



Maine Paint Stewardship Program

Annual Report July 1, 2017 – June 30, 2018



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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	6
A. Collection Sites, Events and Services	6
A1. Paint Retailers	7
A2. Household Hazardous Waste Programs	8
A3. Transfer Stations and Recycling Centers	8
A4. Reuse Stores	9
A5. Environmental Services Company	10
A6. Paint-Only Drop-Off Events	10
A7. Large Volume Pick-Up Service	10
B. Convenience Criteria	11
C. Paint Collection Procedures	17
D. Paint Transportation and Processing	18
D1. Paint Transportation	19
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	23
B3. Paint Management Methods	23
B4. Collection by Site 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. Revenue and Expense Categories	25
B2. Financial Summary	27
C. Reserves Policy	28
D. Evaluation of the Program’s Funding Mechanism	29

Section 4. Outreach **30**

A. Outreach Activities	30
A1. Introduction	30
A2. Print Materials for Consumers	31
A3. Print Materials for Stakeholders	32
A4. Website	32
A5. Translations	33
A6. Print Advertising	33
A7. Facebook Advertising	34
A8. Face-to-Face	35
A9. Signage & Joint Outreach	35
A10. Housing Authorities Mailing	36
B. Awareness Survey	37
C. Recommendations	37

Maps

Year-Round Drop-Off Sites	13
Supplemental Drop-Off Sites	14
Year-Round and Supplemental Drop-Off Sites	15
Large Volume Pick-Up Sites	16

Appendices

A. PaintCare Drop-Off Sites	
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.

The following provides the highlights of this reporting year, fiscal year 2018 (FY2018).

PROGRAM HIGHLIGHTS

Sites, Events and Service. The Maine PaintCare program had 110 year-round paint drop-off sites. These sites included 75 paint retailers, 32 transfer stations, one recycling center, one environmental services company, and one reuse store. The 110 year-round drop-off sites provided a site within 15-miles to 94.2% of Maine's residents.

PaintCare also managed paint from two seasonal household hazardous waste (HHW) facilities, 39 HHW drop-off events, one retailer that collected for part of the year, and provided 14 direct large volume pick-ups from painting contractors and other sites that had accumulated more than 200 gallons of paint at their facilities.

Paint Collection Volume. The program processed 129,907 gallons of postconsumer paint. Latex paint made up 76% of the paint processed; 82% was made into recycled-content paint, 17% was unrecyclable and sent to landfill, and 1% was managed via waste-to-energy. Oil-based paint made up 24% of the paint processed; 10% was made into recycled-content paint and 90% was used as a fuel. In addition, 105 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 and the program collected \$1,455,662 in fees from these sales.

Expenses, including paint transportation and processing, outreach, staffing, and administrative costs were \$1,205,624. The program ended FY2018 with reserves of \$270,715.

Total program cost per gallon of paint processed was \$9.28.

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 5.9%.

Outreach. Most advertising was put on hold to ensure continued financial position improvement. Outreach activities primarily focused on the distribution of informational brochures to retailers and transfer stations and others who requested them, as well as a campaign of print newspaper ads promoting drop-off sites. Additional outreach efforts included maintaining PaintCare's website and Facebook account, targeted direct mail to Maine housing authorities, and running some digital ads on Facebook.

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 PaintCare program began on October 1, 2015.

The Maine paint stewardship law 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 annual reports are available on PaintCare's website. With the exception of the first report which covered only a nine-month period, annual reports cover the 12-month fiscal year of 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 can participate as PaintCare drop-off sites, provided they meet 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 continually reaches out to paint retailers, material reuse stores, household hazardous waste programs, public and private waste transfer stations and recycling centers to partner as paint drop-off sites.

At the end of FY2018, the Maine program had 110 year-round drop-off sites, located throughout the state. They included 75 paint retail stores, 32 transfer stations, one recycling center, one environmental services company, and one reuse store. One retail drop-off site closed due to a fire during FY2018 and is listed as "Paint Retailer (partial year)" in the table below. PaintCare also managed paint from 39 HHW drop-off events and two seasonal HHW facilities. In addition, PaintCare conducted 14 direct large volume pick-ups (LVP) from businesses and other sites that had accumulated more than 200 gallons of paint.

All PaintCare drop-off sites and the LVP service accept both latex and oil-based paint. All retailers and the environmental services company accept paint from both residents and qualifying businesses, as does the LVP program. The HHW programs, recycling center, and transfer stations serve residents.

PaintCare drop-off sites and services are summarized in tables that follow.

SUMMARY OF PAINTCARE DROP-OFF SITES AND SERVICES

YEAR-ROUND DROP-OFF SITES	YEAR 1 FY2016	YEAR 2 FY2017	YEAR 3 FY2018
Paint Retailers	73	75	75
Transfer Stations and Recycling Centers	21	29	33
Reuse Stores	1	1	1
Environmental Services Companies	1	1	1
Total	96	106	110
SUPPLEMENTAL SITES AND SERVICES			
HHW Events	13	25	39
PaintCare Paint-Only Event	1	0	0
Transfer Station Paint-Only Events	1	2	0
Seasonal HHW Facilities	2	2	2
Paint Retailer (partial year)	0	1	1
Direct Large Volume Pick-Ups	7	6	14

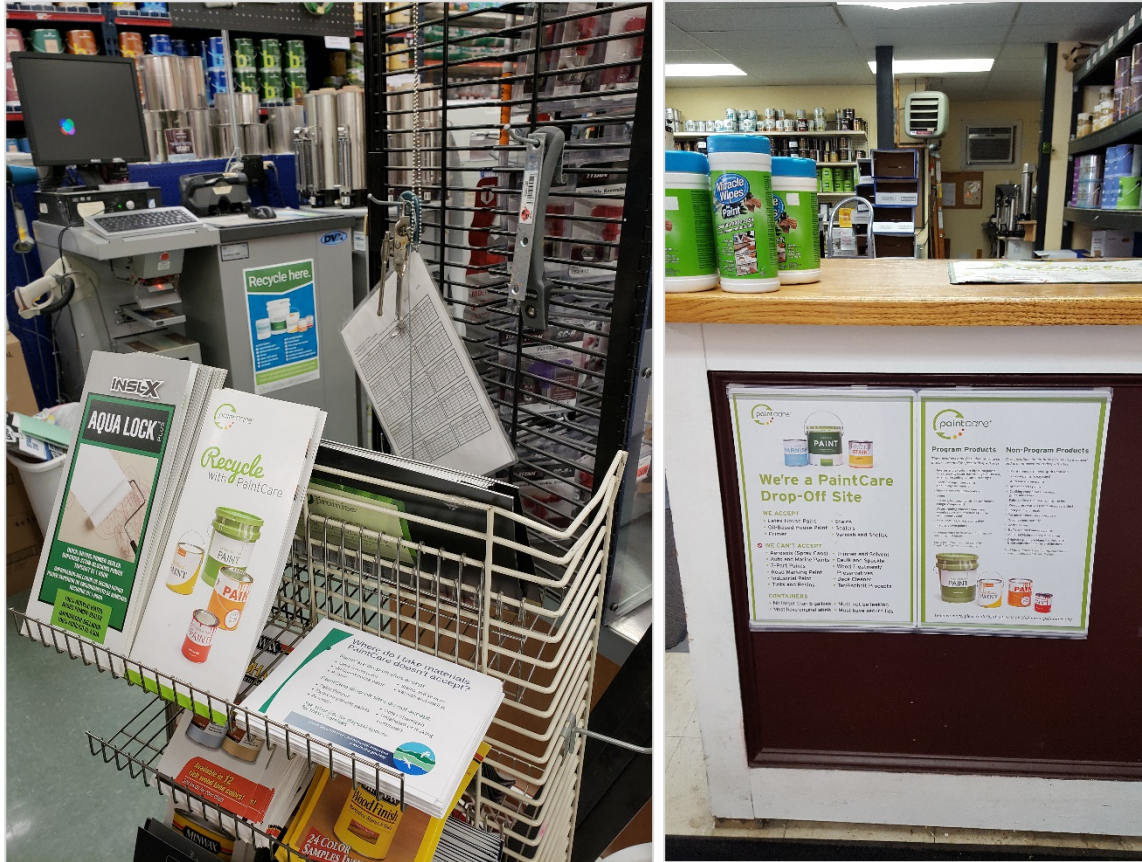
The following subsections discuss the various paint drop-off sites and services of the Maine PaintCare program. Section 2 of the report details the volumes of paint collected by each site type and service.

A1. Paint Retailers

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.

As of June 2018, PaintCare identified 340 paint retailers – including paint, hardware, and home improvement stores – and 256 were 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, so they are not included in the count of potential drop-off sites.

Of the 256 paint retailers, 29.3% (75 stores) were participating as drop-off sites at the end of FY2018. One retail drop-off site closed due to a fire during FY2018 and is listed as “Paint Retailer (partial year)” in the table above. Paint retailers participate in the program to increase foot traffic through their stores and to provide a service for their customers. The names and addresses of the paint retailers that participated during FY2018 are included in the appendix.



PaintCare Signage at the Aubuchon in Old Town (left) and the Paint Pot in Portland (right)

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 FY2018, managing paint from two seasonal HHW facilities and 39 HHW drop-off events (from 38 locations). Every HHW event held last year in Maine that PaintCare is aware of participated in the program, leading to the large increase in HHW events over FY2017. The names and addresses of the HHW facilities and events that participated during FY2018 are included in the appendix.

A3. Transfer Stations and Recycling Centers

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

PaintCare continued to meet with interested councils of government and independent towns in the state during FY2018 to discuss the PaintCare program and benefits. The program added three more transfer stations and a recycling center to the program, for a total of 32 transfer stations and one recycling center in FY2018. Transfer stations and recycling centers 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 town partnered with PaintCare on a custom-made sign of the year end summary infographic. The names and addresses of the transfer stations and recycling center that participated in FY2018 are included in the appendix.



Paint Signage and Storage Area at the Oakland Transfer Station

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 for them 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 additional reuse stores to participate in the program. The name and address of the reuse store is included in the appendix.

A5. Environmental Services Company

One environmental services company, Environmental Projects Inc., participates in the program as a drop off site. They allow participants with 50 gallons or more to drop paint off at their facility, by appointment, filling an important need for people who have more paint than a smaller site can handle, but not enough for the large volume pick-up service. Environmental Projects Inc. is included in the appendix.

A6. Paint-Only Drop-Off Events

PaintCare did not hold any paint-only drop off events in FY2018 to allow the program to build some financial reserves. Several underserved areas have been identified and PaintCare will be holding some events in FY2019 in areas including northern Somerset County and northern Penobscot/southern Aroostook counties where there are few year-round sites. One event has already been held in Washington County, and there is now a drop-off site in Columbia Falls.

A7. Large Volume Pick-Up Service

PaintCare's LVP service provides a convenient option for painting contractors and other businesses who have accumulated large volumes of paint. The minimum amount to receive a pick-up is 200 gallons. PaintCare arranged 14 LVPs from 11 locations during FY2018. The users of the service included painting contractors, a property management company, a janitorial services company, a hospital, and a retailer.

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. Hospitals tend to have stored up old paint from painting their facilities. Non-collection site retailers often have collections of old mistints and customer returns. Typically, LVP customers have accumulated paint over many years due to the institutional, logistical, and financial barriers to disposal or internal reuse of leftover paint. PaintCare has removed these barriers by providing a free and convenient service. Feedback from these users indicates high satisfaction.

The types of customers (business type or household) and cities for each LVP site in 2018 are provided in the appendix.



Before Cleaning Out an LVP Customer in Sanford

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 110 year-round drop-off sites in place at the end of FY2018 provided 94.2% of Maine residents a drop-off site within 15 miles of their home.

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 FY2018:

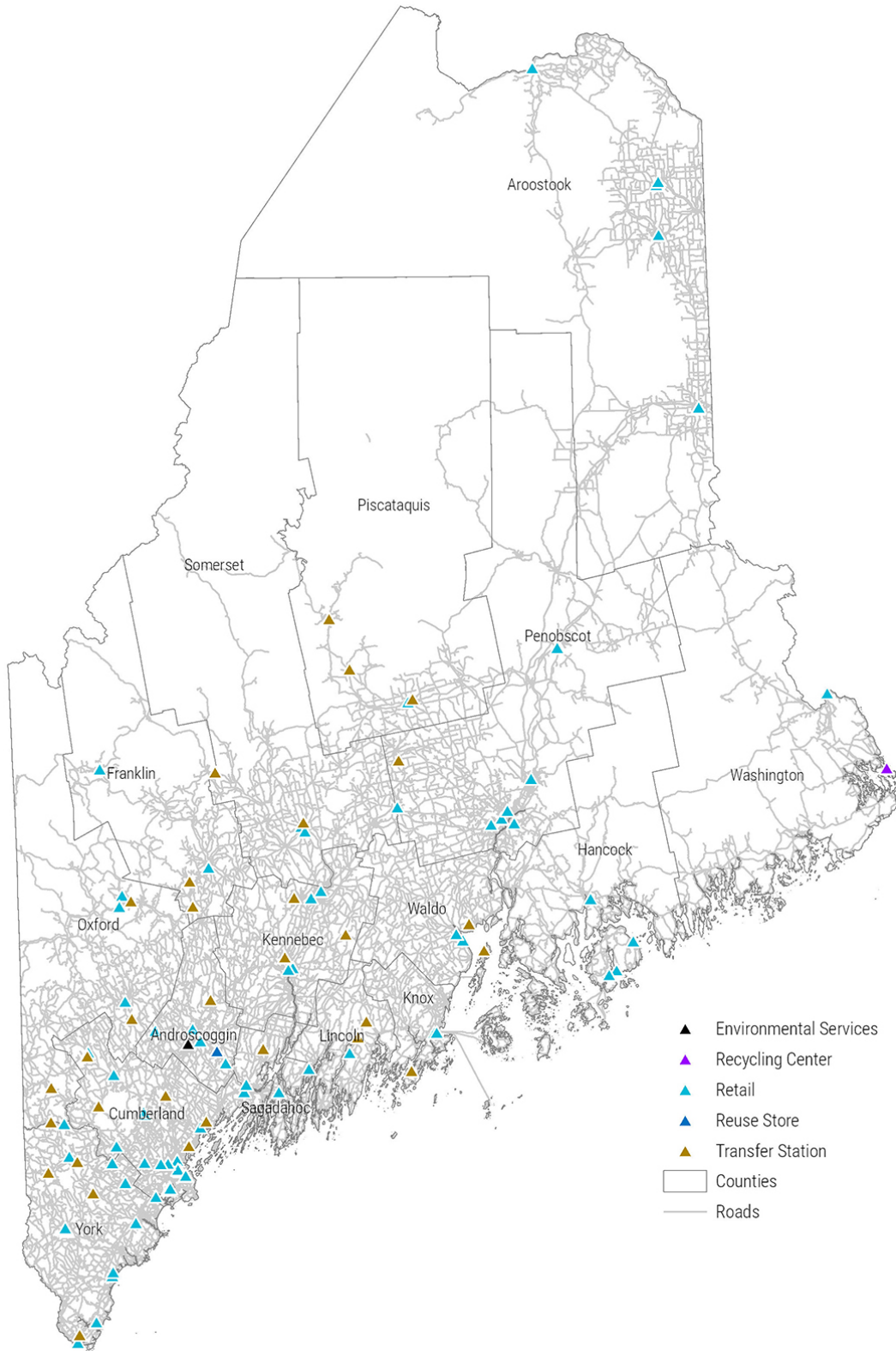
URBANIZED AREAS & URBAN CLUSTERS	2010 CENSUS POPULATION	NUMBER OF SITES NEEDED	JUNE 2018 YEAR-ROUND SITES
Portland	226,711	7	17
Lewiston	69,221	2	5
Bangor	68,574	2	5
Brunswick	34,546	1	3

For HHW sites and events in the state, PaintCare continually updates defined service areas for each location (typically confined to a county or multi-city region). Only those residents within a 15-mile radius (our “Distribution” Convenience Criterion) of each location, and that are also within a given location’s known service area, are counted. Updates may produce slight changes in the Distribution criterion from year-to-year.

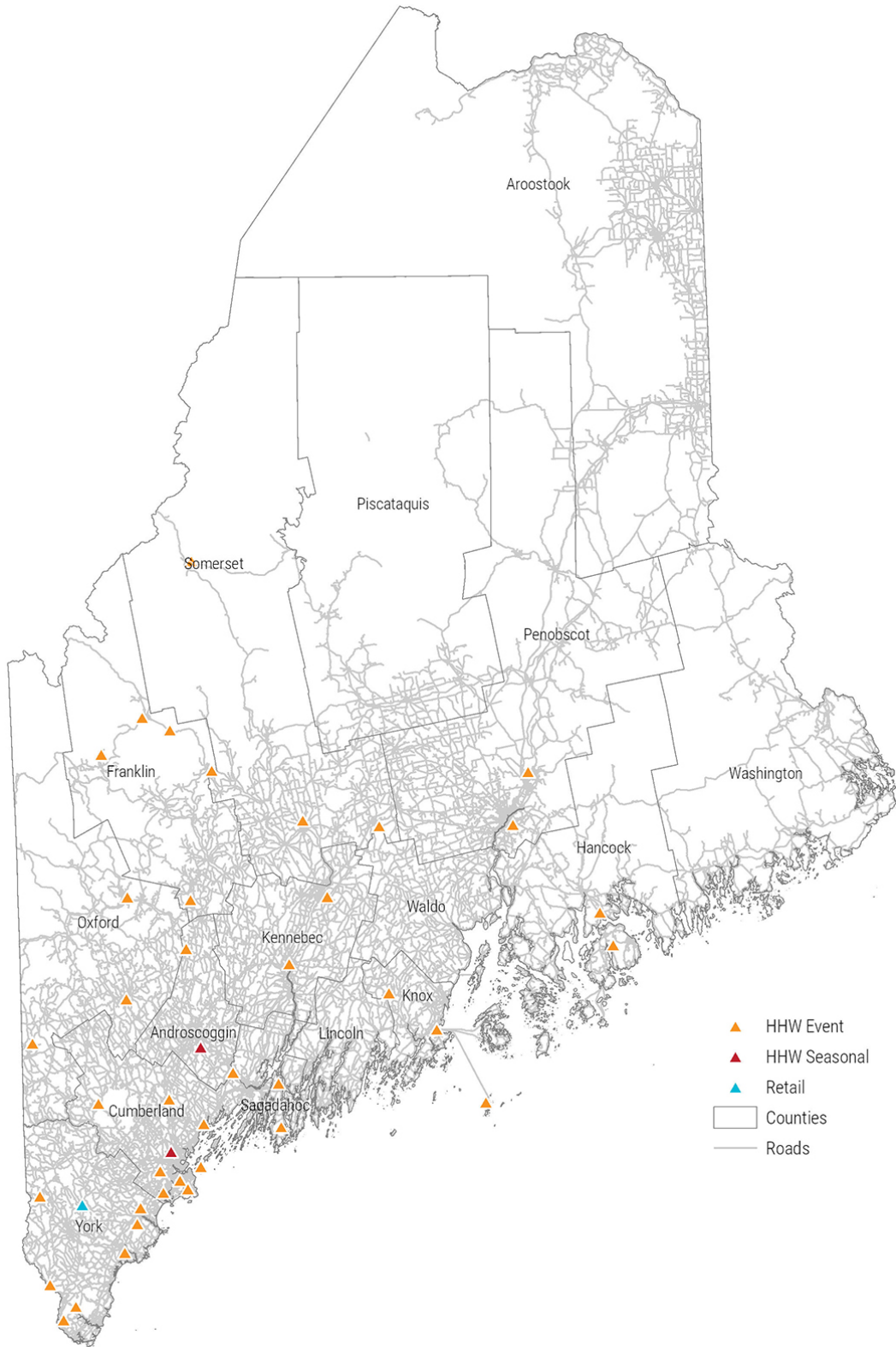
GIS analysis is conducted by PaintCare with assistance from Dewberry, an engineering firm with expertise in geographic analysis and mapping.

The following maps show the locations of (1) year-round sites, (2) supplemental sites, (3) year-round and supplemental sites, 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.

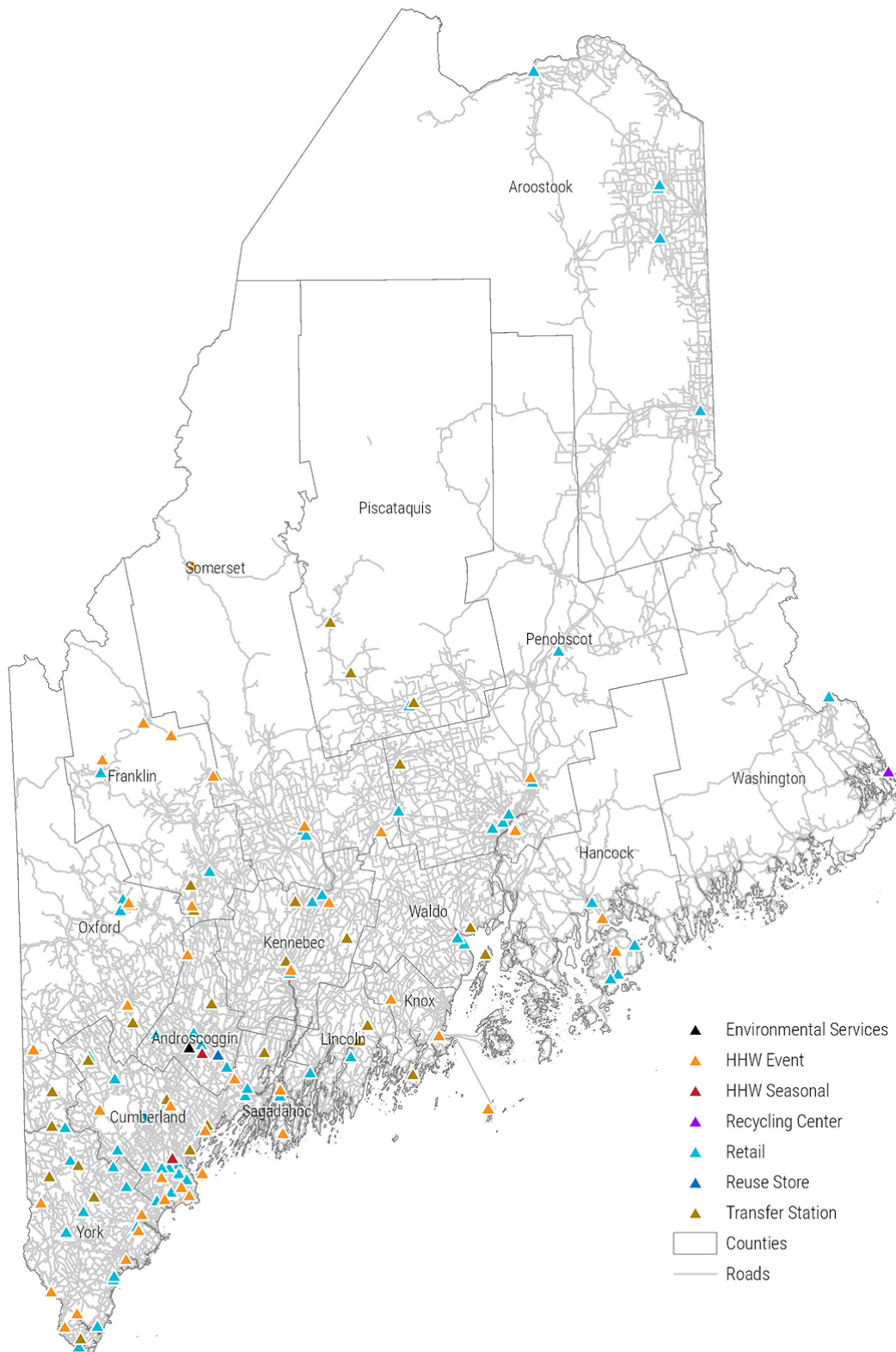
YEAR-ROUND DROP-OFF SITES



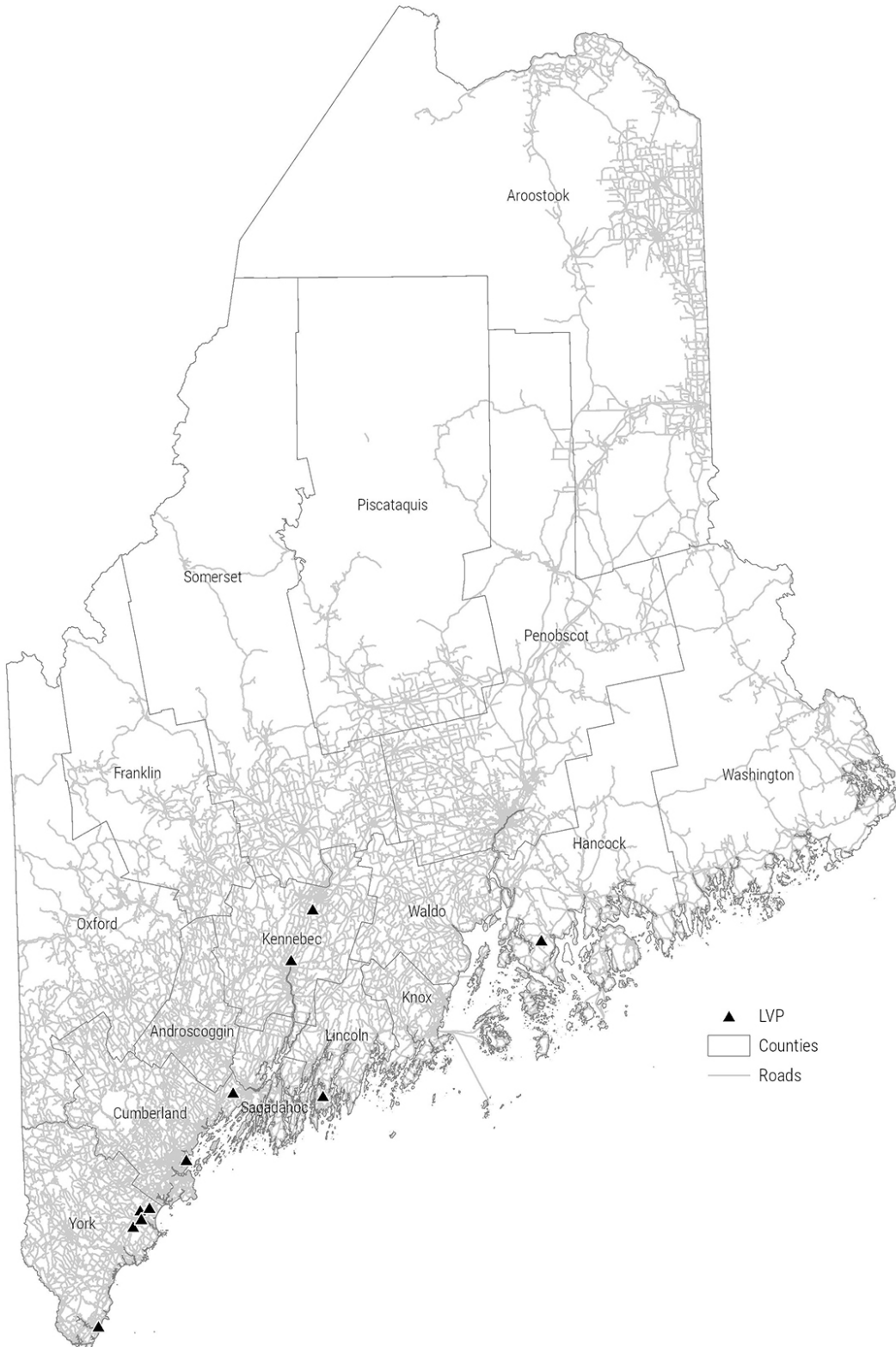
SUPPLEMENTAL DROP-OFF SITES



YEAR-ROUND AND SUPPLEMENTAL DROP-OFF SITES



LARGE VOLUME PICK-UP SITES



C. PAINT COLLECTION PROCEDURES

PaintCare entered into contract agreements with sponsors or operators of all drop-off sites. 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 businesses 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

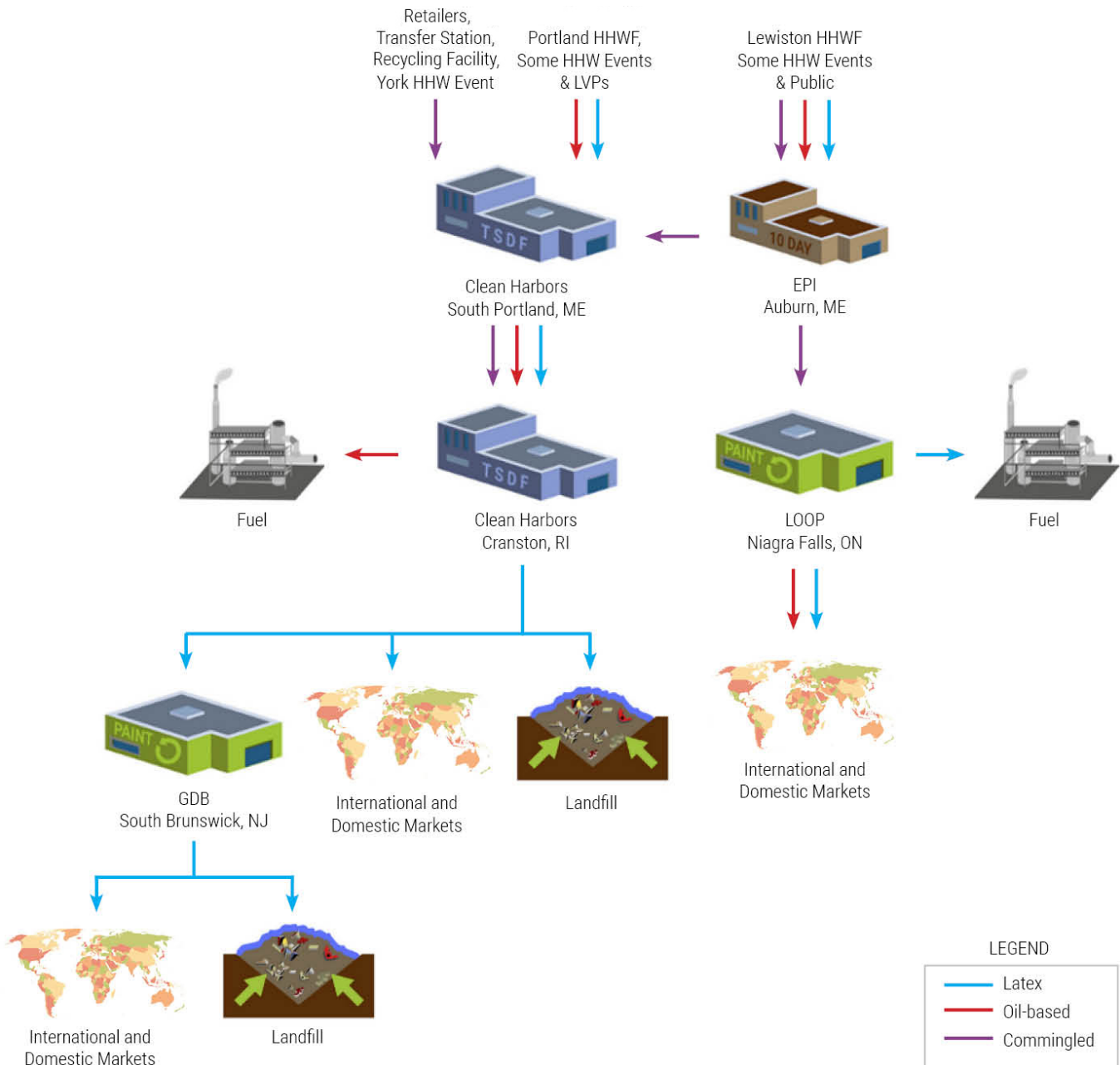
Site personnel are required to visually inspect containers of postconsumer paint – but not open them – to confirm that they are acceptable program products and then place them in the spill proof collection bins provided by the program. Unlabeled and leaking cans are not accepted at PaintCare drop-off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

PaintCare staff visit retail, reuse, transfer station, and recycling center 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

The following diagram shows an overview of flow of paint from Maine drop-off sites. A detailed description is provided in the next section.

FLOW DIAGRAM OF PAINTCARE PROGRAM IN MAINE



D1. Paint Transportation

PaintCare contracted with four companies for transportation services in FY2018 – Clean Harbors Environmental Services, Environmental Projects Inc. (EPI), Loop, and Tradebe.

Clean Harbors, EPI, and Tradebe are all 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, reuse store, transfer station, and recycling center drop-off sites; all the LVP sites; one of the HHW facilities (in Portland) and some of the HHW events; some of the paint bins collected by EPI; and the paint bins delivered by Tradebe to Clean Harbor's facility in South Portland, ME. Clean Harbors transported all paint bins to their permitted facility in Cranston, RI for screening, separation and consolidation.

EPI provided transportation services from one of the HHW facilities (in Lewiston) and some of the HHW events to their facility in Auburn, ME.

Loop arranged for Frank's Vacuum Truck Service, Inc. to transport most of the paint bins aggregated at EPI's facility in Auburn to Loop's facility in Niagara Falls, ON, Canada.

Tradebe transported paint bins from one HHW event (in York) to Clean Harbors' facility in South Portland, ME.

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 most of the latex paint to the GDB International facility in South Brunswick, NJ. GDB processed postconsumer latex paint by manufacturing a variety of colors of recycled-content paint which were sold domestically and internationally in 1-gallon and 5-gallon containers and bulk totes. Clean Harbors also processed some of the latex paint at its own facility in Cranston, RI. Clean Harbors utilized paint-to-paint recycling as its primary method for managing the latex paint. While some of the recycled-content paint produced was used to paint one of the Clean Harbors' facilities, most of the recycled-content paint produced by Clean Harbors was sold to international markets in bulk totes.

Loop also utilized paint-to-paint recycling as their primary method for managing latex paint and processed postconsumer latex 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 to international markets.

Energy Recovery. Loop transported dry and unusable latex paint to Emerald Energy from Waste in Mississauga, ON, Canada, where it was processed for use as a fuel.

Disposal. Dry and unusable latex paint sorted out by GDB and Clean Harbors 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 oil-based paint into a variety of colors of recycled-content paint which were sold in small containers (quarts and 1-gallon) in international markets.

Energy Recovery. Clean Harbors shipped all volume of oil-based paint to their Safety-Kleen facility in Smithfield, KY, where the paint was bulked into tankers and subsequently transported to three cement kilns – Lone Star Cement in Greencastle, IN; Buzzi Unichem in Cape Girardeau, MO; and ESSROC in Logansport, IN where the paint was used as a fuel. Loop utilized Aimco Solrec in Burlington, ON, Canada to manage the oil-based paint which could not be recycled, as a fuel.

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 explained in previous reports, paint sales in Maine were significantly lower than forecasted and presented in the program plan. Paint sales were 2,198,734 gallons in FY2018, less than a 1% increase from FY2017.

B. PAINT COLLECTION AND MANAGEMENT

B1. Collection Volume and Recovery Rate

In FY2018, the Maine program collected an estimated 127,743 gallons of paint and processed 129,907 gallons of paint. The difference in these numbers is explained here:

Collected gallons: Haulers report the weight (pounds) and number of bins (or other containers) of paint collected to PaintCare. PaintCare or the hauler can calculate the gallons of paint collected by applying a formula that removes packaging weight and converts pounds to gallons.

Processed gallons: The gallons of paint processed is reported to PaintCare by haulers after processing takes place.

A difference exists between the number of gallons collected and number of gallons processed each year because (1) gallons collected is a derived estimate, as described above, and (2) there is a lag in time between

when paint is collected and when paint is processed. The lag is created because haulers build full truckloads of collected paint at their facilities before transporting the paint to processors. In addition, once the paint is received by a processor, it may sit in inventory until it is processed. Therefore, in any program year, some paint volume that is reported as processed may come from paint that was collected in the previous program year, and some paint that is collected in a program year may not be processed until the next program year.

PaintCare uses gallons of paint processed to calculate recovery rates (gallons of paint processed divided by gallons of paint sold in the same time period). The recovery rate in FY2018 was 5.9% (5.9% of 2,198,734 gallons sold).

In the Maine program plan, PaintCare estimated an annual recovery rate of 6.5%, but did not establish a recovery rate goal. In addition to fluctuations in paint sales, the timing of paint processing and several other factors make recovery rate goals problematic. Paint is designed to be fully consumed through application to walls, buildings, and other surfaces. Although the amount of postconsumer paint received through the program is measurable, it is very difficult to determine the precise quantity of postconsumer paint that is leftover and available for collection at any given time. The time between the purchase of paint and the decision that the leftover paint is unwanted, and the additional time before it is taken to a drop-off site can vary greatly. In addition, architectural paint products have a long shelf life, so consumers purchasing paint in one year may not decide that the unused paint is unwanted for several years. For these reasons, PaintCare did not establish volume-based collection goals in its program plan but did commit to providing and examining recovery rate data for planning and budgeting purposes, and for comparison to previous years, as presented in the following table:

GALLONS SOLD AND PROCESSED, AND RECOVERY RATES

	YEAR 1 FY2016 (9 MONTHS)	YEAR 2 FY2017	YEAR 3 FY2018
Gallons Sold	1,552,611	2,217,161	2,198,734
Gallons Processed	87,453*	109,267*	129,907
Change in Gallons Processed	NA	25%	19%
Recovery Rate	5.6%	4.9%	5.9%

* FY2016-FY2017 gallons of paint processed are estimated due a procedural error discovered in 2016. The error occurred at the Clean Harbors facility in Cranston, RI, where bins of paint from the Maine, Rhode Island, and Vermont PaintCare programs were received, weighed, unpacked, sorted by type, and paint was repacked for shipment to downstream processors. From the start of the Maine program in October 2015 through October 2016, Clean Harbors repacked paint from the Maine program with paint from the other two states before shipping it to processors. As a result, the processors receiving paint from Clean Harbors during this time period could not provide the gallons of paint processed for each state separately.

Instead, to estimate gallons of processed paint for each state during this time period, Clean Harbors applied a formula to the weight of bins from each state (bins from each state were weighed before their contents were repacked) that removed packaging weight and converted the data from pounds of paint to gallons of paint. These values are used in place of actual gallons processed in the table above.

Starting November 2016, paint from Maine was no longer commingled with paint from the other two states.

B2. Latex vs. Oil-Based Paint

Of the 129,907 gallons of paint processed in FY2018, 76% (98,799 gallons) was latex paint and 24% (31,108 gallons) was oil-based paint.

B3. Paint Management Methods

The following table shows the paint management methods and volumes since the program began:

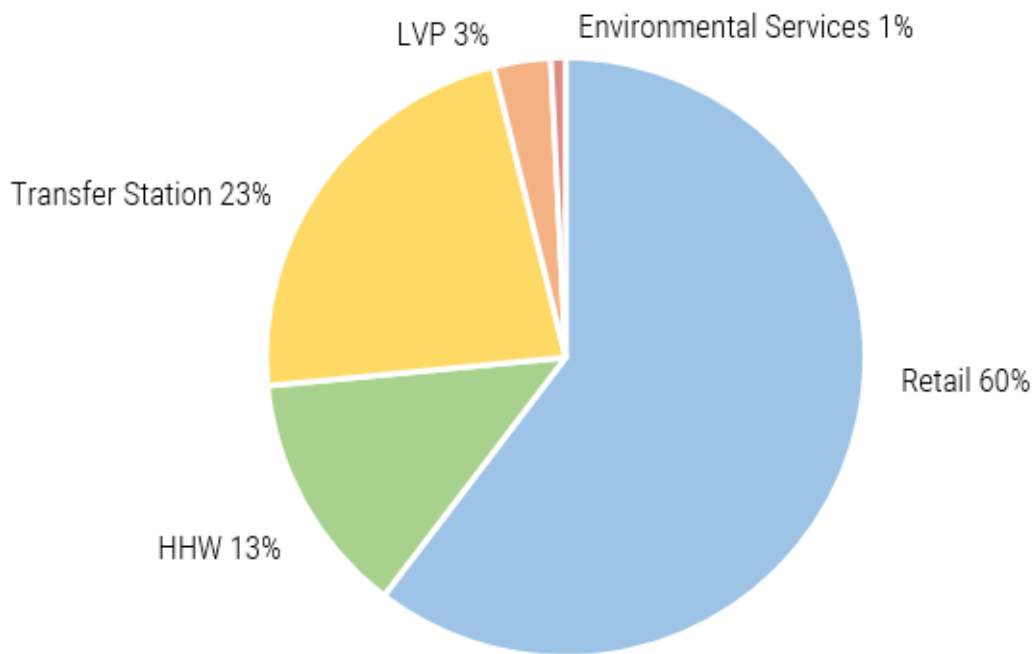
SUMMARY OF PAINT MANAGEMENT

	YEAR 1* FY2016		YEAR 2* FY2017		YEAR 3 FY2018	
LATEX PAINT DISPOSITION	(GAL)	%	(GAL)	%	(GAL)	%
Recycled Paint	55,955	83	69,847	83	81,489	83
Landfill	11,972	17	13,707	16	16,326	16
Fuel	-	-	1,241	1	984	1
Subtotal Latex Paint	67,927	100	84,795	100	98,799	100
OILBASED PAINT DISPOSITION						
Recycled Paint	-	-	1,753	7	3,262	10
Fuel	19,527	100	22,719	93	27,846	90
Subtotal Oil-Based Paint	19,527	100	24,472	100	31,108	100
GRAND TOTAL	87,454		109,267		129,907	

* FY2016-FY2017 disposition volumes are estimated. In the first two years of the program, PaintCare did not report the latex to oil-based paint ratio or the disposition methods due to the procedural error discussed in Sections B2 which affected Clean Harbors' portion of the data. This year, in order to simplify the presentation of data and because there was a full year of accurate data from Clean Harbors, PaintCare estimated the disposition breakdown for the previous years by (1) applying the Clean Harbors FY2018 ratio of latex paint to oil-based paint in Maine to the total estimated paint volume reported by Clean Harbors in the previous years, (2) applying the disposition percentages to each paint type (latex and oil-based) of Clean Harbors' processors to the estimated volume of each paint type in the previous two years, and (3) combining this data with the data reported by the other vendors in the first two years.

B4. Collection by Site 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.

The program recycled an estimated 105 tons of paint containers in FY2018. All latex paint containers managed by the downstream processors, GDB and Clean Harbors, 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.

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, 2018, 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. Revenue and Expense Categories

Revenue. 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. 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. Maine transportation costs were billed per cubic yard collection bin picked up at drop-off sites, events, and LVP locations.

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 site 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 DEP, 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. In FY2018, 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.)

Allocation of Investment Activity. PaintCare invests a portion of its accumulated surplus (from most PaintCare programs) in a financial portfolio. PaintCare maintains its investments for all participating programs in a single portfolio. Claim of ownership in the investment portfolio are shared by all participants and allocated among the participating programs based on relative net asset balances. Programs that have positive net asset balances have a claim on the assets invested in the portfolio; programs with negative net asset balances carry a liability representing an amount due to the portfolio.

B2. Financial Summary

The following tables show program revenue and expenses during the first three reporting periods. A discussion of any significant differences follows the table.

REVENUE AND EXPENSES

	YEAR 1 FY2016 (9 MONTHS)	YEAR 2 FY2017	YEAR 3 FY2018
REVENUE			
Larger than half pint to smaller than 1 gallon	\$ 144,882	\$ 189,848	\$ 188,096
1 gallon	754,220	1,077,369	1,058,659
Larger than 1 gallon up to 5 gallons	141,578	206,090	208,907
Total revenue	1,040,680	1,473,307	1,455,662
EXPENSES			
Paint processing	426,058	561,974	614,434
Paint transportation	137,104	173,816	186,261
Collection supplies and support	143,016	142,640	131,874
Communications	107,362	18,210	23,715
Personnel, professional fees, and other	94,688	93,904	100,666
State administrative fees	63,570	82,000	53,146
Allocation of corporate activity	69,212	90,747	95,527
Total expenses	1,041,010	1,163,291	1,205,623
Allocation of investment activity	(13,412)	(6,545)	4,394
Change in net assets (revenue minus expenses)	(13,742)	303,471	253,433
Net assets, beginning of reporting period	(273,445)	(287,187)	16,284
Net assets, end of reporting period	\$ (287,187)	\$ 16,284	\$ 270,717

- ◆ 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.
- ◆ Collectively, paint transportation, processing, and collection support costs were higher in FY2018 due to increased collection volume.
- ◆ Communications expenses increased in FY2018 as some advertising and outreach activities resumed.
- ◆ In FY2017, state administrative fees were entered at the maximum amount allowed by the Maine Paint Stewardship Law, \$82,000, because PaintCare did not receive an invoice or estimated amount from DEP by the time the FY2017 financial audit was completed. The actual billed amount in FY2017 was \$64,746. This caused an excess expense accrual of \$17,254 to be carried forward into FY2018. For FY2018, DEP estimated state administrative fees at \$70,400 (the actual invoice was not available by the time the 2018 financial audit was completed). To reconcile the FY2017 and FY2018 amounts, only \$53,146 was expensed as state administrative fees in FY2018.
- ◆ Net assets increased from 1% to 22% in FY2018, keeping the program on track to building healthy reserves, while offering a robust and expanding program at the same time.

C. RESERVES POLICY

Reserves represent the accumulated surplus (cash and investments) of PaintCare's programs. The reserves provide each program with a balance that is sufficient to pay its bills in times of either higher than expected paint collection (higher expenses), lower than expected paint sales (lower revenue), or a combination of the two.

PaintCare's Reserves Policy establishes a target reserve as a percentage of annual expenses. It also sets a range with minimum and maximum thresholds. If the reserves fall below the minimum threshold or rise beyond the maximum threshold, an evaluation of the program's expenses and revenue will be performed to determine if changes are needed in operations, outreach, and/or the fee structure to bring the reserve balance within range.

Previously, the PaintCare Board of Directors had established a target reserve of 50% of annual expenses with a minimum threshold of 16% (i.e., two months) of expenses and a maximum of 75% (i.e., nine months).

In April 2018, the Board of Directors increased the target to 100% of annual expenses. The minimum threshold was changed to 75% (i.e., nine months) of expenses and the maximum was changed to 125% (i.e., 15 months).

This decision was made after an examination of how reserve levels have fluctuated for existing programs, particularly those with sustained growth and costs. The analysis showed that if a fee reduction were to be implemented when a 50% reserve level is reached, programs would likely need to reverse course and implement a fee increase within a few years. Therefore, a higher reserve level provides better stability for the programs and for those affected by a fee change. A larger reserve also mitigates the risk of an extensive timeframe for receiving approval of fee changes. Finally, a larger reserve provides better financial security for individual state programs as they move from utilizing an organization-wide bank account to individual limited liability companies with separate bank accounts, whereby borrowing of funds during times of deficit may be costlier.

PaintCare has also confirmed that a 12 months reserve target is not uncommon for non-profit organizations, including other stewardship organizations.

At the end of FY2018, the Maine program had established a modest reserve of \$270,717, 22% of FY2018 operating expenses.

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 FY2018. The revenue generated was sufficient to cover expenses and work towards the desired reserve. Even though the reserve target has not been reached, PaintCare has analyzed the financial situation and does not believe a fee increase is needed as reserves are projected to gradually increase in the next few years.

Section 4. Outreach

Annual Report Statutory Citation

MRS Title 38 §2144. Reporting Requirements

(5) A summary of outreach and educational activities undertaken and samples of educational materials provided to consumers of architectural paint.

A. OUTREACH ACTIVITIES

A1. Introduction

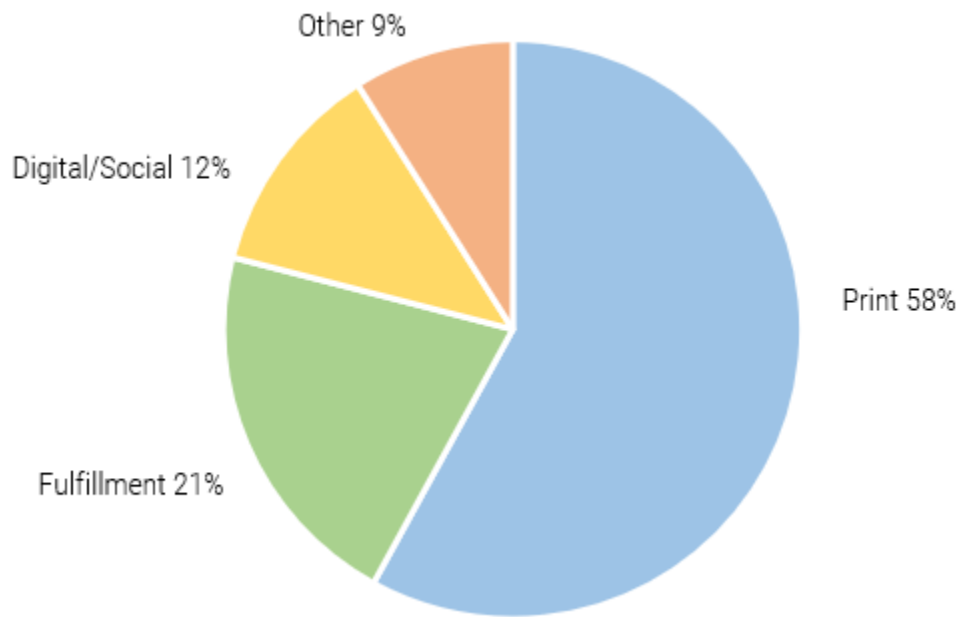
PaintCare's outreach strategy includes a variety of activities targeted to retailers, painting contractors, municipal agencies, and the general public through direct contact and advertising. Initial outreach focused on recruiting drop off sites. The first year used a phased in approach. The intent of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

Starting in FY2017, the outreach budget was cut back due to the financial position of the program at the end of FY2016. Outreach efforts in FY2018 continued to be modest in scope, but nonetheless included a variety of activities. Efforts focused on fulfillment of orders for brochures and point-of-sale materials, maintaining PaintCare's website and Facebook account, some digital advertising via social media (Facebook), targeted direct mail, and a round of print newspaper advertising. PaintCare also conducted a survey to measure awareness of the program. Additional general advertising via radio, television, and other forms of digital advertising were not possible on the limited budget.

All materials and advertisements direct 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 FY2018, PaintCare fulfilled 135 requests for materials by mail, and the Maine program manager delivered materials in person during site visits. PaintCare distributed a total of 8,355 brochures, mini cards, and fact sheets in FY2018.

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.

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 years 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 lowest in 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. In FY2018, PaintCare streamlined its translated brochures into universal versions (no longer state-specific) in order to make all them available to all states/jurisdictions. These include Amharic, Arabic, Armenian, Chinese, Farsi, French, Hmong, Khmer, Korean, Lao, Polish, Portuguese, Russian, Somali, Spanish, Thai, Turkish, and Vietnamese. Additionally, some widely used fact sheets have been translated and are available to all states. These include the LVP Fact Sheet, which is available in Spanish, and the Painting Contractors Fact Sheet, which is available in 11 languages other than English.

A6. Print Advertising

PaintCare ran a modest campaign of print ads in local newspapers throughout the state in March-April 2018 to advertise retail drop-off sites; each site was promoted one time during this period.

PAINT RECYCLING MADE *easy*



It's Free!

Do you know where to recycle or dispose of your paint?
There are 110 PaintCare sites in Maine where households and businesses can recycle or dispose of unwanted paint, stain, and varnish all year round, including these sites in your area:

<p>BANGOR Color Concepts 840 Hammond Street (207) 942-9625</p> <p>JB Paint 2225 Odlin Road (207) 942-2003</p> <p>Sherwin-Williams 625 Broadway (207) 942-8119</p> <p>BREWER Aubuchon Hardware 484 Wilson Street (207) 989-5669</p>	<p>KINGFIELD Kingfield Transfer Station 304 Lexington Road (207) 265-4637 Wed, Sat & Sun 7:30 am - 4:30 pm</p> <p>LINCOLN Aubuchon Hardware 245 W Broadway (207) 794-6023</p> <p>S W Collins 302 W Broadway (207) 794-6113</p>	<p>NEWPORT Aubuchon Hardware 83 Moosehead Trail (207) 368-5226</p> <p>OLD TOWN Aubuchon Hardware 486 Stillwater Avenue (207) 827-7972</p>
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TO FIND OTHER DROP-OFF LOCATIONS:
www.paintcare.org • (855) 724-6809


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

Example of Print Newspaper Advertising

A7. 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 a Use It Up Facebook ad from the spring advertising campaign.




PaintCare
Sponsored · 

Today is Earth Day! What are you doing to celebrate? You can take part in this day by using up some of your leftover house paint on a DIY furniture makeover, or by giving it away to friends, family, or a neighborhood group who could use it. <http://bit.ly/2tn9JbG>



PAINTCARE.ORG
Buy Right, Use It Up & Recycle the Rest
Get tips for buying the right amount of house paint and...

 944 4 Comments 21 Shares

A8. 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/recycling center partners to check on operational issues and answer questions.

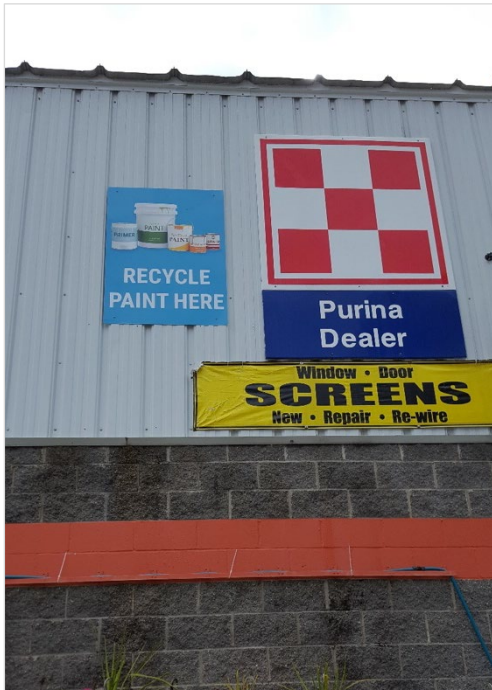
In addition to regular contact with drop-off sites, the Maine program manager participated in the following face-to-face events during FY2018:

DATE	EVENT	LOCATION	DESCRIPTION
September 30	EcoMaine Open House	South Portland	Outreach table and handouts to public
April 23-24	MRRRA Conference	Rockport	Outreach table for transfer stations
April 21	LL Bean/Girl Scouts of Maine Earth Day Celebration	Freeport	Outreach table for Girl Scouts, leaders, and their families
June 8	Sherwin-Williams Pro Show	Augusta	Outreach table for contractors

A9. Signage & Joint Outreach

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 be found online at www.paintcare.org/signs.

As a joint outreach project in FY2018, PaintCare created a large infographic sign for the Saint George transfer station, showing how much paint was collected in Maine last year, what types were collected, and what happens to the paint. Additionally, PaintCare developed several custom signs for retail stores, including a large "RECYCLE PAINT HERE" sign for Aubuchon Hardware in Buxton, and a similar smaller version for an Aubuchon Hardware in Rumford.



Large Sign for Buxton Aubochon Hardware (left); Infographic Sign for Saint George Transfer Station (right)

A10. Housing Authorities Mailing

In 2018, PaintCare conducted a special mailing to 24 housing authority contacts throughout Maine at the suggestion of DEP. The mailing included a cover letter informing contacts about PaintCare and specifically promoting its free large volume pick-up service. Copies of the Large Volume Pick-up fact sheet were also included.

B. AWARENESS SURVEY

PaintCare conducted a baseline awareness surveys in Maine prior to the start of the program using Survey Monkey, an online survey instrument. The survey is used to evaluate awareness of paint recycling options over time, and it is repeated each year. PaintCare is especially interested in the questions related to how much paint people store in their homes and whether they know where to recycle unwanted paint.

In FY2018r, some edits were made to the survey in response to suggestions from DEP after last year's survey.

A summary of questions and answers for the four rounds of surveys is included in the appendix. Following are some highlights from the four surveys:

- ◆ 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 over time. 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 took (or would take) leftover paint 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 over several years with minor fluctuations. This year it was 34.7%.
- ◆ The percentage of respondents who said they know where to take paint for recycling or disposal increased most years. This year 34% of respondents said they know where to take old paint.

C. RECOMMENDATIONS

- ◆ As the financial position of the program further improves, 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 to raise awareness of the program.
- ◆ Targeted outreach activities should be used to promote any paint drop-off events conducted by PaintCare in order to raise awareness among nearby residents and businesses.

**Appendix
Section A**



PAINTCARE SITES

FY2018 PAINTCARE SITES IN MAINE - PAGE 1 OF 5

TOTAL COLLECTED: 123,743 GALLONS

Sites with 0 gallons did not have paint picked up during the reporting period.

FY2018
Gallons
Collected

City/Town	Site Name	Address	Type	Gallons Collected
Year-Round Sites				104,847
110 Sites				
Auburn	Environmental Projects Inc	664 Washington St N	Environmental Services	852
Auburn	Sherwin-Williams	445 Center St	Retail	1,547
Augusta	Aubuchon Hardware	10 Bangor St	Retail	227
Augusta	Hatch Hill Solid Waste Facility	112 Hatch Hill Rd	Transfer Station	848
Augusta	Sherwin-Williams	68 Western Ave	Retail	2,397
Bangor	Color Concepts	840 Hammond St	Retail	950
Bangor	J B Paint Co	2225 Odlin Rd	Retail	51
Bangor	Sherwin-Williams	625 B Broadway	Retail	2,770
Bar Harbor	Paradis True Value Hardware	31 Holland Ave	Retail	413
Bath	Rogers Ace Hardware	55 Congress Ave	Retail	1,504
Belfast	Aubuchon Hardware	231 Northport Ave	Retail	781
Belfast	Sherwin-Williams	15A Starrett Dr	Retail	1,324
Belgrade	Belgrade Trans Stn	41 Transfer Station Rd	Transfer Station	396
Biddeford	Sherwin-Williams	420 Alfred St	Retail	2,769
Bowdoinham	Bowdoinham Recycling Barn	243 Post Rd	Transfer Station	414
Brewer	Aubuchon Hardware	484 Wilson St	Retail	944
Bridgton	Bridgton Trans Stn	118 Sandy Creek Rd	Transfer Station	1,579
Bridgton	Hayes True Value Hardware	204 Portland Rd	Retail	664
Brownfield	Brownfield Trans Stn	1076 Pequawket Trl	Transfer Station	253
Brunswick	Sherwin-Williams	179 Pleasant St	Retail	2,041
Buxton	Aubuchon Hardware	400 Narragansett Trl	Retail	1,221
Buxton	Plummers Buxton Hardware	241 Parker Farm Rd	Retail	263
Calais	Sherwin-Williams	305 North St	Retail	745
Caribou	S W Collins	6 Washburn St	Retail	392
Caribou	Sherwin-Williams	118 Bennett Dr	Retail	404
China	China Trans Stn	191 Alder Park Rd	Transfer Station	731
Corinna	Mid Maine Solid Waste Association	63 Airport Rd	Transfer Station	147
Cornish	Cornish Hardware	13 Maple St	Retail	207
Damariscotta	Sherwin-Williams	505 Main St	Retail	101
Dover Foxcroft	Dover Foxcroft Trans Stn	66 Landfill Rd	Transfer Station	952
Dover Foxcroft	Dover True Value Hardware	69 E Main St	Retail	96
Eastport	Eastport Recycling Center	Road 190 at Old Toll Bridge Rd	Recycling Center	84
Ellsworth	Sherwin-Williams	43 Downeast Hwy	Retail	2,627
Falmouth	Falmouth Trans Stn	101 Woods Rd	Transfer Station	1,845
Farmington	Aubuchon Hardware	361 Wilton Rd	Retail	430



PAINTCARE SITES

FY2018 PAINTCARE SITES IN MAINE - PAGE 2 OF 5

TOTAL COLLECTED: 123,743 GALLONS

Sites with 0 gallons did not have paint picked up during the reporting period.

City/Town	Site Name	Address	Type	FY2018 Gallons Collected
Fort Kent	S W Collins	35 W Main St	Retail	209
Gorham	Gorham Hardware	57 Main St	Retail	522
Gray	Gray Trans Stn	13 Seagull Dr	Transfer Station	2,542
Greene	Greene Trans Stn	281 Quaker Ridge Rd	Transfer Station	509
Greenville	Greenville Trans Stn	7 Minden St	Transfer Station	475
Hiram	Tri Town Trans Stn	208 S Hiram Rd	Transfer Station	749
Houlton	S W Collins	57 Bangor St	Retail	288
Houlton	Sherwin-Williams	2 Smyrna St	Retail	247
Islesboro	Islesboro Trans Stn	1299 Meadow Rd	Transfer Station	621
Jay	Jay Trans Stn	672 Main St	Transfer Station	625
Kingfield	Kingfield Trans Stn	304 Lexington Rd	Transfer Station	686
Kittery	Kittery Ace Hardware	6 Shapleigh Rd	Retail	400
Kittery	Kittery Trans Stn	1 Mackenzie Ln	Transfer Station	1,383
Lewiston	Sherwin-Williams	1168 Lisbon St	Retail	2,539
Limerick	Limerick Trans Stn	86 Doles Hill Rd	Transfer Station	445
Limerick	Plummers Limerick Hardware	42 Central Ave	Retail	112
Lincoln	Aubuchon Hardware	245 W Broadway	Retail	395
Lincoln	S W Collins	302 W Broadway	Retail	333
Lisbon	Maine Building Materials Exchange	102 Lisbon Rd	Reuse Store	765
Lisbon Falls	Aubuchon Hardware	572 Lisbon St	Retail	529
Mechanic Falls	Depot Square Hardware	9 Depot Square	Retail	263
Mexico	Rumford Trans Stn	388 River Rd	Transfer Station	900
Monson	Monson Trans Stn	80 Chapin Ave	Transfer Station	0
Naples	Aubuchon Hardware	499 Roosevelt Trl	Retail	1,218
Newfield	Newfield Trans Stn	320 Water St	Transfer Station	661
Newport	Aubuchon Hardware	83 Moosehead Trl	Retail	194
Nobleboro	Nobleboro Trans Stn	25 Transfer Ln	Transfer Station	1,434
Northeast Harbor	F T Brown	106 Main St	Retail	42
Northeast Harbor	S R Tracy	8 Summit Rd	Retail	328
Norway	Aubuchon Hardware	138 Main St	Retail	711
Oakland	Oakland Trans Stn	343 Town Farm Rd	Transfer Station	1,034
Old Town	Aubuchon Hardware	486 Stillwater Ave	Retail	553
Oxford	Oxford Trans Stn	89 Smith St	Transfer Station	770
Portland	Aubuchon Hardware	832 Stevens Ave	Retail	1,087
Portland	Maine Hardware	274 Saint John St	Retail	699
Portland	PPG Paints	973 Congress St	Retail	412



PAINTCARE SITES

FY2018 PAINTCARE SITES IN MAINE - PAGE 3 OF 5

TOTAL COLLECTED: 123,743 GALLONS

Sites with 0 gallons did not have paint picked up during the reporting period.

City/Town	Site Name	Address	Type	FY2018 Gallons Collected
Portland	The Paint Pot	1236 Congress St	Retail	815
Presque Isle	S W Collins	21 Rice St	Retail	583
Rangeley	Rangeley Lakes Builders Supply	2742 Main St	Retail	571
Rockland	E L Spear Lumber & Hardware	10 Payne Ave	Retail	1,764
Rockland	Sherwin-Williams	96 Park St	Retail	1,878
Rumford	Aubuchon Hardware	65 Falmouth St	Retail	487
Rumford	Sherwin-Williams	1023 Route 2	Retail	291
Scarborough	Dunstan Ace Hardware	636 US Hwy 1	Retail	1,024
Scarborough	Oak Hill Ace Hardware	Oak Hill Plaza 29 Gorham Rd	Retail	1,265
Scarborough	Sherwin-Williams	166 US Route 1	Retail	3,007
Searsport	Searsport Trans Stn	Dump Rd	Transfer Station	557
Sebago	Sebago Trans Stn	141 Long Hill Rd	Transfer Station	439
Skowhegan	Quinn True Value Hardware	125 Waterville Rd	Retail	109
Skowhegan	Sherwin-Williams	257 Madison Ave	Retail	442
Skowhegan	Skowhegan Trans Stn	29 Transfer Station Dr	Transfer Station	369
South Portland	Maine Paint	153 Ocean St	Retail	2,120
South Portland	Sherwin-Williams	180 Waterman Dr	Retail	2,110
Southwest Harbor	Southwest Trustworthy Hardware	345 Main St	Retail	332
Springvale	Aubuchon Hardware	640 Main St	Retail	561
Springvale	Sherwin-Williams	544 Main St	Retail	2,638
Springvale	Springvale Hardware	489 Main St	Retail	668
Standish	Steep Falls Building Supply	190 Ossipee Trl W	Retail	228
Tenants Harbor	St George Trans Stn	176 Wallston Rd	Transfer Station	839
Topsham	Sherwin-Williams	86 Topsham Fair Rd	Retail	1,194
Waldoboro	Waldoboro Trans Stn	885 N Nobleboro Rd	Transfer Station	463
Waterboro	Waterboro Trans Stn	132 Bennett Hill Rd	Transfer Station	2,088
Waterville	Aubuchon Hardware	485 Kennedy Memorial Dr	Retail	576
Waterville	Sherwin-Williams	343 Main St	Retail	597
Wells	Aubuchon Hardware	1165 Post Rd #2	Retail	695
Wells	Sherwin-Williams	1521 Post Rd	Retail	2,249
Westbrook	Sherwin-Williams	100 Larrabee Rd	Retail	3,199
Westbrook	Sportsmans True Value Hardware	30 Central St	Retail	260
Wilton	Wilton Trans Stn	158 Weld Rd	Transfer Station	522
Windham	Aubuchon Hardware	777 Roosevelt Trl	Retail	754
Windham	Sherwin-Williams	859 Roosevelt Trl	Retail	2,385
Wiscasset	Ames Supply True Value	447 Bath Rd	Retail	1,007



PAINTCARE SITES

FY2018 PAINTCARE SITES IN MAINE - PAGE 4 OF 5

TOTAL COLLECTED: 123,743 GALLONS

Sites with 0 gallons did not have paint picked up during the reporting period.

City/Town	Site Name	Address	Type	FY2018 Gallons Collected
Yarmouth	Maine Paint	412 US Route 1	Retail	1,992
Yarmouth	Yarmouth Trans Stn	659 E Main St	Transfer Station	3,021
York	Eldredge Lumber & Hardware	627 US Route 1	Retail	3,101
Supplemental Sites			41 Sites	15,025
Acton	Acton Trans Stn (Town Event)	1007 H Road	HHW Event	79
Augusta	Municipal Garage (KVCOG Event)	55 North St	HHW Event	472
Bar Harbor	Mt Desert Island H S (Acadia Dist Event)	1081 Eagle Lake Rd	HHW Event	477
Bath	Bath Public Works Dept (City Event)	450 Oak Grove Ave	HHW Event	432
Biddeford	Biddeford Public Works (City Event)	371 Hill St	HHW Event	575
Brewer	Brewer Public Works (City Event)	221 Greenpoint Rd	HHW Event	196
Brunswick	Brunswick Landfill (Town Event)	49 Graham Rd	HHW Event	767
Cape Elizabeth	Cape Elizabeth Recycling Ctr (Town Event)	Dennison Dr (off Spurwink Ave)	HHW Event	403
Carrabassett Valley	Carrabassett Valley T S (AVCOG Event)	1 Mile north of Sargarloaf Access Rd on Rt 27	HHW Event	49
Eliot	Eliot Trans Stn (Town Event)	468 Dow Hwy Route 236	HHW Event	39
Ellsworth	Ellsworth Trans Stn (County Event)	13 Industrial Dr	HHW Event	498
Fryeburg	Fryeburg Trans Stn (AVCOG Event)	2025 Main St	HHW Event	64
Gray	Gray Trans Stn (Town Event)	14 Seagull Dr	HHW Event	52
Jackman	Jackman (KVCOG Event)	31 Hastings Rd	HHW Event	35
Jay	Jay Trans Stn (AVCOG Event)	7962-836 Main St	HHW Event	86
Kennebunk	Kennebunk Public Svcs Dept (Town Event)	36 Sea Rd	HHW Event	404
Kingfield	Kingfield Trans Stn (AVCOG Event)	304 Lexington Rd	HHW Event	103
Lewiston	Western Maine Environmental Depot (HHW Facility)	424 River Rd	HHW Seasonal	309
Livermore	Livermore Trans Stn (AVCOG Event)	Gravel road north of 1801 Federal Rd	HHW Event	45
Matinicus	Matinicus Island (Island Event)	Unknown Street Address	HHW Event	49
Mexico	Mexico Trans Stn (AVCOG Event)	342 River Rd	HHW Event	39
Norway	Norway Paris T S (AVCOG Event)	39 Brown St	HHW Event	143
Phippsburg	Phippsburg Trans Stn (AVCOG Event)	58 Sam Day Hill Rd	HHW Event	370
Pittsfield	Pittsfield Recycling Center (KVCOG Event)	601 Peltoma Ave	HHW Event	71
Portland	Peaks Island (City Event)	10 Florida Ave	HHW Event	113
Portland	Riverside Portland HHW Facility	910 Riverside St	HHW Seasonal	3,732
Rangeley	Rangeley Trans Stn (AVCOG Event)	682 Loon Lake Rd	HHW Event	52
Rockport	Mid Coast Solid Waste Corporation	90 Union St	HHW Event	157



PAINTCARE SITES

FY2018 PAINTCARE SITES IN MAINE - PAGE 5 OF 5

TOTAL COLLECTED: 123,743 GALLONS

Sites with 0 gallons did not have paint picked up during the reporting period.

City/Town	Site Name	Address	Type	FY2018 Gallons Collected
Saco	Saco Public Works (City Event)	351 North St	HHW Event	269
Scarborough	Scarborough Public Works (Town Event)	20 Washington Ave	HHW Event	708
Sebago	Sebago Trans Stn(Town Event)	141 Long Hill Rd	HHW Event	150
Skowhegan	Skowhegan Recycling (KVCOG Event)	29 Transfer Station Dr	HHW Event	194
South Berwick	Berwick Trans Stn (Town Event)	534B Route 4	HHW Event	667
South Portland	So Portland Municipal Services (City Event)	929 Highland Ave	HHW Event	2,050
Stratton	Eustis Trans Stn (AVCOG Event)	Rangley Rd	HHW Event	79
Union	Tri County Recycling Ctr (Tri County Event)	3368 Heald Hwy	HHW Event	118
Waterboro	Plummers Hardware (Closed Jul 2017)	1009 Main St	Retail	0
Westbrook	Casella Waste Systems (City Event)	594 County Rd	HHW Event	170
Winslow	Winslow Parks & Rec (KVCOG Event)	135 Halifax St	HHW Event	514
Yarmouth	Yarmouth Fire Rescue (Town Event)	178 North Rd	HHW Event	93
York	York Recycling Facility (Town Event)	65 Witchtrot Rd	HHW Event	204

Large Volume Pick-Up Sites 11 Sites

3,871

Augusta	[Property Manager/Owner]		LVP	189
Biddeford	[Retailer]		LVP	393
Blue Hill	[Painting Contractor]		LVP	188
Boothbay	[Painting Contractor]		LVP	851
Brunswick	[Painting Contractor]		LVP	246
Portland	[Hospital]		LVP	223
Saco	[Painting Contractor]		LVP	209
Saco	[Property Manager/Owner]		LVP	101
Sanford	[Janitorial]		LVP	704
Winslow	[Painting Contractor]		LVP	612
York	[Painting Contractor]		LVP	155

**Appendix
Section B**

PaintCare Inc.

Financial Statements
and Independent Auditors' Report

June 30, 2018 and 2017

PaintCare Inc.

Financial Statements
June 30, 2018 and 2017

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.....	6-13
<i>Supplementary Information</i>	
Schedule of Activities, Organized by Program.....	14-15

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, 2018 and 2017, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PaintCare as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 14-15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Handwritten signature in black ink that reads "Rogers + Company PLLC". The "R" is large and stylized, and the "+" sign is a simple cross.

Vienna, Virginia
September 20, 2018

PaintCare Inc.

Statements of Financial Position
June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets		
Current assets:		
Cash	\$ 9,136,849	\$ 9,838,281
Accounts receivable, net	7,215,463	7,085,090
Investments	45,209,880	38,769,008
Prepaid expenses	<u>216,383</u>	<u>292,908</u>
Total current assets	61,778,575	55,985,287
Property and equipment, net	<u>172,736</u>	<u>252,362</u>
Total assets	<u>\$ 61,951,311</u>	<u>\$ 56,237,649</u>
Liabilities and Net Assets		
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	\$ 8,435,083	\$ 7,607,589
Due to affiliate	<u>761,712</u>	<u>716,410</u>
Total liabilities	<u>9,196,795</u>	<u>8,323,999</u>
Net Assets		
Unrestricted	<u>52,754,516</u>	<u>47,913,650</u>
Total net assets	<u>52,754,516</u>	<u>47,913,650</u>
Total liabilities and net assets	<u>\$ 61,951,311</u>	<u>\$ 56,237,649</u>

PaintCare Inc.

Statements of Activities For the Years Ended June 30, 2018 and 2017

	2018	2017
Operating Revenue and Support		
Paint recovery fees	\$ 60,694,911	\$ 59,300,725
Other income	99,424	184,944
Total operating revenue and support	<u>60,794,335</u>	<u>59,485,669</u>
Expenses		
Program and delivery services:		
Oregon	5,060,746	4,722,572
California	31,979,769	29,860,700
Connecticut	3,014,201	2,866,592
Rhode Island	699,650	684,354
Minnesota	4,929,453	5,031,911
Vermont	743,554	702,993
Maine	1,110,093	1,072,543
Colorado	5,299,726	5,107,754
District of Columbia	342,957	238,308
Total program and delivery services	<u>53,180,149</u>	<u>50,287,727</u>
General and administrative	<u>4,352,374</u>	<u>4,071,368</u>
Total expenses	<u>57,532,523</u>	<u>54,359,095</u>
Change in Net Assets from Operations	3,261,812	5,126,574
Non-Operating Activities		
Interest and dividend income	945,029	695,508
Loss on disposal of property and equipment	-	(46,549)
Net realized and unrealized gain on investments	634,025	1,128,128
Total non-operating activities	<u>1,579,054</u>	<u>1,777,087</u>
Change in Net Assets	4,840,866	6,903,661
Net Assets, beginning of year	<u>47,913,650</u>	<u>41,009,989</u>
Net Assets, end of year	<u>\$ 52,754,516</u>	<u>\$ 47,913,650</u>

See accompanying notes.

PaintCare Inc.

Statements of Cash Flows
For the Years Ended June 30, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities		
Change in net assets	\$ 4,840,866	\$ 6,903,661
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	79,626	99,334
Loss on disposal of property and equipment	-	46,549
Net realized and unrealized gain on investments	(634,025)	(1,128,128)
Change in allowance for doubtful accounts receivable	17,055	12,726
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(147,428)	446,566
Prepaid expenses	76,525	(28,488)
Increase in:		
Accounts payable and accrued expenses	827,494	120,050
Due to affiliate	45,302	23,356
Net cash provided by operating activities	5,105,415	6,495,626
Cash Flows from Investing Activities		
Purchases of investments	(5,945,029)	(13,405,223)
Proceeds from sale of investments	138,182	7,824,340
Purchases of property and equipment	-	(5,736)
Net cash used in investing activities	(5,806,847)	(5,586,619)
Net (Decrease) Increase in Cash	(701,432)	909,007
Cash, beginning of year	9,838,281	8,929,274
Cash, end of year	\$ 9,136,849	\$ 9,838,281

See accompanying notes.

PaintCare Inc.

Notes to Financial Statements June 30, 2018 and 2017

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, 2018 and 2017, 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, 2018 and 2017, an allowance of \$42,903 and \$25,848, respectively, was recognized.

PaintCare Inc.

Notes to Financial Statements
June 30, 2018 and 2017

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 \$5,004,753 and \$5,203,245 for the years ended June 30, 2018 and 2017, respectively.

PaintCare Inc.

Notes to Financial Statements
June 30, 2018 and 2017

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 2018.

Subsequent Events

In preparing these financial statements, PaintCare has evaluated events and transactions for potential recognition or disclosure through September 20, 2018, the date the financial statements were available to be issued.

3. Concentration of Credit Risk

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

PaintCare Inc.

Notes to Financial Statements June 30, 2018 and 2017

4. Accounts Receivable

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

	<u>2018</u>	<u>2017</u>
California	\$ 4,192,629	\$ 3,983,969
Colorado	787,597	813,388
Minnesota	719,043	791,527
Oregon	621,643	616,727
Connecticut	418,627	409,833
Maine	211,907	191,243
Rhode Island	123,092	116,765
District of Columbia	65,794	68,507
Vermont	<u>118,034</u>	<u>118,979</u>
Total accounts receivable	7,258,366	7,110,938
Less: allowance for doubtful accounts	<u>(42,903)</u>	<u>(25,848)</u>
Accounts receivable, net	<u>\$ 7,215,463</u>	<u>\$ 7,085,090</u>

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 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.

PaintCare Inc.

Notes to Financial Statements June 30, 2018 and 2017

5. Investments and Fair Value Measurements (continued)

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.

The following table presents PaintCare's fair value hierarchy for those assets measured on a recurring basis as of June 30, 2018:

	Level 1	Level 2	Level 3	Total
Equities:				
Energy	\$ 840,666	\$ -	\$ -	\$ 840,666
Materials	585,373	-	-	585,373
Industrials	1,588,432	-	-	1,588,432
Consumer discretionary	1,725,904	-	-	1,725,904
Consumer staples	918,613	-	-	918,613
Health care	1,691,862	-	-	1,691,862
Financials	2,159,797	-	-	2,159,797
Information technology	2,786,203	-	-	2,786,203
Telecommunication service	264,307	-	-	264,307
Utilities	416,149	-	-	416,149
Real estate	531,755	-	-	531,755
Bend	59,749	-	-	59,749
Mutual funds:				
Fixed income	5,471,994	3,456,299	-	8,928,293
Corporate bonds	11,781,845	-	-	11,781,845
Cash equivalents	1,214,776	-	-	1,214,776
Government securities:				
U.S. Treasury	-	9,716,156	-	9,716,156
Total investments	\$ 32,037,425	\$ 13,172,455	\$ -	\$ 45,209,880

PaintCare Inc.

Notes to Financial Statements
June 30, 2018 and 2017

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
Bend	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

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

	2018	2017
Interest and dividend income	\$ 945,029	\$ 695,508
Net realized and unrealized gain	634,025	1,128,128
Total investment income	\$ 1,579,054	\$ 1,823,636

PaintCare Inc.

Notes to Financial Statements June 30, 2018 and 2017

6. Property and Equipment

PaintCare held the following property and equipment at June 30:

	<u>2018</u>	<u>2017</u>
Software	\$ 421,822	\$ 421,822
Less: accumulated depreciation and amortization	<u>(249,086)</u>	<u>(169,460)</u>
Property and equipment, net	<u>\$ 172,736</u>	<u>\$ 252,362</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. ACA serves its members as an advocate on legislative, regulatory, and judicial issues at the federal, state, and local levels. ACA also provides members with such services as research and technical information, statistical management information, legal guidance, and community service project support and acts as a forum for the exchange of information and ideas among the industry and its business partners. ACA incorporated PaintCare for the sole purpose of implementing programs for post-consumer architectural paint. ACA maintains a controlling interest in PaintCare through the ability to appoint its Board of Directors.

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, 2018 and 2017, the total administrative fees charged by ACA to PaintCare were \$2,146,079 and \$1,956,462, respectively. At June 30, 2018 and 2017, PaintCare owed ACA \$761,712 and \$716,410, respectively, which is recorded as due to affiliate in the accompanying statements of financial position.

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.

PaintCare Inc.

Notes to Financial Statements
June 30, 2018 and 2017

8. Income Taxes (continued)

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, 2018

	Oregon	California	Connecticut	Rhode Island	Minnesota	Vermont	Maine	Colorado	District of Columbia	General and Administrative	Total
Operating Revenue and Support											
Paint recovery fees	\$ 4,816,828	\$ 35,369,235	\$ 3,589,443	\$ 921,847	\$ 6,192,108	\$ 870,581	\$ 1,455,662	\$ 6,865,320	\$ 613,887	\$ -	\$ 60,694,911
Other income	99,424	-	-	-	-	-	-	-	-	-	99,424
Total operating revenue and support	4,916,252	35,369,235	3,589,443	921,847	6,192,108	870,581	1,455,662	6,865,320	613,887	-	60,794,335
Expenses											
Program and delivery services:											
Collection support	14,150	3,088,155	419,471	102,140	427,619	77,744	131,874	494,744	35,886	-	4,791,783
Transportation and processing	4,746,057	23,089,573	1,985,183	471,128	4,095,774	599,131	800,695	3,746,160	195,501	-	39,729,202
Communications	58,998	3,449,964	448,418	89,429	204,464	7,865	23,714	669,864	52,037	-	5,004,753
Legal fees	871	1,231,975	1,594	-	-	-	4,305	8,499	-	-	1,247,244
State agency administrative fees	50,000	167,633	20,000	-	35,160	15,000	53,146	120,000	26,000	-	486,939
Other program expenses	190,670	952,469	139,535	36,953	166,436	43,814	96,359	260,459	33,533	-	1,920,228
Total program and delivery services	5,060,746	31,979,769	3,014,201	699,650	4,929,453	743,554	1,110,093	5,299,726	342,957	-	53,180,149
General and administrative:											
Legal fees	-	-	-	-	-	-	-	-	-	24,165	24,165
Management fees	-	-	-	-	-	-	-	-	-	2,146,079	2,146,079
Insurance	-	-	-	-	-	-	-	-	-	163,709	163,709
Other expense	-	-	-	-	-	-	-	-	-	2,018,421	2,018,421
Total general and administrative	-	-	-	-	-	-	-	-	-	4,352,374	4,352,374
Total expenses	5,060,746	31,979,769	3,014,201	699,650	4,929,453	743,554	1,110,093	5,299,726	342,957	4,352,374	57,532,523
Change in Net Assets from Operations	(144,494)	3,389,466	575,242	222,197	1,262,655	127,027	345,569	1,565,594	270,930	(4,352,374)	3,261,812
Non-Operating Activities											
Investment income	-	-	-	-	-	-	-	-	-	1,579,054	1,579,054
Change in Net Assets Before Allocation of General and Administrative Activities	(144,494)	3,389,466	575,242	222,197	1,262,655	127,027	345,569	1,565,594	270,930	(2,773,320)	4,840,866
General and administrative allocation	(275,506)	(2,679,071)	(257,027)	(75,694)	(381,425)	(45,000)	(95,528)	(361,668)	(43,273)	4,214,192	-
Investment allocation	-	1,380,251	-	-	(39,090)	(16,396)	4,394	108,040	3,673	(1,440,872)	-
Total Change in Net Assets	(420,000)	2,090,646	318,215	146,503	842,140	65,631	254,435	1,311,966	231,330	-	4,840,866
Net Assets (Deficit), beginning 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
Net Assets (Deficit), end of year	\$ (909,292)	\$ 45,853,006	\$ 3,391,903	\$ 702,738	\$ (718,905)	\$ (523,200)	\$ 270,716	\$ 4,422,394	\$ 265,156	\$ -	\$ 52,754,516

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

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

✘ NON-PAINTCARE PRODUCTS

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

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
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

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

XX-PIEN-0717

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.



Maine's Paint Stewardship Program started in October 2015.

The Maine Paint Stewardship law requires paint manufacturers to set up and operate a paint stewardship program in Maine. 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 PaintCare 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.

Fees vary from state to state. The Maine 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 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.

Paint Drop-Off Sites

PaintCare has established more than 90 paint drop-off sites across Maine. Most drop-off sites are paint stores. Other sites include certain 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 drop-off 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.

**220 pounds is about 20-30 gallons of paint. When counting how much hazardous waste you generate in a month, oil-based paint counts (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

John Hurd
Program Manager (Maine and Vermont)
(802) 245-4821
jhurd@paint.org

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

Maine Paint Use & 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.

Data from only the most recent 4 years are shown.

Two questions that have been previously reported were removed this year:

"How far is the closest paint store?" and "How far would you drive to recycle or dispose of paint?"

	2015		2016		2017		2018	
	%	Count	%	Count	%	Count	%	Count
1. How much leftover paint is in your home?		112		115		120		202
None	24.1	27	35.7	41	29.2	35	26.2	53
Less than 1 gallon	13.4	15	21.7	25	35.0	42	27.2	55
1-5 gallons (would fit in a cardboard box)	35.7	40	27.8	32	20.8	25	30.2	61
5-15 gallons (would fit in a shopping cart)	21.4	24	7.0	8	6.7	8	7.4	15
15-30 gallons (would fit in two shopping carts)	0.0	0	1.7	2	1.7	2	1.5	3
More than 30 gallons	0.0	0	0.0	0	0.0	0	0.0	0
Yes, but I don't know how much	5.4	6	6.1	7	6.7	8	7.4	15

	2015		2016		2017		2018	
	%	Count	%	Count	%	Count	%	Count
2. Where did the paint come from?		112		74		85		149
I did some painting myself and had some leftover	64.3	72	79.7	59	74.1	63	71.8	107
I hired someone to paint and they left it behind	25.0	28	8.1	6	7.1	6	7.4	11
I found it in my home/business when I moved in	13.4	15	13.5	10	9.4	8	8.7	13
I am a painting contractor and it is from one of my jobs	0.0	0	2.7	2	0.0	0	2.0	3
I don't remember where the paint came from	8.0	9	9.5	7	5.9	5	3.4	5
Other:	18.8	21	4.1	3	3.5	3	6.7	10

Other responses for June 2018 Survey:

- Contractors left the paint behind (1)
- Family member painted and stored the leftovers (1)
- Have deck stain but haven't used it, yet (1)
- Paint is left over from craft projects (1)

	2015		2016		2017		2018	
	%	Count	%	Count	%	Count	%	Count
3. What did you do with leftover paint?		112		115		118		202
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	0.9	1	3.5	4	5.9	7	2.0	4
Dried out the paint and put it in the trash	23.2	26	13.0	15	19.5	23	18.8	38
Stored it in the basement or garage intend to use	33.0	37	45.2	52	39.0	46	40.6	82
Took it to a paint store	0	0	0.9	1	3.4	4	3.0	6
Took it to a household hazardous waste event or facility	25.9	29	10.4	12	8.5	10	15.3	31
Gave it away to a family, friend or community organization	0.9	1	4.3	5	4.2	5	4.0	8
Left it behind when I moved	1.8	2	0.9	1	1.7	2	1.0	2
I don't know	4.5	5	1.7	2	5.1	6	4.0	8
I have never stored or disposed of leftover/unwanted paint	5.4	6	18.3	21	12.7	15	9.4	19
Other	4.5	5	1.7	2	0.0	0	2.0	4

Other responses for June 2018 survey:

- Filled paint can with sand and took it to transfer station / Used leftover paint for another project (1)
- Keeping paint for touch-ups (1)
- Gave leftover paint to my dad, who is a painter (1)

	2015		2016		2017		2018	
	%	Count	%	Count	%	Count	%	Count
4. If you had unwanted paint, what would you do with it?		112		115		118		202
Pour it down the drain	0.0	0	0.0	0	0.8	1	0.0	0
Put can(s) of liquid paint in the trash	0.9	1	3.5	4	5.1	6	2.0	4
Dry out the paint and put it in the trash	28.6	32	16.5	19	16.9	20	19.8	40

Take it to a paint store	6.3	7	13.9	16	16.9	20	13.4	27
Take it to a household hazardous waste event or facility	42.0	47	21.7	25	19.5	23	27.2	55
Give it away to a family, friend or organization	8.0	9	20.0	23	22.0	26	17.3	35
I don't know	8.9	10	21.7	25	15.3	18	16.3	33
Other	5.4	6	2.6	3	3.4	4	4.0	8

Other responses for June 2018 Survey:

Recycle it (4)

Search for an organization that will dispose of it (1)

Find a project to use it on (1)

5. Did you know that paint can be recycled?

		112		74		119		202
Yes	27.7	31	35.1	26	36.1	43	34.7	70
No	72.3	81	64.9	48	63.9	76	65.3	132

6. Have you ever taken paint to be recycled/disposed?

		72		96		118		202
Yes, at some point during the past year	8.0	9	5.2	6	5.9	7	10.9	22
Yes, more than one year ago	27.7	31	11.3	13	11.0	13	12.9	26
No	64.3	72	83.5	96	83.1	98	76.2	154

7. Do you know where to take unwanted paint?

		112		115		118		202
No	75.9	85	81.7	94	29.7	35	65.8	133
Yes	24.1	27	18.3	21	70.3	83	34.2	69
If yes, where?	-	18	-	10	-	28	-	69

Responses to "Where?" for June 2018 Survey:

Transfer station or town dump / landfill (23)

HHW event (8)

HHW facility or program (6)

Paint or hardware store (13)

Recycling center (10)

8. What county do you live in?

		110		115		120		202
Androscoggin	8.2	9	10.4	12	5.0	6	11.4	23
Aroostook	0.9	1	7.0	8	6.7	8	5.9	12
Cumberland	27.3	30	14.8	17	15.8	19	12.9	26
Franklin	0.9	1	1.7	2	2.5	3	2.0	4
Hancock	3.6	4	3.5	4	1.7	2	4.0	8
Kennebec	12.7	14	14.8	17	10.8	13	11.9	24
Knox	2.7	3	3.5	4	5.0	6	2.0	4
Lincoln	6.4	7	2.6	3	4.2	5	1.0	2
Oxford	8.2	9	7.0	8	3.3	4	5.9	12
Penobscot	6.4	7	6.1	7	18.3	22	12.4	25
Piscataquis	2.7	3	4.3	5	2.5	3	1.0	2
Sagadahoc	2.7	3	4.3	5	3.3	4	4.5	9
Somerset	1.8	2	6.1	7	6.7	8	3.0	6
Waldo	1.8	2	0.9	1	1.7	2	5.4	11
Washington	0.9	1	1.7	2	1.7	2	2.0	4
York	12.7	14	11.3	13	10.8	13	14.9	30

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

		112		115		117		202
Urban / Major City	11.6	13	4.3	5	6.8	8	7.4	15
Suburban	9.8	11	22.6	26	17.9	21	16.3	33
Small City or Town	35.7	40	45.2	52	40.2	47	31.2	63
Rural / Countryside	41.1	46	27.8	32	34.2	40	45.0	91
Other (please specify)	1.8	2	0.0	0	0.9	1	0.0	0

10. What type of dwelling do you live in?

	112		115		118		202	
Single-family house	76.8	86	64.3	74	64.4	76	63.9	129
Two or Three-family house	7.1	8	6.1	7	5.9	7	5.9	12
Condominium or apartment building with many units	9.8	11	20.9	24	23.7	28	19.8	40
Manufactured or Mobile Home	5.4	6	8.7	10	5.1	6	5.4	11
Other (please specify)	0.9	1	0.0	0	0.8	1	5.0	10

Other responses for June 2017 Survey:
Campground

11. Do you paint professionally?

	112		115		118		202	
Yes	0.9	1	7.0	8	1.7	2	5.9	12
No	99.1	111	93.0	107	98.3	116	94.1	190

12. What is your age?

	112		115		118		202	
Under 21	0.9	1	5.2	6	0.0	0	0.5	1
21-40	10.7	12	49.6	57	47.5	56	38.6	78
41-60	42.9	48	27.8	32	35.6	42	41.6	84
Over 60	43.8	49	17.4	20	16.9	20	19.3	39
Prefer not to say	1.8	2	0.0	0	0.0	0	0.0	0

13. Gender

	112		115		118		202	
Male	49.1	55	38.3	44	41.5	49	46.5	94
Female	50.9	57	61.7	71	58.5	69	53.5	108
Prefer not to say	0.0	0	0.0	0	0.0	0	0.0	0

14. Educational Level

	112		115		118		202	
Some High School	0.0	0	2.61	3	0.0	0	2.0	4
High School Graduate	3.6	4	20.0	23	29.7	35	26.2	53
Some College, Vocational, Trade, or Technical	28.6	32	49.6	57	41.5	49	42.6	86
4 year degree or higher	67.9	76	27.0	31	28.8	34	28.7	58
Prefer not to say	0.0	0	0.9	1	0.0	0	0.5	1

15. What is your household income?

	112		115		118		202	
Less than \$50K	22.3	25	61.7	71	63.6	75	60.9	123
\$50 – 100K	36.6	41	25.2	29	30.5	36	27.2	55
\$100 – 150K	15.2	17	5.2	6	3.4	4	6.4	13
Over \$150K	8.0	9	0.9	1	0.8	1	3.0	6
Prefer not to say	17.9	20	7.0	8	1.7	2	2.5	5