

# STATE OF NEW YORK

9106

## IN SENATE

June 17, 2018

Introduced by Sen. O'MARA -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the environmental conservation law, in relation to establishing a postconsumer paint collection program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Article 27 of the environmental conservation law is amended  
2 by adding a new title 20 to read as follows:

3 TITLE 20

4 POSTCONSUMER PAINT COLLECTION PROGRAM

5 Section 27-2001. Definitions.

6 27-2003. Postconsumer paint collection program.

7 27-2005. Reporting requirements.

8 27-2007. Department responsibilities.

9 § 27-2001. Definitions.

10 As used in this title, the following terms shall have the following  
11 meanings:

12 1. "architectural paint" means interior and exterior architectural  
13 coatings sold in containers of five gallons or less; provided, however,  
14 that "architectural paint" shall not include industrial, original equip-  
15 ment or specialty coatings.

16 2. "commissioner" means the commissioner of environmental conserva-  
17 tion.

18 3. "department" means the department of environmental conservation.

19 4. "environmentally sound management practices" means procedures for  
20 the collection, storage, transportation, reuse, recycling and disposal  
21 of architectural paint, to be implemented by the producer or represen-  
22 tative organization or by the producers or representative organization's  
23 contracted partners to ensure compliance with all applicable federal,  
24 state and local laws and any regulations and ordinances for the  
25 protection of human health and the environment and these procedures  
26 shall address adequate record keeping, tracking and documenting of the  
27 final disposition of materials.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

LBD16339-04-8

1 5. "postconsumer paint" means architectural paint not used and no  
2 longer wanted by a purchaser.

3 6. "producer" means a manufacturer of architectural paint who sells,  
4 offers for sale or distributes the architectural paint in the state.

5 7. "program" means the postconsumer paint collection program estab-  
6 lished pursuant to section 27-2003 of this title.

7 8. "recycling" means a process by which discarded products, components  
8 and by-products are transformed into new usable or marketable materials  
9 in a manner in which the original products may lose their identity.  
10 This term excludes thermal treatment or the use of waste as a fuel  
11 substitute or for energy production.

12 9. "representative organization" means a not-for-profit organization  
13 established by a producer to implement the postconsumer paint collection  
14 program.

15 10. "retailer" means a person that offers architectural paint for sale  
16 at retail in the state.

17 11. "Reuse" means the return of a product into the economic stream for  
18 use in the same kind of application as the product was originally  
19 intended to be used, without a change in the product's identity.

20 12. "Sell" or "sale" means any transfer for consideration of title or  
21 the right to use, from a manufacturer or retailer to a person, includ-  
22 ing, but not limited to, transactions conducted through retail sales  
23 outlets, catalogs, mail, the telephone, the internet, or any electronic  
24 means; this does not include samples, donations, and reuse.

25 § 27-2003. Postconsumer paint collection program.

26 1. No later than July first, two thousand nineteen, a producer, either  
27 individually or cooperatively, or a representative organization shall  
28 submit to the commissioner for the commissioner's approval a plan for  
29 the establishment of a postconsumer paint collection program. Such plan  
30 shall be accompanied by a fee of five thousand dollars for an individual  
31 producer or, in the case of a representative organization or producers  
32 acting collectively, a fee of ten thousand dollars. The program will  
33 minimize public sector involvement in the management of postconsumer  
34 paint by reducing its generation, promoting its reuse and recycling and  
35 negotiating and executing agreements to collect, transport, reuse, recy-  
36 cle and properly dispose of postconsumer paint using environmentally  
37 sound management practices.

38 2. A producer may satisfy the postconsumer paint collection program  
39 requirement of this section by agreeing to participate collectively with  
40 other producers. Any such collective postconsumer paint collection  
41 program shall meet the same requirements as an individual producer. Such  
42 program shall submit a registration to the department along with a  
43 registration fee of ten thousand dollars.

44 3. The plan submitted by the producer or representative organization  
45 to the department under this section shall:

46 (a) provide a list of each participating producer and brands covered  
47 by the program.

48 (b) provide information on the architectural paint products covered  
49 under the program.

50 (c) describe how the producer or representative organization will  
51 collect, transport, recycle, and process postconsumer paint for end-of-  
52 life management, including recycling and disposal, using environmentally  
53 sound management practices.

54 (d) describe how it will provide for convenient and cost-effective  
55 statewide collection of postconsumer architectural paint in the state.  
56 The producer or representative organization may coordinate the program

1 with existing municipal waste collection infrastructure as is mutually  
2 agreeable. A paint retailer may participate, on a voluntary basis, as a  
3 paint collection site if the paint retailer volunteers to act as such  
4 and complies with all applicable laws and regulations.

5 (e) provide geographic modeling to determine the number and distrib-  
6 ution of sites for collection of postconsumer architectural paint based  
7 on the following criteria (i) at least ninety percent of New York resi-  
8 dents shall have a collection site within a fifteen mile radius; and  
9 (ii) one additional site will be established for every fifty thousand  
10 residents of an urbanized area (as defined by the United States Census  
11 Bureau), unless the producer is a small business taxpayer as defined in  
12 paragraph (f) of subdivision one of section two hundred ten of the tax  
13 law or unless otherwise approved by the commissioner.

14 (f) describe the intended treatment, storage, transportation and  
15 disposal options and methods for the collection of postconsumer paint.  
16 The management of paint under the program shall promote reuse and recy-  
17 cling.

18 (g) describe in detail education and outreach efforts to inform  
19 consumers about the program. These materials should include (i) informa-  
20 tion about collection opportunities for postconsumer paint; (ii) infor-  
21 mation about the charge for the operation of the program that shall be  
22 included by the producer in the price charged to the retailer of all  
23 architectural paint sold in the state; and (iii) efforts to promote the  
24 source reduction, reuse, and recycling of architectural paint.

25 (h) set forth the process by which an independent auditor will be  
26 selected and identify the criteria used by the producer or represen-  
27 tative organization in selecting an independent auditor;

28 (i) identify, in detail, the operational plans for interacting with  
29 retailers on the proper handling and management of post-consumer paint;

30 (j) include the targeted annual collection rate;

31 (k) be reviewed by an independent financial auditor to assure that any  
32 added cost to paint sold in the state as a result of the postconsumer  
33 paint collection program does not exceed the costs of the program. The  
34 independent auditor shall verify that the amount added to each unit of  
35 paint will cover the costs of the postconsumer paint collection program.

36 4. The independent financial auditor may be selected by the department  
37 and the department shall review the work product of any such independent  
38 auditor. The department may terminate the services of any such independ-  
39 ent auditor. The cost of any work performed by such independent auditor  
40 shall be funded by the program.

41 5. The commissioner shall approve or reject a plan submitted under  
42 this section within sixty days of submission and, if rejected, inform  
43 the producer or representative organization in writing as to any defi-  
44 ciencies in said plan. A producer or representative organization shall  
45 amend and resubmit any rejected plans for reconsideration within sixty  
46 days of notification of the rejection of said plan. The commissioner  
47 shall approve or reject said plan within thirty days of resubmission.

48 6. Beginning not later than January first, two thousand twenty or six  
49 months after the plan is approved under subdivision five of this  
50 section, whichever occurs later, the producer or representative organ-  
51 ization shall implement the postconsumer paint collection program  
52 utilizing collection sites established pursuant to paragraph (e) of  
53 subdivision three of this section.

54 7. Not later than the implementation date of the program, information  
55 regarding the approved plan, the names of participating producers, and  
56 the brands of architectural paint covered by the program shall be posted

1 on the department's website and on the website of the producer and  
2 representative organization.

3 8. Upon implementation of the program, each producer shall include in  
4 the price of any architectural paint sold to retailers and distributors  
5 in the state the per container amount in the approved program plan. A  
6 retailer or distributor shall not deduct this amount from the purchase  
7 price.

8 9. A producer or retailer shall not sell, or offer for sale, architec-  
9 tural paint to any person in the state unless the producer and the  
10 producer's brands are registered with the department pursuant to section  
11 27-2003 of this title on and after the date of implementation of the  
12 postconsumer paint collection program.

13 10. (a) A retailer shall be in compliance with this section if, on the  
14 date the architectural paint was offered for sale, the producer is list-  
15 ed on the department's website as implementing or participating in an  
16 approved program or if the paint brand is listed on the department's  
17 website as being included in the program.

18 (b) A paint collection site authorized under the provisions of this  
19 section shall not charge any additional amount for the disposal of paint  
20 when it is offered for disposal.

21 11. (a) A producer or the representative organization that organizes  
22 the collection, transport and processing of postconsumer paint, in an  
23 action solely to increase the recycling of architectural paint by a  
24 producer, representative organization, or retailer that affects the  
25 types and quantities being recycled or the cost and structure of any  
26 return program shall not be liable for any claim of a violation of anti-  
27 trust, restraint of trade or unfair trade practice arising from conduct  
28 undertaken in accordance with the program pursuant to this section.

29 (b) Provided however, paragraph (a) of this subdivision shall not  
30 apply to any agreement establishing or affecting the price of paint  
31 except for the postconsumer paint collection assessment or the output or  
32 production of paint or any agreement restricting the geographic area or  
33 customers to which paint will be sold.

34 12. The operator of the post consumer paint collection program shall  
35 update the plan, as needed, when there are changes proposed to the  
36 current program. A new plan or amendment will be required to be submit-  
37 ted to the department for approval when:

38 (a) there is an addition to the products covered under the program; or

39 (b) there is a revision of the program's goals; or

40 (c) every four years.

41 The operator of the postconsumer paint collection program shall notify  
42 the department annually, in writing, if there are no changes proposed to  
43 the program and the producer or representative organization intends to  
44 continue implementation of the program as previously approved by the  
45 department.

46 13. Any person who becomes a producer on or after January first, two  
47 thousand twenty shall submit a plan to the department prior to selling  
48 or offering for sale in the state any architectural paint, and must  
49 comply with the requirements of this title.

50 § 27-2005. Reporting requirements.

51 1. On or before October fifteenth, two thousand twenty, and annually  
52 thereafter, each operator of a program shall submit a report to the  
53 commissioner that details the postconsumer paint collection program for  
54 the prior year's program from July first to June thirtieth. The report  
55 shall be posted on the department's website. The report shall be posted  
56 on the website of the producer and representative organization. Said

1 report shall include a copy of the independent audit detailed in para-  
2 graph (d) of this subdivision. Such annual report shall include:

3 (a) a detailed description of the methods used to collect, transport  
4 and process postconsumer paint in the state including detailing  
5 collection methods made available to consumers and an evaluation of the  
6 program's collection convenience;

7 (b) the overall volume of postconsumer paint collected in the state;

8 (c) the volume and type of postconsumer paint collected in the state  
9 by method of disposition, including reuse, recycling and other methods  
10 of processing or disposal;

11 (d) the total cost of implementing the program, as determined by an  
12 independent financial audit, as performed by an independent auditor;

13 (e) samples of all educational materials provided to consumers of  
14 architectural paint and retailers; and

15 (f) a detailed list of efforts undertaken and an evaluation of the  
16 methods used to disseminate such materials including recommendations, if  
17 any, for how the educational component of the program can be improved.

18 2. The department shall submit a report regarding the implementation  
19 of this title in this state to the governor and legislature by April  
20 first, two thousand twenty-one and every two years thereafter. The  
21 report must include, at a minimum, an evaluation of:

22 (a) the architectural paint stream in the state;

23 (b) disposal, recycling and reuse rates in the state for architectural  
24 paint;

25 (c) a discussion of compliance and enforcement related to the require-  
26 ments of this title; and

27 (d) recommendations for any changes to this title.

28 § 27-2007. Department responsibilities.

29 1. The department shall promulgate all necessary rules and regulations  
30 including, but not limited to, standards for reuse.

31 2. The department shall (a) maintain a list of producers who are  
32 implementing or participating pursuant to section 27-2003 of this title,  
33 (b) maintain a list of each such producer's brands, and (c) post such  
34 lists on the department's website.

35 § 2. This act shall take effect immediately.