## Second Regular Session Sixty-ninth General Assembly STATE OF COLORADO

### PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 14-0072.01 Jennifer Berman x3286

SENATE BILL 14-029

SENATE SPONSORSHIP

Newell,

Fischer,

#### HOUSE SPONSORSHIP

**Senate Committees** Agriculture, Natural Resources, & Energy Appropriations

**House Committees** 

## A BILL FOR AN ACT

101	CONCERNING	THE	ESTABLISHMENT	OF	A	PAINT	STEWARDSHIP
102	PROGRA	M FO	R THE ENVIRONM	ENTA	LL	Y SOUN	D DISPOSAL OF

103 **POSTCONSUMER ARCHITECTURAL PAINT.** 

#### **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <u>http://www.leg.state.co.us/billsummaries</u>.)

To promote environmentally sound practices for the handling of unused architectural paint that the purchaser of the paint no longer wants (postconsumer architectural paint), the bill requires that, on or before July 1, 2015, each producer of architectural paint being sold in Colorado participate in a paint stewardship program that establishes standards and practices for the collection, transportation, reuse, recycling, and disposal of postconsumer architectural paint.

A producer, group of producers, or stewardship organization contracted by a producer or group of producers is required to submit for approval a paint stewardship program plan to the executive director of the department of public health and environment (executive director) by January 1, 2015. The plan must:

- Describe the environmentally sound collection, transportation, reuse, recycling, and disposal standards and practices that the proposed program will implement to handle postconsumer architectural paint;
- Establish enough postconsumer architectural paint collection sites throughout the state to ensure that at least 90% of Colorado residents have permanent collection sites within 15 miles of their homes;
- ! Establish postconsumer architectural paint collection events for the portion of Colorado residents who will not have permanent collection sites established within 15 miles of their homes;
- ! Develop an education and outreach program; and
- Provide sufficient funding for the program by imposing a uniform, per-container assessment on retailers and distributors that the retailers and distributors will recoup by adding to the purchase price of the architectural paint.

The producer, group of producers, or stewardship organization implementing a paint stewardship program is required to submit an annual report to the executive director describing the progress of the program.

The bill establishes an administrative penalty for a violation of the relevant statutes and rules, and creates the paint stewardship program cash fund for the executive director's collection of fees associated with a paint stewardship program.

1 Be it enacted by the General Assembly of the State of Colorado:

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 4 to article

3 17 of title 25 as follows:

I.

4

# PART 4

- 5 ARCHITECTURAL PAINT STEWARDSHIP PROGRAMS
- 6 **25-17-401.** Short title. This part 4 shall be known and may

1 BE CITED AS THE "ARCHITECTURAL PAINT STEWARDSHIP ACT".

2 25-17-402. Legislative declaration. (1) THE GENERAL ASSEMBLY
HEREBY FINDS AND DECLARES THAT PAINT DISPOSAL CREATES
ENVIRONMENTAL AND PUBLIC HEALTH PROBLEMS, AND THESE PROBLEMS
SHOULD BE ADDRESSED THROUGH THE IMPLEMENTATION OF
ENVIRONMENTALLY SOUND MANAGEMENT PRACTICES FOR RECYCLING
POSTCONSUMER ARCHITECTURAL PAINT.

8 (2) TO THAT END, IT IS THE GENERAL ASSEMBLY'S INTENT TO
9 ESTABLISH A SYSTEM OF PAINT STEWARDSHIP PROGRAMS THAT:

10 (a) PROVIDES SUBSTANTIAL COST SAVINGS TO HOUSEHOLD
11 HAZARDOUS WASTE COLLECTION PROGRAMS;

12 (b) SIGNIFICANTLY INCREASES THE NUMBER OF:

13 (I) POSTCONSUMER ARCHITECTURAL PAINT COLLECTION SITES;14 AND

(II) RECYCLING OPPORTUNITIES FOR HOUSEHOLDS, BUSINESSES,
AND OTHER GENERATORS OF POSTCONSUMER ARCHITECTURAL PAINT; AND
(c) EXEMPLIFIES THE PRINCIPLES OF A PRODUCT-CENTERED
APPROACH TO ENVIRONMENTAL PROTECTION, OFTEN REFERRED TO AS
"PRODUCT STEWARDSHIP".

20 25-17-403. Definitions. As used in this part 4, unless the
21 CONTEXT OTHERWISE REQUIRES:

(1) (a) "ARCHITECTURAL PAINT" MEANS AN INTERIOR OR EXTERIOR
ARCHITECTURAL COATING SOLD IN A CONTAINER OF FIVE GALLONS OR
LESS.

(b) "ARCHITECTURAL PAINT" DOES NOT INCLUDE INDUSTRIAL,
ORIGINAL EQUIPMENT MANUFACTURER, OR SPECIALTY COATINGS AS THOSE
TERMS ARE DEFINED BY THE COMMISSION BY RULE.

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(2) "COMMISSION" MEANS THE SOLID AND HAZARDOUS WASTE
 COMMISSION CREATED IN SECTION 25-15-302.

3 (3) "CURBSIDE SERVICE" MEANS A WASTE COLLECTION,
4 RECYCLING, AND DISPOSAL SERVICE THAT PROVIDES PICKUP OF COVERED
5 ARCHITECTURAL PAINT FROM RESIDENCES, INCLUDING SINGLE- AND
6 MULTI-FAMILY DWELLING UNITS, AND SMALL BUSINESSES IN QUANTITIES
7 THAT A RESIDENCE OR SMALL BUSINESS WOULD REASONABLY GENERATE.
8 (4) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH
9 AND ENVIRONMENT CREATED IN SECTION 24-1-119, C.R.S.

10 (5) "DISTRIBUTOR" MEANS A PERSON WHO HAS A CONTRACTUAL
11 RELATIONSHIP WITH ONE OR MORE PRODUCERS TO MARKET AND SELL
12 ARCHITECTURAL PAINT TO RETAILERS.

13 (6) "ENERGY RECOVERY" MEANS A PROCESS BY WHICH ALL OR
14 PART OF ARCHITECTURAL PAINT MATERIALS ARE PROCESSED IN ORDER TO
15 USE THE HEAT CONTENT OR ANOTHER FORM OF ENERGY FROM THE
16 MATERIALS.

17 (7) "ENVIRONMENTALLY SOUND MANAGEMENT PRACTICES" MEANS
18 POLICIES THAT A PRODUCER OR A STEWARDSHIP ORGANIZATION
19 IMPLEMENTS TO ENSURE COMPLIANCE WITH ALL APPLICABLE
20 ENVIRONMENTAL LAWS, INCLUDING LAWS ADDRESSING:

21 (a) RECORD KEEPING;

(b) TRACKING AND DOCUMENTING THE DISPOSAL OF
 ARCHITECTURAL PAINT WITHIN AND OUTSIDE THE STATE; AND

24 (c) ENVIRONMENTAL LIABILITY COVERAGE FOR PROFESSIONAL
 25 SERVICES AND CONTRACTOR OPERATIONS.

26 (8) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
 27 THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.

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(9) "PAINT STEWARDSHIP ASSESSMENT" MEANS AN AMOUNT THAT
 A PRODUCER PARTICIPATING IN A PAINT STEWARDSHIP PROGRAM ADDS TO
 THE PURCHASE PRICE OF A CONTAINER OF ARCHITECTURAL PAINT SOLD IN
 COLORADO THAT COVERS THE COST OF COLLECTING, TRANSPORTING, AND
 PROCESSING POSTCONSUMER ARCHITECTURAL PAINT STATEWIDE.

6 (10) "PAINT STEWARDSHIP PROGRAM" MEANS A PROGRAM
7 CREATED IN ACCORDANCE WITH SECTION 25-17-405.

8 (11) "POSTCONSUMER ARCHITECTURAL PAINT" MEANS UNUSED
9 ARCHITECTURAL PAINT THAT THE PURCHASER OF THE PAINT NO LONGER
10 WANTS.

11 (12) "PRODUCER" MEANS AN ORIGINAL PRODUCER OF 12 ARCHITECTURAL PAINT THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES 13 ARCHITECTURAL PAINT WITHIN OR INTO COLORADO UNDER EITHER THE 14 PRODUCER'S OWN NAME OR A BRAND THAT THE PRODUCER 15 MANUFACTURES.

16 (13) "RECYCLING" MEANS A PROCESS THAT TRANSFORMS
17 DISCARDED PRODUCTS, COMPONENTS, OR BYPRODUCTS INTO NEW USABLE
18 OR MARKETABLE MATERIALS THAT MAY INVOLVE A CHANGE IN THE
19 PRODUCT'S IDENTITY. "RECYCLING" DOES NOT MEAN ENERGY RECOVERY
20 OR ENERGY GENERATION BY MEANS OF COMBUSTING DISCARDED
21 PRODUCTS, COMPONENTS, OR BYPRODUCTS WITH OR WITHOUT OTHER
22 WASTE PRODUCTS.

23 (<u>14</u>) "RETAILER" MEANS A PERSON THAT SELLS OR OFFERS FOR
24 SALE ARCHITECTURAL PAINT WITHIN OR INTO COLORADO.

25 (<u>15</u>) "REUSE" MEANS THE RETURN OF A PRODUCT THAT HAS
26 ALREADY BEEN USED INTO THE MARKETPLACE FOR USE IN THE SAME
27 MANNER AS ORIGINALLY INTENDED WITHOUT A CHANGE IN THE PRODUCT'S

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1 IDENTITY.

2 (<u>16</u>) "Sell" MEANS TO TRANSFER TITLE FOR CONSIDERATION,
3 INCLUDING REMOTE SALES CONDUCTED THROUGH SALES OUTLETS,
4 CATALOGS, OR ONLINE. "Sell" DOES NOT INCLUDE SALES OR DONATIONS
5 OF ARCHITECTURAL PAINT IN THE ORIGINAL CONTAINER FOR REUSE.

6 (<u>17</u>) "STEWARDSHIP ORGANIZATION" MEANS A CORPORATION,
7 NONPROFIT ORGANIZATION, OR OTHER LEGAL ENTITY CREATED OR
8 CONTRACTED BY ONE OR MORE PRODUCERS TO IMPLEMENT A PAINT
9 STEWARDSHIP PROGRAM.

10 25-17-404. Paint stewardship program plan - assessment -11 rules - fees. (1) EFFECTIVE JULY 1, 2015, NO PRODUCER SHALL SELL, 12 OFFER FOR SALE, OR DISTRIBUTE ARCHITECTURAL PAINT IN COLORADO 13 UNLESS THE PRODUCER IS IMPLEMENTING OR PARTICIPATING IN A PAINT 14 STEWARDSHIP PROGRAM APPROVED BY THE EXECUTIVE DIRECTOR. THE 15 EXECUTIVE DIRECTOR MAY APPROVE AN EARLIER START DATE AS PART OF 16 HIS OR HER APPROVAL OF A PAINT STEWARDSHIP PROGRAM PLAN 17 SUBMITTED IN ACCORDANCE WITH SUBSECTION (2) OF THIS SECTION. A 18 PAINT STEWARDSHIP PROGRAM MUST COMMENCE WITHIN NINETY DAYS 19 AFTER THE EXECUTIVE DIRECTOR'S APPROVAL OF THE PAINT STEWARDSHIP 20 PROGRAM PLAN.

(2) ONE OR MORE PRODUCERS, OR A STEWARDSHIP ORGANIZATION
CONTRACTED BY ONE OR MORE PRODUCERS, SHALL SUBMIT FOR APPROVAL
A PAINT STEWARDSHIP PROGRAM PLAN TO THE EXECUTIVE DIRECTOR BY
JANUARY 1, 2015. TO BE APPROVED, A PAINT STEWARDSHIP PROGRAM
PLAN MUST:

26 (a) IDENTIFY THE FOLLOWING:

27 (I) A LIST OF EACH PRODUCER PARTICIPATING IN THE PROGRAM;

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1(II) THE CONTACT INFORMATION FOR THE PRODUCER OR2STEWARDSHIP ORGANIZATION IMPLEMENTING THE PROGRAM; AND

3 (III) A LIST OF ALL BRANDS COVERED BY THE PROGRAM;

4 (b) DESCRIBE THE MANNER IN WHICH THE PROGRAM WILL
5 COLLECT, TRANSPORT, REUSE, RECYCLE, AND PROCESS POSTCONSUMER
6 ARCHITECTURAL PAINT, INCLUDING A DESCRIPTION OF THE FOLLOWING:

(I) ENERGY RECOVERY AND DISPOSAL; AND

7

8 (II) STANDARDS TO ENSURE THE USE OF ENVIRONMENTALLY
9 SOUND MANAGEMENT PRACTICES, INCLUDING COLLECTION STANDARDS;
10 (c) DESCRIBE THE MANNER IN WHICH THE PROGRAM WILL COLLECT
11 POSTCONSUMER ARCHITECTURAL PAINT. AT A MINIMUM, A PROGRAM PLAN
12 MUST ESTABLISH COLLECTION PRACTICES THAT:

13 (I) PROVIDE CONVENIENT COLLECTION SITES THROUGHOUT THE
14 STATE;

(II) TO ENSURE ADEQUATE COLLECTION COVERAGE, USE
DEMOGRAPHIC AND GEOGRAPHIC INFORMATION MODELING TO DETERMINE
THE NUMBER AND DISTRIBUTION OF COLLECTION SITES BASED ON THE
FOLLOWING CRITERIA:

19 (A) AT LEAST NINETY PERCENT OF COLORADO RESIDENTS MUST
20 HAVE A PERMANENT COLLECTION SITE WITHIN A FIFTEEN-MILE RADIUS OF
21 THEIR HOMES;

(B) AN ADDITIONAL PERMANENT SITE MUST BE PROVIDED FOR
EVERY THIRTY THOUSAND RESIDENTS OF AN URBANIZED AREA, AS DEFINED
BY THE UNITED STATES CENSUS BUREAU, AND DISTRIBUTED IN A MANNER
THAT PROVIDES CONVENIENT AND REASONABLY EQUITABLE ACCESS FOR
RESIDENTS WITHIN EACH URBANIZED AREA, UNLESS THE EXECUTIVE
DIRECTOR APPROVES OTHERWISE; AND

(C) FOR THE PORTION OF COLORADO RESIDENTS WHO WILL NOT
 HAVE A PERMANENT COLLECTION SITE WITHIN A FIFTEEN-MILE RADIUS OF
 THEIR HOMES, THE PLAN MUST PROVIDE COLLECTION EVENTS AT LEAST
 ONCE PER YEAR; AND

5 (III) INCLUDE SPECIFIC INFORMATION ON HOW TO SERVE 6 GEOGRAPHICALLY ISOLATED POPULATIONS AND A PROPOSAL FOR HOW TO 7 MEASURE AND REPORT SERVICE TO THOSE POPULATIONS. THIS 8 INFORMATION MUST INCLUDE A DESCRIPTION OF HOW THE PROGRAM WILL 9 WORK WITH EXISTING RECYCLERS AND LOCAL GOVERNMENTS THAT WISH 10 TO CONTINUE TO BE INVOLVED IN PAINT RECYCLING AND COLLECTION.

11 (d) NOTWITHSTANDING THE REQUIREMENTS OF SUBPARAGRAPHS

12 (I) AND (II) OF PARAGRAPH (c) OF THIS SUBSECTION (2), THE PLAN MAY, IN

13 <u>LIEU OF PROVIDING COLLECTION SITES FOR A SPECIFIED GEOGRAPHIC AREA</u>

14 OR POPULATION, IDENTIFY AN AVAILABLE CURBSIDE SERVICE THAT

PROVIDES ACCESS TO RESIDENTS THAT IS AT LEAST AS CONVENIENT AND
 EQUITABLY ACCESSIBLE AS A COLLECTION SITE.

17 (e) DESCRIBE HOW THE PAINT STEWARDSHIP PROGRAM WILL
 18 INCORPORATE AND FAIRLY COMPENSATE SERVICE PROVIDERS FOR
 19 ACTIVITIES THAT MAY INCLUDE:

20(I) FOR SERVICES SUCH AS PERMANENT COLLECTION SITES,21COLLECTION EVENTS, OR CURBSIDE SERVICES, THE COVERAGE OF COSTS22FOR COLLECTING POSTCONSUMER ARCHITECTURAL PAINT AND

23 <u>ARCHITECTURAL PAINT CONTAINERS</u>;

 24
 (II)
 The reuse or processing of postconsumer

 25
 ARCHITECTURAL PAINT AT A PERMANENT COLLECTION SITE; AND

26 (III) THE TRANSPORTATION, RECYCLING, AND PROPER DISPOSAL OF

27 <u>POSTCONSUMER ARCHITECTURAL PAINT;</u>

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1 (f) PROVIDE A LIST OF THE NAMES, LOCATIONS, AND HOURS OF 2 OPERATION FOR FACILITIES ACCEPTING POSTCONSUMER ARCHITECTURAL 3 PAINT FOR RECYCLING UNDER THE PROGRAM; 4 (g) IDENTIFY ONE OR MORE DESIGNATED PERSONS RESPONSIBLE 5 FOR: 6 (I) ENSURING THE PROGRAM'S COMPLIANCE WITH THIS PART 4 AND 7 THE RULES PROMULGATED UNDER THIS PART 4: AND 8 (II) SERVING AS A CONTACT PERSON FOR THE DEPARTMENT WITH 9 RESPECT TO THE PAINT STEWARDSHIP PROGRAM; 10 (h) DESCRIBE THE MANNER IN WHICH THE PROGRAM WILL ACHIEVE 11 THE FOLLOWING GOALS: 12 (I) REDUCING THE GENERATION OF POSTCONSUMER 13 ARCHITECTURAL PAINT; 14 (II) PROMOTING THE REUSE OF POSTCONSUMER ARCHITECTURAL 15 PAINT; AND 16 (III) USING BEST PRACTICES THAT ARE BOTH ENVIRONMENTALLY 17 AND ECONOMICALLY SOUND TO MANAGE POSTCONSUMER ARCHITECTURAL 18 PAINT. THESE PRACTICES SHOULD FOLLOW A WASTE HANDLING 19 HIERARCHY, WHICH PROVIDES A PREFERENCE FOR SOURCE REDUCTION, 20 THEN REUSE, FOLLOWED BY RECYCLING, ENERGY RECOVERY, AND FINALLY 21 WASTE DISPOSAL. 22 (i) INCLUDE AN EDUCATION AND OUTREACH PROGRAM THAT MUST: 23 (I) TARGET CONSUMERS, PAINTING CONTRACTORS, AND PAINT 24 **RETAILERS:** 25 (II) REACH ALL ARCHITECTURAL PAINT MARKETS SERVED BY THE 26 PARTICIPATING PRODUCERS; AND 27 (III) INCLUDE A METHODOLOGY FOR EVALUATING THE

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EFFECTIVENESS OF THE EDUCATION AND OUTREACH PROGRAM ON AN
 ANNUAL BASIS, INCLUDING METHODS FOR DETERMINING THE PERCENTAGE
 OF CONSUMERS, PAINTING CONTRACTORS, AND RETAILERS WHO ARE
 AWARE OF:

5 (A) WAYS TO REDUCE THE GENERATION OF POSTCONSUMER
6 ARCHITECTURAL PAINT; AND

7 (B) OPPORTUNITIES AVAILABLE FOR THE REUSE AND RECYCLING
8 OF POSTCONSUMER ARCHITECTURAL PAINT;

9 DEMONSTRATE SUFFICIENT FUNDING FOR THE (i) (I) 10 ARCHITECTURAL PAINT STEWARDSHIP PROGRAM DESCRIBED IN THE PLAN 11 THROUGH THE IMPOSITION OF A PAINT STEWARDSHIP ASSESSMENT THAT 12 EACH PRODUCER SHALL CHARGE RETAILERS AND DISTRIBUTORS FOR EACH 13 CONTAINER OF THE PRODUCER'S ARCHITECTURAL PAINT SOLD IN 14 COLORADO, EACH PRODUCER SHALL REMIT THE PAINT STEWARDSHIP 15 ASSESSMENTS COLLECTED TO THE PAINT STEWARDSHIP PROGRAM. EACH 16 RETAILER AND DISTRIBUTOR SHALL ADD THE AMOUNT OF THE PAINT 17 STEWARDSHIP ASSESSMENT TO THE PURCHASE PRICE OF A CONTAINER OF 18 THE PRODUCER'S ARCHITECTURAL PAINT SOLD IN COLORADO. THE PAINT 19 STEWARDSHIP PROGRAM MUST NOT IMPOSE ANY FEES ON CUSTOMERS FOR 20 THE COLLECTION OF POST-CONSUMER ARCHITECTURAL PAINT.

(II) TO ENSURE THAT A PAINT STEWARDSHIP PROGRAM'S FUNDING
 MECHANISM IS EQUITABLE AND SUSTAINABLE, THE FUNDING MECHANISM
 MUST:

24 (A) PROVIDE A UNIFORM PAINT STEWARDSHIP ASSESSMENT THAT
25 DOES NOT EXCEED THE AMOUNT NECESSARY TO RECOVER PROGRAM
26 COSTS; AND

27 (B) REQUIRE THAT ANY SURPLUS FUNDS GENERATED BY THE

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PROGRAM BE PLACED BACK INTO THE PROGRAM FOR PROGRAM
 IMPROVEMENTS OR A PAINT STEWARDSHIP ASSESSMENT REDUCTION, OR
 BOTH.

4 (k) INCLUDE A PROPOSED BUDGET AND A DESCRIPTION OF THE
5 PROCESS USED TO DETERMINE THE PAINT STEWARDSHIP ASSESSMENT
6 REQUIRED BY PARAGRAPH (i) OF THIS SUBSECTION (2).

7 (3) (a) THE EXECUTIVE DIRECTOR SHALL REVIEW A PAINT 8 STEWARDSHIP PROGRAM PLAN SUBMITTED IN ACCORDANCE WITH 9 SUBSECTION (2) OF THIS SECTION FOR COMPLIANCE WITH THIS PART 4, 10 INCLUDING A REVIEW OF THE PROPOSED PAINT STEWARDSHIP ASSESSMENT 11 REQUIRED BY PARAGRAPH (i) OF SUBSECTION (2) OF THIS SECTION, TO 12 ENSURE THAT THE PAINT STEWARDSHIP ASSESSMENT DOES NOT EXCEED AN 13 AMOUNT NECESSARY TO RECOVER PROGRAM COSTS. THE EXECUTIVE DIRECTOR SHALL APPROVE OR REJECT A PLAN IN WRITING WITHIN NINETY 14 15 DAYS AFTER RECEIPT OF THE PLAN. IF A PLAN MEETS THE CRITERIA OF 16 SUBSECTION (2) OF THIS SECTION, THE EXECUTIVE DIRECTOR SHALL 17 APPROVE THE PLAN. IF THE EXECUTIVE DIRECTOR REJECTS A PLAN, THE 18 EXECUTIVE DIRECTOR SHALL INCLUDE IN THE WRITTEN REJECTION THE 19 REASON OR REASONS FOR REJECTING THE PLAN.

20 (b) (I) IF THE EXECUTIVE DIRECTOR APPROVES A PAINT
21 STEWARDSHIP PROGRAM PLAN, THE EXECUTIVE DIRECTOR SHALL ADD:

(A) THE PRODUCER OR GROUP OF PRODUCERS PARTICIPATING IN
THE PAINT STEWARDSHIP PROGRAM PLAN TO A LIST OF PRODUCERS
PARTICIPATING IN AN APPROVED PAINT STEWARDSHIP PROGRAM PLAN; AND
(B) THE BRANDS BEING SOLD BY THE PRODUCER OR GROUP OF
PRODUCERS TO A LIST OF BRANDS INCLUDED IN AN APPROVED PAINT
STEWARDSHIP PROGRAM PLAN.

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(II) THE EXECUTIVE DIRECTOR SHALL PUBLISH THE LISTS ON THE
 DEPARTMENT'S WEB SITE, AND HE OR SHE SHALL UPDATE THE PUBLISHED
 LISTS AS NECESSARY.

4 (c) THE EXECUTIVE DIRECTOR'S REJECTION OF A PAINT
5 STEWARDSHIP PROGRAM PLAN CONSTITUTES A FINAL AGENCY ACTION
6 THAT MAY BE APPEALED IN ACCORDANCE WITH THE PROCEDURES SET
7 FORTH IN SECTION 24-4-106, C.R.S.

8 (d) IF THE EXECUTIVE DIRECTOR'S DECISION TO REJECT A PAINT 9 STEWARDSHIP PROGRAM PLAN IS NOT APPEALED PURSUANT TO SECTION 10 24-4-106, C.R.S., OR THE EXECUTIVE DIRECTOR PREVAILS ON APPEAL, THE 11 PRODUCER, GROUP OF PRODUCERS, OR STEWARDSHIP ORGANIZATION THAT 12 SUBMITTED THE PAINT STEWARDSHIP PROGRAM PLAN MUST SUBMIT A 13 REVISED PLAN WITHIN NINETY DAYS AFTER THE DATE ON WHICH THE 14 EXECUTIVE DIRECTOR'S DECISION WAS AFFIRMED OR, IF NO APPEAL WAS 15 PURSUED, THE DATE ON WHICH THE TIME FOR APPEAL EXPIRED. THE 16 REVISED PLAN MUST PROVIDE THE INFORMATION REQUIRED BY 17 SUBSECTION (2) OF THIS SECTION. THE EXECUTIVE DIRECTOR SHALL 18 APPROVE OR REJECT A REVISED PLAN UNDER THE PROCEDURE SET FORTH 19 IN PARAGRAPH (a) OF THIS SUBSECTION (3). THE EXECUTIVE DIRECTOR'S 20 REJECTION OF A REVISED PLAN MAY BE APPEALED IN ACCORDANCE WITH 21 SECTION 24-4-106, C.R.S.

(4) WHEN SUBMITTING A PAINT STEWARDSHIP PROGRAM PLAN, A
REVISED PLAN, OR AN ANNUAL REPORT, AS REQUIRED BY SECTION
25-17-405, ONE OR MORE PRODUCERS OR A STEWARDSHIP ORGANIZATION
CONTRACTED BY ONE OR MORE PRODUCERS SHALL PAY A PAINT
STEWARDSHIP PROGRAM PLAN FEE, REVISED PLAN FEE, OR ANNUAL REPORT
FEE IN AN AMOUNT THAT THE COMMISSION HAS ESTABLISHED OR

ADJUSTED BY RULE. IN ESTABLISHING OR ADJUSTING A FEE BY RULE, THE
 COMMISSION SHALL CONSULT WITH THE EXECUTIVE DIRECTOR AND, AS
 NEEDED, WITH AN ASSOCIATION OF PRODUCERS.

25-17-405. Paint stewardship program requirements - annual
reports - customer information. (1) A PAINT STEWARDSHIP PROGRAM
MUST BE FINANCED AND EITHER MANAGED OR CONTRACTED BY A
PRODUCER OR GROUP OF PRODUCERS. THE PROGRAM MUST BE
IMPLEMENTED STATEWIDE AND INCLUDE:

9 (a) THE COLLECTION, TRANSPORTATION, REUSE, RECYCLING, AND
10 DISPOSAL OF POSTCONSUMER ARCHITECTURAL PAINT; AND

11 (b) INITIATIVES TO REDUCE THE GENERATION OF POSTCONSUMER12 ARCHITECTURAL PAINT.

13 (2) A PAINT STEWARDSHIP PROGRAM SHALL COMPLY WITH ANY
14 FIRE, HAZARDOUS WASTE, OR OTHER RELEVANT ORDINANCES OR
15 RESOLUTIONS ADOPTED BY A LOCAL GOVERNMENT.

16 (3) (a) ON OR AFTER MARCH 31 OF THE SECOND YEAR OF A PAINT 17 STEWARDSHIP PROGRAM'S IMPLEMENTATION, AND ANNUALLY 18 THEREAFTER, ONE OR MORE PARTICIPATING PRODUCERS, OR A 19 STEWARDSHIP ORGANIZATION CONTRACTED BY ONE OR MORE PRODUCERS, 20 SHALL SUBMIT A REPORT TO THE EXECUTIVE DIRECTOR DESCRIBING THE 21 PROGRESS OF THE PAINT STEWARDSHIP PROGRAM. THE PAINT 22 STEWARDSHIP PROGRAM REPORT MUST INCLUDE THE FOLLOWING 23 INFORMATION FROM THE PRECEDING CALENDAR YEAR:

24 (I) A DESCRIPTION OF THE METHOD OR METHODS USED TO REDUCE,
25 REUSE, COLLECT, TRANSPORT, RECYCLE, AND PROCESS POSTCONSUMER
26 ARCHITECTURAL PAINT;

27 (II) THE TOTAL VOLUME, IN GALLONS, AND TYPE OF

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POSTCONSUMER ARCHITECTURAL PAINT COLLECTED, WITH THE DATA
 BROKEN DOWN BY:

3 (A) COLLECTION SITE; AND

4 (B) METHOD OF WASTE HANDLING USED TO HANDLE THE
5 COLLECTED POSTCONSUMER ARCHITECTURAL PAINT, SUCH AS REUSE,
6 RECYCLING, ENERGY RECOVERY, OR WASTE DISPOSAL;

7 (III) THE TOTAL VOLUME, IN GALLONS, OF POSTCONSUMER
8 ARCHITECTURAL PAINT SOLD IN COLORADO BY THE PRODUCER OR
9 PRODUCERS PARTICIPATING IN THE PAINT STEWARDSHIP PROGRAM;

10 (IV) FOR THE EDUCATION AND OUTREACH PROGRAM 11 IMPLEMENTED IN COMPLIANCE WITH SECTION 25-17-404 (2) (i):

12

(A) SAMPLES OF ANY MATERIALS DISTRIBUTED; AND

13 (B) A DESCRIPTION OF THE METHODOLOGY USED AND THE RESULTS 14 OF THE EVALUATION CONDUCTED PURSUANT TO SECTION 25-17-404(2) (i) 15 (III). THE RESULTS MUST INCLUDE THE PERCENTAGE OF CONSUMERS, 16 PAINTING CONTRACTORS, AND RETAILERS MADE AWARE OF THE WAYS TO 17 REDUCE THE GENERATION OF POSTCONSUMER ARCHITECTURAL PAINT, 18 AVAILABLE OPPORTUNITIES FOR REUSE OF POSTCONSUMER 19 ARCHITECTURAL PAINT, AND COLLECTION OPTIONS FOR POSTCONSUMER 20 ARCHITECTURAL PAINT RECYCLING.

(V) THE NAME, LOCATION, AND HOURS OF OPERATION OF EACH
FACILITY ADDED OR REMOVED FROM THE LIST DEVELOPED IN ACCORDANCE
WITH SECTION 25-17-404 (2) (f).

(VI) ANY PROPOSED CHANGES TO THE PAINT STEWARDSHIP
PROGRAM PLAN. THE EXECUTIVE DIRECTOR SHALL REVIEW ANY PROPOSED
CHANGES SET FORTH IN THE ANNUAL REPORT IN ACCORDANCE WITH THE
REVIEW PROCEDURES FOR A REVISED PLAN, AS SET FORTH IN SECTION

1 25-17-404 (3).

2 (VII) A COPY OF AN INDEPENDENT THIRD PARTY'S REPORT
3 AUDITING THE PAINT STEWARDSHIP PROGRAM. THE AUDIT MUST INCLUDE
4 A DETAILED LIST OF THE PROGRAM'S COSTS AND REVENUES.

5 (b) THE EXECUTIVE DIRECTOR SHALL ANNUALLY COMPILE THE 6 RESULTS OF THE REPORTS RECEIVED PURSUANT TO PARAGRAPH (a) OF THIS 7 SUBSECTION (3) INTO A GENERAL REPORT DESCRIBING THE PROGRESS OF 8 THE PAINT STEWARDSHIP PROGRAMS. THE EXECUTIVE DIRECTOR SHALL 9 ANNUALLY PRESENT THE REPORT TO THE HEALTH AND HUMAN SERVICES 10 COMMITTEE OF THE SENATE AND THE PUBLIC HEALTH CARE AND HUMAN 11 SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR THEIR 12 SUCCESSOR COMMITTEES.

(4) AS PART OF THE EDUCATION AND OUTREACH PROGRAM SET
FORTH IN SECTION 25-17-404 (2) (i), A PRODUCER SHALL DISTRIBUTE
PAINT STEWARDSHIP PROGRAM INFORMATION TO ALL RETAILERS OFFERING
THE PRODUCER'S ARCHITECTURAL PAINT FOR SALE. THE INFORMATION
MAY INCLUDE THE FOLLOWING:

18 (a) SIGNAGE THAT IS PROMINENTLY DISPLAYED AND EASILY
19 VISIBLE TO THE CONSUMER;

(b) WRITTEN MATERIALS THAT MAY BE PROVIDED TO THE
CONSUMER AT THE TIME OF PURCHASE OR DELIVERY OR BOTH AND
TEMPLATES OF THOSE MATERIALS FOR REPRODUCTION BY THE RETAILER;
AND

24 (c) PROMOTIONAL MATERIALS INCLUDING ADVERTISING
25 MATERIALS THAT REFERENCE THE ARCHITECTURAL PAINT STEWARDSHIP
26 PROGRAM.

27 **25-17-406.** Retail sales - requirements - paint stewardship

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1 assessment added to purchase price - customer information. (1) THE 2 EXECUTIVE DIRECTOR, UPON THE EXECUTIVE DIRECTOR'S OWN MOTION, 3 MAY, AND, UPON A PERSON'S WRITTEN COMPLAINT, SHALL, INVESTIGATE 4 A PRODUCER TO DETERMINE WHETHER, ON THE DATE THAT THE 5 PRODUCER'S ARCHITECTURAL PAINT WAS SOLD AT RETAIL, THE PRODUCER 6 OR THE PRODUCER'S BRAND WAS LISTED ON THE DEPARTMENT'S WEB SITE 7 AS PART OF AN APPROVED PAINT STEWARDSHIP PROGRAM. IF THE 8 EXECUTIVE DIRECTOR DETERMINES THAT THE PRODUCER'S 9 ARCHITECTURAL PAINT WAS SOLD IN VIOLATION OF THIS PART 4, THE 10 EXECUTIVE DIRECTOR MAY ORDER THE PRODUCER TO CEASE AND DESIST 11 FROM DISTRIBUTING THE ARCHITECTURAL PAINT UNTIL THE PRODUCER IS 12 IN COMPLIANCE WITH THIS PART 4.

13 (2) FOR EACH CONTAINER OF ARCHITECTURAL PAINT SOLD IN
14 COLORADO, A RETAILER SHALL ADD THE AMOUNT OF THE PRODUCER'S
15 PAINT STEWARDSHIP ASSESSMENT, ESTABLISHED UNDER SECTION
16 25-17-404 (2) (j), TO THE PURCHASE PRICE OF THE CONTAINER OF
17 ARCHITECTURAL PAINT.

18 (3) A RETAILER SELLING ARCHITECTURAL PAINT OR OFFERING 19 ARCHITECTURAL PAINT FOR SALE SHALL, AT THE TIME OF SALE OF ANY OF 20 A PRODUCER'S ARCHITECTURAL PAINT, PROVIDE CUSTOMERS WITH 21 INFORMATION ABOUT THE PRODUCER'S PAINT STEWARDSHIP PROGRAM, AS 22 PROVIDED BY THE PRODUCER PURSUANT TO SECTION 25-17-405 (4). IF A 23 RETAILER FAILS TO DISSEMINATE INFORMATION ABOUT THE PRODUCER'S 24 PAINT STEWARDSHIP PROGRAM PURSUANT TO THIS SUBSECTION (3), BUT 25 THE RETAILER CAN DEMONSTRATE TO THE SATISFACTION OF THE 26 EXECUTIVE DIRECTOR THAT THE PRODUCER FAILED TO PROVIDE THE 27 REQUISITE EDUCATION AND OUTREACH PROGRAM INFORMATION TO THE

RETAILER, THE RETAILER IS NEITHER LIABLE NOR PROHIBITED FROM
 SELLING THE PRODUCER'S ARCHITECTURAL PAINT.

25-17-407. Violations - enforcement - administrative penalty.
(1) IN ADDITION TO OTHER PENALTIES PRESCRIBED BY THIS PART 4 OR
ANY OTHER LAW, A PRODUCER OR STEWARDSHIP ORGANIZATION THAT
VIOLATES THIS PART 4 IS LIABLE FOR AN ADMINISTRATIVE PENALTY
ASSESSMENT NOT TO EXCEED ONE THOUSAND DOLLARS PER DAY FOR THE
FIRST VIOLATION AND FIVE THOUSAND DOLLARS PER DAY FOR A SECOND
OR SUBSEQUENT VIOLATION.

10 (2) IF A PERSON IS LIABLE PURSUANT TO SUBSECTION (1) OF THIS
11 SECTION, THE EXECUTIVE DIRECTOR SHALL SERVE BY PERSONAL SERVICE
12 OR BY CERTIFIED MAIL AN ORDER THAT IMPOSES AN ADMINISTRATIVE
13 PENALTY ON THE PERSON WHO HAS BEEN DESIGNATED IN THE PAINT
14 STEWARDSHIP PROGRAM PLAN AS THE CONTACT PERSON.

15 (3) THE CONTACT PERSON MAY SUBMIT A WRITTEN REQUEST TO
16 THE EXECUTIVE DIRECTOR FOR A HEARING BY PERSONAL SERVICE OR BY
17 CERTIFIED MAIL WITHIN THIRTY CALENDAR DAYS AFTER THE DATE OF THE
18 ORDER. AN ADMINISTRATIVE LAW JUDGE FROM THE OFFICE OF
19 ADMINISTRATIVE COURTS SHALL CONDUCT THE HEARING IN ACCORDANCE
20 WITH SECTION 24-4-105, C.R.S.

(4) IF A REQUEST FOR A HEARING IS FILED, PAYMENT OF ANY
MONETARY PENALTY IS STAYED PENDING A FINAL DECISION BY THE
ADMINISTRATIVE LAW JUDGE AFTER THE HEARING ON THE MERITS. THE
DEPARTMENT IS NOT PRECLUDED FROM IMPOSING AN ADMINISTRATIVE
PENALTY AGAINST THE PRODUCER OR STEWARDSHIP PROGRAM FOR
SUBSEQUENT VIOLATIONS OF THIS PART 4 COMMITTED DURING THE
PENDENCY OF THE STAY.

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(5) THE DEPARTMENT BEARS THE BURDEN OF PROOF BY A
 PREPONDERANCE OF THE EVIDENCE IN A HEARING HELD PURSUANT TO THIS
 SECTION.

4 (6) THE EXECUTIVE DIRECTOR MAY ENTER INTO A SETTLEMENT
5 AGREEMENT WITH A PRODUCER OR STEWARDSHIP ORGANIZATION
6 ASSESSED AN ADMINISTRATIVE PENALTY UNDER THIS SECTION.

7 (7) THE EXECUTIVE DIRECTOR SHALL TRANSFER ANY MONEYS
8 COLLECTED UNDER THIS SECTION TO THE STATE TREASURER, WHO SHALL
9 DEPOSIT THE MONEYS INTO THE GENERAL FUND.

10 **25-17-408.** Fees - cash fund - creation. The executive 11 DIRECTOR SHALL TRANSMIT ALL FEES COLLECTED UNDER SECTION 12 25-17-404 (4) TO THE STATE TREASURER, WHO SHALL CREDIT THEM TO 13 THE PAINT STEWARDSHIP PROGRAM CASH FUND, HEREBY CREATED AND 14 REFERRED TO IN THIS SECTION AS THE "FUND". THE MONEYS IN THE FUND 15 ARE APPROPRIATED TO THE DEPARTMENT FOR THE PURPOSES SET FORTH IN 16 THIS PART 4. ALL INTEREST EARNED FROM THE INVESTMENT OF MONEYS 17 IN THE FUND IS CREDITED TO THE FUND. ANY MONEYS NOT EXPENDED AT 18 THE END OF THE FISCAL YEAR REMAIN IN THE FUND AND DO NOT REVERT 19 TO THE GENERAL FUND OR ANY OTHER FUND.

20 25-17-409. Certificate of designation not required. IF A
21 RETAILER OR OTHER FACILITY SERVING AS A POSTCONSUMER
22 ARCHITECTURAL PAINT COLLECTION SITE WOULD NOT OTHERWISE BE
23 REQUIRED TO OBTAIN A CERTIFICATE OF DESIGNATION AS A SOLID WASTES
24 DISPOSAL SITE AND FACILITY PURSUANT TO SECTION 30-20-102, C.R.S.,
25 THEN THE RETAILER OR OTHER FACILITY NEED NOT OBTAIN A CERTIFICATE
26 OF DESIGNATION.

27

25-17-410. Limited exemption from antitrust, restraint of

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1 trade, and unfair trade practices provisions. IF A PRODUCER OR GROUP 2 OF PRODUCERS PARTICIPATING IN A PAINT STEWARDSHIP PROGRAM OR A 3 STEWARDSHIP ORGANIZATION CONTRACTED BY ONE OR MORE PRODUCERS 4 TO IMPLEMENT A PAINT STEWARDSHIP PROGRAM ENGAGES IN AN ACTIVITY 5 PERFORMED SOLELY IN FURTHERANCE OF IMPLEMENTING THE PAINT 6 STEWARDSHIP PROGRAM AND IN COMPLIANCE WITH THE PROVISIONS OF 7 THIS PART 4, THE ACTIVITY IS NOT A VIOLATION OF THE ANTITRUST, 8 RESTRAINT OF TRADE, AND UNFAIR TRADE PRACTICES PROVISIONS OF THE 9 "UNFAIR PRACTICES ACT", ARTICLE 2 OF TITLE 6, C.R.S., OR THE 10 "COLORADO ANTITRUST ACT OF 1992", ARTICLE 4 OF TITLE 6, C.R.S.

11 SECTION 2. Act subject to petition - effective date. This act 12 takes effect at 12:01 a.m. on the day following the expiration of the 13 ninety-day period after final adjournment of the general assembly (August 14 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a 15 referendum petition is filed pursuant to section 1 (3) of article V of the 16 state constitution against this act or an item, section, or part of this act 17 within such period, then the act, item, section, or part will not take effect 18 unless approved by the people at the general election to be held in 19 November 2014 and, in such case, will take effect on the date of the 20 official declaration of the vote thereon by the governor.