	50,000	-	517,066
Other program expenses	154,064	1,057,951	131,913	36,999	149,536	45,743	93,904	171,471	29,002	-	1,870,583
Total program and delivery services	4,722,572	29,860,700	2,866,592	684,354	5,031,911	702,993	1,072,543	5,107,754	238,308	-	50,287,727
General and administrative:											
Legal fees	-	-	-	-	-	-	-	-	-	33,210	33,210
Management fees	-	-	-	-	-	-	-	-	-	1,956,462	1,956,462
Insurance	-	-	-	-	-	-	-	-	-	174,213	174,213
Other expense	-	-	-	-	-	-	-	-	-	1,907,483	1,907,483
Total general and administrative	-	-	-	-	-	-	-	-	-	4,071,368	4,071,368
Total expenses	4,722,572	29,860,700	2,866,592	684,354	5,031,911	702,993	1,072,543	5,107,754	238,308	4,071,368	54,359,095
Change in Net Assets from Operations	6,680	5,135,667	753,178	248,863	373,211	146,933	482,061	1,848,936	202,413	(4,071,368)	5,126,574
Non-Operating Activities											
Investment income	-	-	-	-	-	-	-	-	-	1,823,636	1,823,636
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-	(46,549)	(46,549)
Change in Net Assets Before Allocation of General and Administrative Activities	6,680	5,135,667	753,178	248,863	373,211	146,933	482,061	1,848,936	202,413	(2,294,281)	6,903,661
General and administrative allocation	(261,719)	(2,544,998)	(244,164)	(71,906)	(362,337)	(42,747)	(90,747)	(343,569)	(41,107)	4,003,294	-
Investment allocation	-	1,728,879	-	-	(75,844)	(27,358)	(6,545)	94,947	(5,066)	(1,709,013)	-
Total Change in Net Assets	(255,039)	4,319,548	509,014	176,957	(64,970)	76,828	384,769	1,600,314	156,240	-	6,903,661
Net Assets (Deficit), beginning of year	(234,253)	39,442,812	2,564,674	379,278	(1,496,075)	(665,659)	(368,488)	1,510,114	(122,414)	-	41,009,989
Net Assets (Deficit), end of year	\$ (489,292)	\$ 43,762,360	\$ 3,073,688	\$ 556,235	\$ (1,561,045)	\$ (588,831)	\$ 16,281	\$ 3,110,428	\$ 33,826	\$ -	\$ 47,913,650

PaintCare Inc.

Schedule of Activities, Organized by Program
For the Year Ended June 30, 2016

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	General and Administrative	Total
Operating Revenue and Support											
Paint recovery fees	\$ 4,660,647	\$ 35,503,835	\$ 3,855,522	\$ 955,299	\$ 5,432,831	\$ 710,155	\$ 1,040,675	\$ 6,720,309	\$ -	\$ -	\$ 58,879,273
Other income	90,777	-	-	-	-	-	-	-	-	-	90,777
Total operating revenue and support	4,751,424	35,503,835	3,855,522	955,299	5,432,831	710,155	1,040,675	6,720,309	-	-	58,970,050
Expenses											
Program and delivery services:											
Collection support	19,082	2,816,791	347,619	101,448	419,737	87,478	161,638	492,380	3	-	4,446,176
Transportation and processing	4,622,753	20,038,960	1,884,285	459,209	4,317,555	609,818	644,459	3,100,484	-	-	35,677,523
Communications	382,075	5,175,408	460,292	94,980	375,324	23,884	115,337	518,305	1,720	-	7,147,325
Legal fees	3,892	141,823	5,077	3,892	-	-	12,408	1,500	2,757	-	171,349
State agency administrative fees	40,000	403,490	20,000	-	118,013	15,000	63,570	120,000	-	-	780,073
Other program expenses	183,202	965,606	128,483	34,301	148,333	44,240	108,932	159,178	48,722	-	1,820,997
Total program and delivery services	5,251,004	29,542,078	2,845,756	693,830	5,378,962	780,420	1,106,344	4,391,847	53,202	-	50,043,443
General and administrative:											
Legal fees	-	-	-	-	-	-	-	-	-	43,542	43,542
Management fees	-	-	-	-	-	-	-	-	-	1,720,000	1,720,000
Insurance	-	-	-	-	-	-	-	-	-	160,066	160,066
Other expense	-	-	-	-	-	-	-	-	-	2,278,256	2,278,256
Total general and administrative	-	-	-	-	-	-	-	-	-	4,201,864	4,201,864
Total expenses	5,251,004	29,542,078	2,845,756	693,830	5,378,962	780,420	1,106,344	4,391,847	53,202	4,201,864	54,245,307
Change in Net Assets from Operations	(499,580)	5,961,757	1,009,766	261,469	53,869	(70,265)	(65,669)	2,328,462	(53,202)	(4,201,864)	4,724,743
Non-Operating Activities											
Investment income	-	-	-	-	-	-	-	-	-	1,118,357	1,118,357
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-	(59,232)	(59,232)
Change in Net Assets Before Allocation of General and Administrative Activities	(499,580)	5,961,757	1,009,766	261,469	53,869	(70,265)	(65,669)	2,328,462	(53,202)	(3,142,739)	5,783,868
General and administrative allocation	(271,039)	(2,635,625)	(252,858)	(74,467)	(375,240)	(44,270)	(93,978)	(355,803)	(42,570)	4,145,850	-
Investment allocation	4,881	1,002,624	10,956	2,164	(25,217)	(15,556)	(11,610)	37,278	(2,409)	(1,003,111)	-
Total Change in Net Assets	(765,738)	4,328,756	767,864	189,166	(346,588)	(130,091)	(171,257)	2,009,937	(98,181)	-	5,783,868
Net Assets (Deficit), beginning of year	531,485	35,114,056	1,796,810	190,112	(1,149,487)	(535,568)	(197,231)	(499,823)	(24,233)	-	35,226,121
Net Assets (Deficit), end of year	\$ (234,253)	\$ 39,442,812	\$ 2,564,674	\$ 379,278	\$ (1,496,075)	\$ (665,659)	\$ (368,488)	\$ 1,510,114	\$ (122,414)	\$ -	\$ 41,009,989

**Appendix
Section C**



Maine Paint Stewardship Program

Each year about 780 million gallons of architectural paint is sold in the United States. Did you know that about 10 percent goes unused and is available for recycling?

Maine's Paint Stewardship Law requires the paint manufacturing industry to develop a financially sustainable and environmentally responsible program to manage postconsumer architectural paint.

The program includes education about buying the right amount of paint, tips for using up remaining paint and setting up convenient recycling locations throughout the state.

Paint manufacturers established PaintCare, a nonprofit organization, to run paint stewardship programs in states with applicable laws.

PaintCare Products

These products have fees when you buy them and are accepted for free at drop-off sites:

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

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

⊘ Non-PaintCare Products

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

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



Recycle

with PaintCare



Places to Take Old Paint

Paint recycling is more convenient with PaintCare. We set up paint drop-off sites throughout Maine. To find your nearest drop-off site, use PaintCare's search tool at www.paintcare.org or call our hotline at (855) 724-6809.

How to Recycle

PaintCare sites accept all brands of old house paint, stain and varnish — even if they are 20 years old! Containers must be five gallons or smaller, and a few types of paint are not accepted. See back panel for a list of what you can recycle.

All PaintCare drop-off sites accept up to five gallons of paint per visit. Some sites accept more. Please call the site in advance to make sure they can accept the amount of paint you would like to recycle.

Make sure all containers of paint have lids and original labels, and load them securely in your vehicle. Take them to a drop-off site during their regular business hours. We'll take it from there.



What Happens to the Paint?

PaintCare will make sure that your leftover paint is remixed into recycled paint, used as a fuel, made into other products or properly disposed.

Who Can Use the Program?

People bringing paint from their homes can bring as much latex or oil-based paint as the site is willing to accept.

Businesses (painting contractors and others) can use this program with one restriction: If your business produces more than 220 pounds (about 20-30 gallons) of hazardous waste per month, you may use the drop-off sites for your latex paint only but not for your oil-based paint. Contact PaintCare to learn more about this restriction.

Large Volume Pick-Up

If you have at least 200 gallons of paint to recycle at your business or home, ask about our free pick-up service. Please call for more details or to request an appointment.

PaintCare Fee

PaintCare is funded by a fee paid by paint manufacturers for each can of paint they sell in the state. Manufacturers pass the fee to retailers, who then apply it to the price of paint. Stores can choose whether or not to show the fee on their receipts. Fees are based on the size of the container as follows:

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

Not a Deposit

The fee is not a deposit — it is part of the purchase price. The fees are used to pay the costs of running the program: recycling, public education, staffing and other expenses.

Contact Us

To learn more or find a drop-off site, please visit www.paintcare.org or call (855) 724-6809.

Mini Card



**It's easy to recycle
your leftover paint,
stain and varnish.**

Recycle with PaintCare

Find a drop-off site near you:
(855) 724-6809 • www.paintcare.org

**Buy right.
Use it up.
Recycle the rest.**

Manufacturers of paint created PaintCare, a nonprofit organization, to set up convenient places for you to recycle leftover paint. We're working to provide environmentally sound and cost-effective recycling programs in your state and others with paint stewardship laws.

LEARN MORE

Visit www.paintcare.org or follow us on Facebook for tips on how to buy the right amount of paint, store paint properly, use up leftover paint, and find a drop-off site. We also have a free pick-up service for businesses or households with at least 300 gallons of paint to recycle.



Paint Recycling Program

About the PaintCare Program

PAINTCARE

Paint manufacturers created PaintCare, a non-profit organization, to set up convenient places for households and businesses to recycle leftover paint. PaintCare sets up paint drop-off sites throughout states that adopt paint stewardship laws.

PAINTCARE PRODUCTS

These products have fees when purchased and will be accepted for free at PaintCare drop-off sites:

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

NON-PAINTCARE PRODUCTS

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

FEES

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

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



For more information or to find a place to take your unwanted paint for recycling, please ask for the PaintCare brochure, visit www.paintcare.org or call (855) 724-6809.

Recycle with PaintCare

WE CAN HELP
Recycle
 YOUR PAINT
www.paintcare.org

Paint Recycling Made Easy

Paint manufacturers formed PaintCare, a nonprofit organization, to make paint recycling more convenient, cost effective, and environmentally sound. Paint doesn't belong in the trash or down the drain. If you can't use it up, recycle it with PaintCare.

We're setting up locations in your state where you can bring old paint for free all year-round.



What types of paint products can be recycled with PaintCare?

✓ **PAINTCARE PRODUCTS**
 (YOU CAN RECYCLE THESE)

These products have fees when you buy them and are accepted for free when you drop them off for recycling:

- Water-based paints (latex, acrylic)
- Oil-based paints (alkyd)
- Stains
- Primers
- Varnishes
- Shellacs
- Lacquers
- Urethanes
- Deck paints
- Floor paints
- Sealers
- Waterproofing coatings

✗ **NON-PAINTCARE PRODUCTS**

Leaking, unlabeled, and empty containers are not accepted.

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

PROGRAM FUNDING

The PaintCare Fee is applied to the purchase price of architectural paint sold in your state as required by law. Fees are based on container size:

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

LEARN MORE: Please ask for a PaintCare program brochure, visit www.paintcare.org, or call (855) 724-6809.



Information for Painting Contractors

UPDATED — APRIL 2017

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

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

Paint Stewardship

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

The main goals of the program are to decrease paint waste and recycle more postconsumer paint by setting up convenient drop-off sites in each state.



Fees and Funding

As required by state law, a paint stewardship assessment ("PaintCare Fee") must be added by manufacturers to the wholesale price of all architectural paint sold in the state. This fee is paid by manufacturers to PaintCare to fund setting up drop-off sites for leftover, postconsumer paint, and for the transportation, recycling, and proper disposal of that paint. The fees also pay for consumer education and program administrative costs.

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

\$ 0.00 — Half pint or smaller

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

\$ 0.75 — 1 Gallon

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

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

Notice for Painting Contractors

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

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

New Paint Drop-Off Sites

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

Use of Retail Drop-Off Sites by Businesses

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

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

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



Pick-Up Service for Large Volumes

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

Contact

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

WHAT PRODUCTS ARE COVERED?

The products accepted at PaintCare drop-off sites are the same products that have a fee when they are sold. PaintCare Products include interior and exterior architectural coatings sold in containers of five gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM), or specialty coatings.

PaintCare Products

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

Non-Paintcare Products

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



Large Volume Pick-Up (LVP) Service

PaintCare offers a free pick-up service to painting contractors, property managers, and others with large amounts of leftover architectural paint.

Who is PaintCare?

PaintCare Inc. is a non-profit organization established by the American Coatings Association to operate paint stewardship programs on behalf of paint manufacturers in states that pass paint stewardship laws.

Paint Drop-Off Sites

In states with a paint stewardship program, PaintCare's primary effort is to set up conveniently located drop-off sites—places where residents and businesses may take their unwanted paint for no charge. Sites set their own limits on the volume of paint they accept from customers per visit (usually from 5 to 20 gallons). To find a drop-off site near you, please use PaintCare's site locator at www.paintcare.org or call (855) 724-6809.

Large Volume Pick-Ups

For those who have accumulated a large volume or stockpile of paint, PaintCare also offers a pick-up service. Large volume means at least 200 gallons, measured by container size (not content). On a case-by-case basis, PaintCare may approve a pick-up for less than 200 gallons if there are no drop-off sites in your area. After two or three pick-ups, you may be switched to a regular service (see next page).

Drums and Bulked Paint Are Not Accepted

PaintCare only accepts paint in containers that are 5 gallons or smaller in size. Leave paint in original cans with original labels; do not combine or bulk paint from small cans into larger ones. If you have unwanted paint in drums or containers larger than 5 gallons, please contact a licensed paint recycling company or a hazardous waste transportation company to assist you.

HOW TO REQUEST A LARGE VOLUME PICK-UP

1. Sort and count your paint

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

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

Fill out a paper or electronic version of the "Large Volume Pick-Up Request Form" and return it to PaintCare by email, fax, or regular mail. (Visit www.paintcare.org or call PaintCare for the form.)

Scheduling

After reviewing your form, PaintCare staff will either approve your site for a pick-up or inform you of the best place to take your paint if you do not meet the volume requirement. If approved, you will be put in contact with our licensed hauler to schedule a pick-up. It may be several weeks before your pick-up occurs.

On the Day of Your Pick-Up

Sort your products into the two categories noted above and store them in an area that has easy access. If the paint is a far distance from where the hauler parks, the path between should be at least four feet wide to accommodate movement of the boxes.



Please plan to have staff available to pack the paint cans into the boxes. The hauler may be able to provide some assistance, but we require your staff to be present and provide labor to pack boxes. Once your paint is properly packed and loaded onto the hauler's truck, you will sign a shipping document and receive a copy for your records. Your paint will then be taken to an authorized processing facility for recycling.

Note: Paint must be in original containers and not leaking.

Repeat Service for Large Volume Users

For businesses that generate large volumes of unwanted paint on a regular basis, a service for recurring direct pick-ups is available. With this service, you will be provided with empty bins, then request a pick-up when at least three bins are filled. PaintCare will provide onsite training on how to properly pack the paint, and you will be required to sign a contract with PaintCare.

Limits on Businesses

To use the program for oil-based products, your waste must qualify as exempt under federal (40 CFR § 262.14) and state/local hazardous waste generator rules. Most notably, these rules require that your business (a) generates no more than 220 pounds (about 20-30 gallons, depending on type) of hazardous waste per month, and (b) accumulates no more than 2,200 pounds (approximately 220 gallons) of hazardous waste at any given time. If your business fails to qualify as an exempt generator, it will not be able to use the program for oil-based products. For more information on the federal hazardous generator rules, please go to www.paintcare.org/limits.

Note: When calculating how much hazardous waste you generate in a month, do not count latex paint.

If You Have Products We Don't Accept

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

What Products Are Covered?

The products accepted at PaintCare drop-off sites are the same products that have a fee when they are sold. PaintCare Products include interior and exterior architectural coatings sold in containers of 5 gallons or less. However, they do not include aerosol products (spray cans), industrial maintenance (IM), original equipment manufacturer (OEM), or specialty coatings.

PAINTCARE PRODUCTS

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

NON-PAINTCARE PRODUCTS

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

MORE INFORMATION

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

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

Maine Paint Usage & Disposal Surveys

Notes:

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

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

Surveys were conducted in June each year.

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

1. How much leftover paint is in your home?

	78		112		115		120	
None	20.5	16	24.1	27	35.7	41	29.2	35
Less than 1 gallon	11.5	9	13.4	15	21.7	25	35.0	42
1-5 gallons (would fit in a cardboard box)	33.3	26	35.7	40	27.8	32	20.8	25
5-15 gallons (would fit in a shopping cart)	26.9	21	21.4	24	7.0	8	6.7	8
15-30 gallons (would fit in two shopping carts)	1.3	1	0.0	0	1.7	2	1.7	2
More than 30 gallons	0.0	0	0.0	0	0.0	0	0.0	0
Yes, but I don't know how much	6.4	5	5.4	6	6.1	7	6.7	8

2. Where did the paint come from?

	61		112		74		85	
I did some painting myself and had some leftover	88.5	54	64.3	72	79.7	59	74.1	63
I hired someone to paint and they left it behind	23.0	14	25.0	28	8.1	6	7.1	6
I found it in my home/business when I moved in	11.5	7	13.4	15	13.5	10	9.4	8
I am a painting contractor and it is from one of my jobs	0.0	0	0.0	0	2.7	2	0.0	0
I don't remember where the paint came from	0.0	0	8.0	9	9.5	7	5.9	5
Other:	100.0	1	18.8	21	4.1	3	3.5	3

Other responses for June 2017 Survey:

The painters told me how much paint to buy (1)

From two years ago (1)

1 answered with the name of the store

3. What did you do with leftover paint?

	78		112		115		118	
Poured it down the drain	0.0	0	0	0	0.0	0	0.0	0
Put can(s) of liquid paint in the trash	7.7	6	0.9	1	3.5	4	5.9	7
Dried out the paint and put it in the trash	41.0	32	23.2	26	13.0	15	19.5	23
Stored it in the basement or garage intend to use	62.8	49	33.0	37	45.2	52	39.0	46
Took it to a paint store	0.0	0	0	0	0.9	1	3.4	4
Took it to a household hazardous waste event or facility	34.6	27	25.9	29	10.4	12	8.5	10
Gave it away to a family, friend or community organization	19.2	15	0.9	1	4.3	5	4.2	5
Left it behind when I moved	9.0	7	1.8	2	0.9	1	1.7	2
I don't know	5.1	4	4.5	5	1.7	2	5.1	6
I have never stored or disposed of leftover/unwanted paint	3.8	3	5.4	6	18.3	21	12.7	15
Other	1.3	1	4.5	5	1.7	2	0.0	0

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

	78		112		115		118	
Pour it down the drain	0.0	0	0.0	0	0.0	0	0.8	1
Put can(s) of liquid paint in the trash	0.0	0	0.9	1	3.5	4	5.1	6
Dry out the paint and put it in the trash	23.1	18	28.6	32	16.5	19	16.9	20
Take it to a paint store	5.1	4	6.3	7	13.9	16	16.9	20
Take it to a household hazardous waste event or facility	52.6	41	42.0	47	21.7	25	19.5	23
Give it away to a family, friend or organization	9.0	7	8.0	9	20.0	23	22.0	26
I don't know	10.3	8	8.9	10	21.7	25	15.3	18
Other	1.3	1	5.4	6	2.6	3	3.4	4

Other responses for June 2017 Survey:

Ask a paint store

Fill cans with sand and take to dump

Look online for a place to recycle it

Take it to the dump

5. Did you know that paint can be recycled?		78		112		74		119
Yes	24.4	19	27.7	31	35.1	26	36.1	43
No	75.6	59	72.3	81	64.9	48	63.9	76

6. Have you ever taken paint to be recycled/disposed?		55		72		96		118
Yes, at some point during the past year	10.3	8	8.0	9	5.2	6	5.9	7
Yes, more than one year ago	19.2	15	27.7	31	11.3	13	11.0	13
No	70.5	55	64.3	72	83.5	96	83.1	98

7. Do you know where to take unwanted paint?		78		112		115		118
No	74.4	58	75.9	85	81.7	94	29.7	35
Yes	25.6	20	24.1	27	18.3	21	70.3	83
If yes, where?	-	7	-	18	-	10	-	28

Responses to "Where?" for June 2017 Survey:

Local recycling facility or company (9)

Local trash/waste management facility (2)

Paint store (7)

Recycling / HHW event in my town (2)

Transfer station or town "dump" (8)

8. How far is the closest paint store?		78		112		115		118
Less than 1 mile	25.6	20	14.3	16	15.7	18	17.8	21
1-5 miles	41.0	32	42.9	48	34.8	40	40.7	48
5-10 miles	21.8	17	25.0	28	26.1	30	19.5	23
10-20 miles	10.3	8	9.8	11	14.8	17	16.1	19
20-30 miles	0.0	0	5.4	6	2.6	3	1.7	2
Not sure	1.3	1	2.7	3	6.1	7	4.2	5

9. How far would you drive to recycle or dispose of paint?		78		112		115		118
20-30 miles	14.1	11	14.3	16	12.2	14	10.2	12
10-20 miles	32.1	25	19.6	22	27.0	31	27.1	32
5-10 miles	26.9	21	37.5	42	31.3	36	24.6	29
1-5 miles	23.1	18	22.3	25	13.9	16	18.6	22
Less than 1 mile	1.3	1	3.6	4	1.7	2	5.1	6
Not sure	2.6	2	2.7	3	13.9	16	14.4	17

10. What county do you live in?		49		110		115		120
Androscoggin	4.1	2	8.2	9	10.4	12	5.0	6
Aroostook	2.0	1	0.9	1	7.0	8	6.7	8
Cumberland	20.4	10	27.3	30	14.8	17	15.8	19
Franklin	0	0	0.9	1	1.7	2	2.5	3
Hancock	12.2	6	3.6	4	3.5	4	1.7	2
Kennebec	14.3	7	12.7	14	14.8	17	10.8	13
Knox	2.0	1	2.7	3	3.5	4	5.0	6
Lincoln	2.0	1	6.4	7	2.6	3	4.2	5
Oxford	6.1	3	8.2	9	7.0	8	3.3	4
Penobscot	10.2	5	6.4	7	6.1	7	18.3	22
Piscataquis	2.0	1	2.7	3	4.3	5	2.5	3
Sagadahoc	4.1	2	2.7	3	4.3	5	3.3	4
Somerset	4.1	2	1.8	2	6.1	7	6.7	8
Waldo	0	0	1.8	2	0.9	1	1.7	2
Washington	4.1	2	0.9	1	1.7	2	1.7	2
York	12.2	6	12.7	14	11.3	13	10.8	13

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

	76		112		115		117	
Urban / Major City	3.9	3	11.6	13	4.3	5	6.8	8
Suburban	15.8	12	9.8	11	22.6	26	17.9	21
Small City or Town	43.4	33	35.7	40	45.2	52	40.2	47
Rural / Countryside	36.8	28	41.1	46	27.8	32	34.2	40
Other (please specify)	3.9	3	1.8	2	0.0	0	0.9	1

Other responses for June 2017 Survey:

Village of less than 500 people

12. What type of dwelling do you live in?

	77		112		115		118	
Single-family house	71.4	55	76.8	86	64.3	74	64.4	76
Two or Three-family house	3.9	3	7.1	8	6.1	7	5.9	7
Condominium or apartment building with many units	19.5	15	9.8	11	20.9	24	23.7	28
Manufactured or Mobile Home	5.2	4	5.4	6	8.7	10	5.1	6
Other (please specify)	2.6	2	0.9	1	0.0	0	0.8	1

Other responses for June 2017 Survey:

Campground

13. Do you paint professionally?

	78		112		115		118	
Yes	0.0	0	0.9	1	7.0	8	1.7	2
No	100.0	78	99.1	111	93.0	107	98.3	116

14. What is your age?

	78		112		115		118	
Under 21	2.6	2	0.9	1	5.2	6	0.0	0
21-40	16.7	13	10.7	12	49.6	57	47.5	56
41-60	39.7	31	42.9	48	27.8	32	35.6	42
Over 60	41.0	32	43.8	49	17.4	20	16.9	20
Prefer not to say	0.0	0	1.8	2	0.0	0	0.0	0

15. Gender

	78		112		115		118	
Male	47.4	37	49.1	55	38.3	44	41.5	49
Female	52.6	41	50.9	57	61.7	71	58.5	69
Prefer not to say	0.0	0	0.0	0	0.0	0	0.0	0

16. Educational Level

	78		112		115		118	
Some High School	0.0	0	0.0	0	2.61	3	0.0	0
High School Graduate	6.4	5	3.6	4	20.0	23	29.7	35
Some College, Vocational, Trade, or Technical	26.9	21	28.6	32	49.6	57	41.5	49
4 year degree or higher	66.7	52	67.9	76	27.0	31	28.8	34
Prefer not to say	0.0	0	0.0	0	0.9	1	0.0	0

17. What is your household income?

	78		112		115		118	
Less than \$50K	32.1	25	22.3	25	61.7	71	63.6	75
\$50 – 100K	33.3	26	36.6	41	25.2	29	30.5	36
\$100 – 150K	12.8	10	15.2	17	5.2	6	3.4	4
Over \$150K	3.8	3	8.0	9	0.9	1	0.8	1
Prefer not to say	17.9	14	17.9	20	7.0	8	1.7	2