SENATE BILL NO. 936

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR BERNSKOETTER.

4302S.01I KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 701, RSMo, by adding thereto one new section relating to paint recycling.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 701, RSMo, is amended by adding thereto

- 2 one new section, to be known as section 701.151, to read as
- 3 follows:
 - 701.151. 1. As used in this section, the following
- 2 terms mean:
- 3 (1) "Administrative fee", a fee set by the department
- 4 to reimburse the department for administering this section
- 5 and paid by each producer or representative organization
- 6 submitting a plan under this section;
- 7 (2) "Architectural paint", interior and exterior
- 8 architectural coatings sold in containers of five gallons or
- 9 less. "Architectural paint" shall not be construed to
- include industrial, original equipment, or specialty
- 11 coatings;
- 12 (3) "Collection site", any location, event, or other
- 13 department-approved collection service at which
- 14 architectural paint is accepted into a post-consumer paint
- 15 collection program under a post-consumer paint collection
- 16 program plan;
- 17 (4) "Conditionally exempt small quantity generator",
- 18 the same definition as in 10 CSR 25-4.261(2)(A) and is
- 19 equivalent to "very small quantity generator";

- 20 (5) "Department", the department of natural resources;
- 21 (6) "Director", the director of the department of
- 22 natural resources or the director's designee;
- 23 (7) "Environmentally sound management practices",
- 24 procedures for the collection, storage, transportation,
- 25 reuse, recycling, and disposal of architectural paint that
- 26 shall:
- 27 (a) Be implemented by producers or a representative
- 28 organization or by contracted partners of the producers or a
- 29 representative organization to ensure compliance with all
- 30 applicable federal, state, and local laws and any
- 31 regulations and ordinances for the protection of human
- 32 health and the environment;
- 33 (b) Address adequate record keeping, tracking, and
- 34 documenting of the final disposition of materials; and
- 35 (c) Address appropriate environmental liability
- 36 coverage for the representative organization;
- 37 (8) "Household waste", the same definition as in 10
- 38 CSR 80.2-010;
- 39 (9) "Paint assessment fee", cost added per container
- 40 of paint by producers. Such cost shall cover the cost to
- 41 operate and sustain the program authorized under this
- 42 section and shall be verified by an independent financial
- 43 auditor;
- 44 (10) "Post-consumer paint", architectural paint not
- 45 used and no longer wanted by a purchaser;
- 46 (11) "Producer", a manufacturer of architectural paint
- 47 that sells, offers for sale, or distributes the
- 48 architectural paint in this state under the producer's own
- 49 name or brand. "Producer" does not include a retailer who
- 50 sells, offers for sale, or distributes within or into the

51 state architectural paint manufactured or trademarked by a

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52 person other than the retailer;

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- 53 (12) "Program", the post-consumer paint collection 54 program established under this section;
- 55 (13) "Recycling", the separation and reuse or 56 remanufacture of materials that might otherwise be disposed 57 of as solid waste;
- (14) "Representative organization", a nonprofit organization established by producers to implement the program;
- 61 (15) "Retailer", a person who offers architectural 62 paint or other allied products for sale at retail in this 63 state;
- (16) "Very small quantity generator", equivalent to "conditionally exempt small quantity generator".
- 66 2. Producers of architectural paint sold at retail in this state may establish or join a representative 67 The duties under this section shall be met by 68 organization. 69 the representative organization on behalf of all its member 70 producers. Any producer who is not a member of a 71 representative organization shall meet the duties under this 72 section separately.
 - 3. (1) A representative organization or a producer of architectural paint sold at retail in this state that is not a member of such representative organization shall develop and submit to the director for the director's approval a plan for the establishment of a post-consumer paint collection program. The program shall be structured to:
- 79 (a) Reduce the generation of post-consumer paint;
- 80 (b) Promote the reuse and recycling of post-consumer 81 paint;

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82 Manage the post-consumer paint waste stream using 83 environmentally sound management practices; and

- 84 Limit the department's role to oversight activities that include approving the program plan and 85 reviewing the annual report. 86
 - The plan submitted under this section shall: (2)
- 88 (a) Provide a list of participating producers and 89 brands covered by the program;
- Provide information on the architectural paint 90 (b) 91 products covered under the program, such as interior or 92 exterior water- and oil-based coatings, primers, sealers, or 93 wood coatings;
- Describe how the program will provide for 94 95 convenient and cost-effective statewide collection of postconsumer paint in this state. The producers or 96 97 representative organization may coordinate the program with 98 existing household hazardous waste collection infrastructure as is mutually agreeable. A paint retailer shall be authorized by the producers or representative organization 101 as a paint collection site only if the paint retailer 102 voluntarily agrees to act as such and complies with all applicable laws and regulations and the retail location is 103 104 consistent with the maintenance of a cost-effective network 105 of paint collection locations;
 - Establish a goal for the number and geographic distribution of sites for collection of post-consumer paint based on the following criteria:
- 109 At least ninety percent of Missouri residents shall have a collection site within a fifteen-mile radius and one 110 111 site will be established for every fifty thousand residents 112 of the state, unless otherwise approved by the director; or

- b. If the program is unable to meet the requirements
- of this subsection, a collection event or other department-
- approved collection service will be scheduled on a periodic
- 116 basis to serve such residents;
- 117 (e) Describe how post-consumer paint will be managed
- in the most environmentally and economically sound manner
- 119 using the following strategies in the following order:
- reuse, recycling, energy recovery, and disposal;
- 121 (f) Describe education and outreach efforts to inform
- 122 consumers about the program. Such efforts should
- 123 incorporate at least:
- 124 a. Information about collection opportunities for post-
- 125 consumer paint;
- 126 b. Information about the charge for the operation of
- 127 the program that shall be included in the purchase price of
- 128 all architectural paint sold in this state; and
- c. Efforts to promote the source reduction, reuse, and
- 130 recycling of architectural paint; and
- 131 (g) Establish a per-container cost to be added to
- 132 architectural paint sold in this state as a result of the
- 133 program. This per-container cost, known as the paint
- 134 assessment fee, shall be reviewed by an independent
- 135 financial auditor to assure that any added cost to paint
- 136 sold in this state as a result of the program does not
- 137 exceed the costs to operate and sustain the program in
- 138 accordance with sound management practices;
- 139 (h) Describe how the program will incorporate and
- 140 compensate service providers for activities conducted under
- 141 the program that may include:
- 142 a. The collection of post-consumer architectural paint
- 143 and architectural paint containers through permanent
- 144 collection sites, collection events, or curbside services;

b. The reuse or processing of post-consumer
 architectural paint at a permanent collection site; and

147 c. The transportation, recycling, and proper disposal 148 of post-consumer architectural paint.

- The independent financial auditor required under paragraph (g) of subdivision (2) of this subsection shall be selected by the representative organization after consultation with the department. The independent financial auditor shall verify that the cost added to each unit of paint will cover the costs of the program. The department shall review the work product of the independent financial auditor. The cost of any work performed by such independent financial auditor shall be funded by the paint assessment fees authorized by the program.
 - (4) Each manufacturer under the plan shall include in the price of any architectural paint sold to retailers or distributors in the state the per container amount of the fee set forth in the plan or fee adjustment. If a representative organization implements the plan for a manufacturer, the manufacturer shall be responsible for filing, reporting, and remitting any fee assessed under this section for each container of architectural paint to the representative organization. A retailer or distributor shall not deduct the amount of the fee from the purchase price of any architectural paint the retailer or distributor sells.
 - (5) No later than sixty days after the submission of a plan under this section, the director shall make a written determination of whether to approve the plan as submitted or disapprove the plan. If the director finds the plan does not meet the requirements of this section, the director shall provide a written explanation of the nonconforming

- 177 items. Within sixty days following receipt of the
- 178 director's written explanation of items that do not meet the
- 179 requirements of this section, the representative
- 180 organization or the producer of architectural paint shall
- 181 submit a revised plan to the director for approval.
- 182 (6) The department shall enforce the producer's or the
- 183 representative organization's compliance with the plan and
- 184 may, by regulation or by using existing regulations
- 185 promulgated under sections 260.230, 260.240, and 260.249,
- 186 establish enforcement procedures and penalties.
- 187 (7) No later than the implementation date of the
- 188 program, information regarding the approved plan, the names
- of participating producers, and the brands of architectural
- 190 paint covered by the program shall be posted on the
- 191 department's website and on the website of the
- 192 representative organization.
- 193 (8) The plan required under this subsection shall be
- 194 submitted to the department not later than twelve months
- 195 after the effective date of this section. The department
- 196 may, for good cause shown, grant an extension of the
- 197 deadline for submission.
- 198 (9) Nothing in this section shall be construed to
- 199 require the department to develop the plan or establish the
- 200 program authorized under this section. Such requirement
- 201 shall be the sole responsibility of the producers or
- 202 representative organization.
- 203 (10) Nothing in this section shall require a retailer
- 204 to track, file, report, submit, or remit a fee assessed
- 205 under this section, sales data, or any other information on
- 206 behalf of a manufacturer, distributor, or representative
- 207 organization. Nothing in this section shall prohibit a

208 manufacturer and a retailer from entering into remitter 209 agreements.

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- 210 4. (1) The department shall establish an administrative fee to be paid by each producer or 211 representative organization submitting a plan under this 212 213 section. The department shall set the fee at an amount 214 that, when paid by every producer or representative 215 organization that submits a plan, is adequate to reimburse 216 the department's full costs of administering this section. 217 The total amount of annual fees collected under this 218 subdivision shall not exceed the amount necessary to 219 reimburse costs incurred by the department to administer The department may consider relevant factors 220 this section. 221 when establishing the fee including, but not limited to, the 222 portion of architectural paint sold in the state by the 223 producer or the members of the representative organization 224 compared to the total amount of architectural paint sold in the state by all producers or representative organizations 225 226 submitting a plan.
- 227 Each producer or representative organization 228 implementing a plan under this section shall pay the 229 administrative fee required in subdivision (1) of this 230 subsection on or before July 1, 2025, and annually 231 thereafter. Each year after the initial payment, the annual 232 administrative fee shall not exceed five percent of the aggregate program fee added to the cost of all architectural 233 234 paint sold by producers in the state for the preceding 235 calendar year. The department may extend the time for 236 payment upon good cause shown.
 - 5. Upon implementation of the program, each producer shall include in the price of any architectural paint sold to retailers and distributors in this state the per-

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240 container amount, known as the paint assessment fee, in the 241 approved plan. No retailer or distributor shall deduct such 242 amount from the purchase price.

- 6. (1) After the program is implemented, no producer or retailer shall sell or offer for sale architectural paint to any person in this state unless the producer of a paint brand or a representative organization is implementing or participating in the program as required by this section.
- (2) A retailer shall be deemed to be in compliance with this section if, on the date the architectural paint was offered for sale, the producer is listed on the department's website as implementing or participating in the program or if the paint brand is listed on the department's website as being included in the program.
- (3) A paint collection site authorized under this section shall not charge any additional amount for the disposal of paint when the paint is offered for disposal.
- (4) A producer or the representative organization that organizes the collection, transport, and processing of post-consumer paint in accordance with the program shall not be liable for any claim of a violation of antitrust, restraint of trade, unfair trade practice, or other anticompetitive activity arising from conduct undertaken in accordance with the program under this section.
- (5) Before March thirty-first of each year, the producers or representative organization shall submit an annual report for the previous year to the director that details the program. The first report shall be submitted after the first full year of implementation. The director may, for good cause shown, extend the deadline for filing the report. The report or information relating to the report shall be posted on the department's website and on

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the website of the representative organization. The report shall contain at least the following:

- 274 (a) A description of the methods used to collect, 275 transport, and process post-consumer paint in this state;
- (b) The volume and type of post-consumer paint
 collected by method of disposition, containing information
 about reuse, recycling, other methods of processing, and any
 other related and appropriate information;
- 280 (c) Samples of educational materials provided to 281 consumers of architectural paint;
 - (d) The total cost of the program; and
- (e) An independent financial audit completed by an individual financial auditor chosen by the producers or the representative organization.
- 286 (6) Financial, production, or sales data reported to
 287 the department by a producer or by the representative
 288 organization shall not be subject to disclosure, but the
 289 director may release a summary form of such data that does
 290 not disclose financial, production, or sales data of the
 291 producer, retailer, or representative organization.
 - (7) The producers or the representative organization shall implement the program required under this section on January 1, 2026, or six months after the approval of the plan under this section, whichever later occurs.
 - 7. (1) Generators of household wastes and conditionally exempt small quantity generators may transport or send architectural paints to a paint collection site to the extent permitted by a program approved by the director.
- 300 (2) Paint collection sites may collect and temporarily 301 store architectural paints generated by entities specified 302 in subdivision (1) of this subsection in accordance with the

requirements of the program in lieu of any otherwise applicable requirements of state laws or regulations.

- 305 (3) Nothing in this section shall be construed to
 306 restrict the collection of architectural paint by a program
 307 where such collection is authorized by any other state laws
 308 or regulations.
- 309 (4) Nothing in this section shall be construed to 310 affect any requirements applicable to facilities that treat, 311 dispose, or recycle architectural paint under any other 312 state laws or regulations.
 - 8. The director may promulgate all necessary rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2024, shall be invalid and void.