

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Paint, Coatings and Paint Container Recycling Bylaw

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1. DEFINITIONS

1.1 In this Bylaw,

- (a) "Act" means the *Environmental Protection and Enhancement Act, R.S.A. 2000, c E-12, or any replacement thereof as may be amended from time to time*;
- (b) "Applicant" means a Supplier who applies for registration with the Authority;
- (c) "Authority" means the Alberta Recycling Management Authority;
- (d) "Bylaw" means this Paint, Coatings and Paint Container Recycling Bylaw;
- (e) "Designated Material Regulation" means the Designated Material Recycling and Management Regulation (Alta. Reg. 93/2004) or any replacement thereof as may be amended from time to time;
- (f) "End User" means a person who purchases new paint for the End User's intended use;
- (g) "Payment on Purchase Registrant" means a Supplier that pays the Surcharge on all supplies of designated material to their Suppliers who are registered with the Authority who in turn remit the Surcharge to the Authority;

- (h) "POP Registrant" has the meaning set out in section 4.8 of this Bylaw;
- (i) "Regulation" means the Paint and Paint Container Designation Regulation (Alta. Reg. 200/2007) or any replacement thereof as may be amended from time to time;
- (j) "Remitter" means a Supplier that reports and remits the Surcharge directly to the Authority on all supplies of designated material;
- (k) "Report" means a Report filed with the Authority on a monthly basis, unless otherwise indicated, to account for the Supplier's transactions in paint and of the amount of the applicable Surcharge;
- (l) "Security Interest" means a security interest within the meaning of the Personal Property Security Act (R.S.A. 2000, c P-7) or Bank Act (S.C. 1991, c 46) or any replacement thereof as may be amended from time to time
- (m) "Supplier" means
 - (i) a manufacturer of paint who supplies the manufacturer's own brand of paint to a retailer, or an End User, in or into Alberta;
 - (ii) a marketer who supplies paint to a retailer, or an End User, in or into Alberta, where the paint was manufactured for the marketer by another person and the marketer owns the brand or is the licensee of the brand;
 - (iii) a wholesaler, including a retail distributor, who supplies paint to a retailer, or an End User, in or into Alberta;
 - (iv) a retailer who supplies to another Supplier or the End User of paint that the retailer has imported in or into Alberta;
 - (v) a Supplier who supplies paint in or into Alberta utilizing a third party marketplace website;
 - (vi) any other Supplier of paint in or into Alberta regardless of their business arrangement with other Suppliers (i.e. pays Surcharges to their Supplier), or supply method (including retail, wholesale, online sales and otherwise); or
 - (vii) an End User who is described in section 4.7 of this Bylaw.
- (n) "Surcharge" means a fee payable by a Supplier on all designated material supplied in or into Alberta as referred to in section 4.1;

1.2 Terms that are defined in the Regulation have the same meaning when they are used in this Bylaw.

1.3 For the purposes of this Bylaw, all references to “Alberta” include the whole of the City of Lloydminster.

2. REGISTRATION

2.1 All Suppliers shall be registered with the Authority, complete the registration form and provide updates as may be required by the Authority from time to time.

2.2 The Authority may cancel or suspend a Supplier’s registration if the Supplier:

- (a) fails to remit to the Authority or to the person designated by the Authority all Surcharges the Supplier is required to remit under this Bylaw;
- (b) ceases to carry on business as a Supplier;
- (c) applies to surrender the Supplier’s registration with the Authority and the Supplier does not carry on business as a Supplier;
- (d) contravenes the Act, the Designated Material Regulation, the Regulation or this Bylaw; or
- (e) provides inadequate, false or misleading information or representations in any application, Report or other form required by the Authority.

2.3 The Authority may withhold any registration until sufficient verification or information has been provided by the Supplier in relation to any matter reasonably requested by the Authority to be verified or supplied.

2.4 An application for registration by a Supplier must be in a form acceptable to, or provided by, the Authority and must contain the information required by the Authority.

2.5 If the Authority registers an Applicant it shall assign a registration number and shall notify the Supplier in writing of the registration number and the effective date of registration.

2.6 A Supplier who supplies new paint prior to the Supplier’s registration with the Authority is required to:

- (a) complete any and all Reports that may be required by the Authority with respect to such supply of paint and paint containers prior to the supplier’s registration. The report shall include without limitation, all designated

products sales, (including wholesale, retail, online, marketplace websites and otherwise);

- (b) remit to the Authority any outstanding Surcharges that arise from such supply of paint and paint containers prior to registration, regardless of whether the Supplier has collected the Surcharges in respect of such supply; and
- (c) pay to the Authority any interest that has accrued on any outstanding Surcharges, including those related to the supply of designated products supplied prior to the Supplier's registration, as calculated in accordance with this Bylaw.

3. SECURITY INTEREST

3.1 The Authority may require an Applicant or a Supplier:

- (a) to provide a Security Interest to the Authority, or
- (b) to provide to the Authority evidence of a Security Interest in a form and amount that is acceptable to the Authority for the purpose of ensuring that the Applicant or Supplier exercises the powers and carries out the duties as Supplier in accordance with the Act, the Designated Material Regulation, the Regulation and this Bylaw.

4. SURCHARGE

4.1 The Surcharge to be remitted by a Supplier is:

- (a) unpressurized paint containers
 - (i) 100 ml to 250 ml \$0.25
 - (ii) 251 ml to 1 L \$0.50
 - (iii) 1.01 L to 5 L \$1.00
 - (iv) 5.01 L to 23 L \$2.25
- (b) aerosol paint containers all sizes \$0.25

4.2 Subject to section 5, below, the Surcharge applies to any supply of new paint and paint containers, and to any unsold designated products, including but not limited to mistints and expired paint, regardless of where the sale, gift or transfer occurs.

- 4.3 A Supplier shall levy and collect as a Surcharge from the person to whom the paint is supplied a Surcharge in the amount prescribed for that class or type of paint as set out in this Bylaw.
- 4.4 A Supplier in section 4.3 of this Bylaw shall remit to the Authority with the Reports required by the Authority all Surcharges the Supplier has collected or for which the Supplier is required to have collected under section 4.3 of this Bylaw.
- 4.5 A Supplier or End User who purchases paint from someone who is not registered with the Authority is required to remit the Surcharge in the amount prescribed for that class or type of paint as set out in this Bylaw.
- 4.6 An End User who imports paint into Alberta for the End User's own use shall pay to the Authority the Surcharge in the amount prescribed for that class or type of paint or paint container as set out in this Bylaw.
- 4.7 A Supplier or End User who supplies or purchases paint in or into Alberta through a marketplace website or a Supplier hosted website shall remit the Surcharge as set out in this Bylaw.
- 4.8 A Supplier may be registered by the Authority as a "Payment on Purchase Registrant" or "POP Registrant" where that supplier meets the criteria for such registration as established by the Authority from time to time.
- 4.9 Where a supplier is a POP Registrant, that Supplier shall pay all Surcharges to their registered Supplier. Where a POP Registrant purchases paint from a Supplier that is not a registered Supplier, the POP Registrant shall remit all applicable Surcharges to the Authority.
- 4.10 Without limiting the generality of sections 4.3 and 4.4, a Supplier who supplies to a POP Registrant described in section 4.8 of this Bylaw is liable to remit to the Authority all Surcharges applicable to supplies of paint made to the POP Registrant.
- 4.11 A Supplier is required to remit the Surcharge to the Authority unless that Supplier supplies to another Supplier who holds a Remitter registration status with the Authority under this Bylaw and who provides evidence of their registration number.
- 4.12 A Supplier or End User in sections 4.4 or 4.6 of this Bylaw is not required to remit the Surcharge to the Authority where the Supplier or End User has paid the Surcharge to another Supplier registered with the Authority.
- 4.13 A courier, transporter, carrier or mail service who carries or supplies paint in or into Alberta shall be liable to remit the Surcharge in respect of that paint where the Supplier on whose behalf or under whose direction the paint is supplied or carried, is not registered with the Authority.

4.14 It is the intent of this Bylaw that the Surcharge in respect of a particular paint material be paid to the Authority only once.

5. EXEMPTIONS

5.1 The Authority may from time to time exempt a Supplier from the requirement to pay the Surcharge to the Authority, upon application by the supplier and the acceptance in writing by the Authority, and other terms acceptable to the Authority.

5.2 No Surcharge is payable in the following supply transactions:

- (a) where the supply is effected solely to create a Security Interest;
- (b) where Supplier, located in Alberta and registered with the Authority, supplies paint directly to a point outside of Alberta; or
- (c) in any other transaction where the Authority determines, and which otherwise give effect to the Designated Material Regulation, the Regulation and this Bylaw.

6. REPORTING AND PAYMENT OF SURCHARGE

6.1 Each Supplier required to pay to the Authority the Surcharge under this Bylaw shall:

- (a) complete and file with the Authority a Report in respect of a reporting period not later than 30 days after the end of a reporting period, or as otherwise specified by the Authority and
- (b) remit to the Authority with the Report all Surcharges owing in respect of all supplies by the Supplier during the reporting period.

6.2 A Report shall be in a form acceptable to the Authority.

6.3 Unless the Authority directs otherwise, the reporting period for the purposes of this section is a calendar month.

6.4 The Authority may in writing at any time extend the time for filing a Report.

6.5 At its sole discretion, the Authority may apply any amount remitted by a Supplier first to the Supplier's outstanding debts to the Authority (including, without limitation, unpaid Surcharges and interest) with the amount remitted being applied to the oldest debts first, and second to the amounts owing by the Supplier for the current reporting period.

6.6 A Supplier shall pay to the Authority, on the Authority's request, excess costs and expenses, including without limitation solicitor and own client costs, incurred in ensuring compliance of the Supplier with the Regulation and this Bylaw.

7. RECORDS

7.1 A Supplier shall:

- (a) keep records of the Supplier's transactions in paint and of the amount of the applicable Surcharge, and
- (b) make such records available:
 - (i) for inspection by the Authority and representatives of the Ministry charged with the administration of the *Environmental Protection and Enhancement Act*,
 - (ii) for audit at the times and by a person designated by the Authority, and
 - (iii) provide to the Authority on request information in respect of the Supplier's transactions in paint.

8. ASSESSMENTS

8.1 Where:

- (a) a Supplier fails to file a Report in accordance with section 6.1, or
- (b) the Authority reasonably believes a Report that has been filed is incorrect or misleading, or
- (c) the Authority reasonably believes any person or organization required to remit the Surcharge under this Bylaw has failed to do so in whole or in part,

the Authority may assess the amount of a Surcharge to be remitted by the Supplier in respect of a reporting period or reporting periods.

8.2 Where a Supplier fails to collect or remit a Surcharge with respect to a reporting period, the Authority may assess the Surcharge in an amount equal to the amount of the Surcharge that the Supplier failed to collect or remit.

8.3 Where the Authority makes an assessment under section 8.1 or 8.2, the Supplier shall remit:

- (a) the amount of the assessment, or

- (b) where a Report has been filed and a remittance made, the amount, if any, by which the amount of the assessment exceeds the amount remitted,

and the remittance is due and payable from the time the supplier receives notice of the assessment.

9. INTEREST

- 9.1 Interest is payable by a Supplier on Surcharges that the Supplier fails to remit as required by this Bylaw, and is payable at the rate per annum established by the Authority from time to time, from the date the unpaid amount is due until it is paid.

10. CHARGES IN TRUST

- 10.1 A Supplier holds all Surcharges in trust for the Authority.

11. RECOVERY OF SURCHARGE

- 11.1 A Surcharge and any interest owing in respect of it are recoverable by the Authority in an action in debt.