

# 2013-2014 State Agency Buy Recycled Campaign (SABRC) Reporting Results



California Department of Resources Recycling and Recovery

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# Executive Summary

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In fiscal year 2013/14, state agencies spent \$209 million in the State Agency Buy Recycled Campaign's 11 purchasing categories. Of these purchases, about \$145 million were compliant with the SABRC post-consumer recycled content requirements.

Many state agencies were not compliant with the purchasing requirements in specific categories, and CalRecycle referred 71 agencies to the Department of General Services for notification as part of the Department's annual review of state agencies' delegated purchasing authority. Moreover, the \$145 million in compliant purchases constitute only about 12 percent of the approximate \$1.2 billion of state product purchases in 2013/14. This percentage likely would be even lower if placed in context of the approximate \$16.4 billion spent on services, which includes some non-reported product purchases.

Information about any specific agency can be found by going to the SABRC page on the CalRecycle website: <http://www.calrecycle.ca.gov/BuyRecycled/StateAgency/Status.htm>.

While 2014 legislation that increased SABRC's overall procurement requirement to 75 percent for most categories should help to drive some additional recycled content procurement, the SABRC program is not achieving its potential, and further changes are needed to provide greater direction and state agency accountability and to facilitate implementation. These changes include adding categories for additional products, updating the minimum content requirements in some existing categories, and providing CalRecycle the enforcement authority to address SABRC noncompliance.

# Overview of State Agency Purchasing

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Public Contract Code Sections 12200-12217 require state agencies to choose products made with post-consumer recycled content (PCRC) and require state agencies to report to CalRecycle annually on the results of their recycled content purchases within 11 categories of material types.

This report summarizes post-consumer recycled content procurement activity by state agencies, based on their fiscal year 2013/14 SABRC Annual Reports: technical assistance provided to state agencies; the status of ongoing efforts with the Department of General Services (DGS), the Air Resources Board (ARB), and FI\$Cal to further recycled content procurement; and potential changes to improve the program. Appendix A provides details on product categories with low purchase rates. Information about agency-specific and statewide compliance also is available on the CalRecycle Website.\*

State government procurement decisions are directly linked to the climate change goals of AB 32 (Nunez, Chapter 488, Statutes of 2006) and the 75 percent statewide recycling goal of AB 341 (Chesbro, Chapter 476, Statutes of 2011). These purchasing decisions impact the greenhouse gas (GHG) emissions and the carbon footprint of state operations, and offer an opportunity to increase markets for post-consumer recycled content (PCRC) products, which is critical to AB 341's focus on strengthening recycling manufacturing markets. Accordingly, the ARB's Scoping Plan Update and CalRecycle's AB 341 Report to the Legislature† identify increased state procurement as priorities.

According to SABRC reporting, in 2013/14 state agencies spent \$209 million in SABRC purchasing categories, of which about \$145 million of these purchases were SABRC-compliant or PCRC products. In 2012/13 state agencies spent \$306 million in SABRC purchasing categories, of which \$192 million of these purchases were SABRC-compliant. While the total dollars spent on SABRC-compliant purchases in 2013/14 decreased from the previous year, the relative percentage of total SABRC purchasing categories compared to the SABRC purchases increased from the previous year (see Table 1 below). For some agencies the decrease was a result of improved reporting.

More importantly, \$145 million represents only about 12 percent of the approximate \$1.2 billion of state product purchases in 2013/14‡, a percentage that likely would be even lower when considering the approximate \$16.4 billion spent on services (where the products purchased may not be reported separately from the services rendered).

Passed in 2014, AB 2675 (Lowenthal, Chapter 617, Statutes of 2014) increased, effective in 2020, the threshold for SABRC procurement to align with the statewide goal set by AB 341. AB

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\* <http://www.calrecycle.ca.gov/BuyRecycled/StateAgency/Status.htm>

† <http://www.calrecycle.ca.gov/Publications/Detail.aspx?PublicationID=1538>

‡ Figure based on IT & Non-IT Goods purchases as reported in eSCPRS (DGS' Electronic State Contract and Procurement Registration System).

2675 requires each state agency to ensure that at least 75 percent of reportable purchases are recycled products on and after January 1, 2020, except for paint, antifreeze, and tires, which would remain at the 50 percent requirement. While the increase in the procurement requirement should help drive more recycled content procurement, the SABRC program is still under-achieving its potential, and further changes are needed to provide greater direction and state agency accountability and to facilitate implementation. While it is possible to implement some improvements without statutory changes, a more substantial and enduring approach is needed to ensure expectations and reforms are codified. Thus, potential ideas for statutory changes to improve SABRC and state procurement of recycled content products include, but are not limited to, the following:

- Refine SABRC statutes to include new product subcategories (e.g., for paper and glass) and additional new categories (e.g., for lumber, textiles, concrete, carpet, janitorial products, and printer cartridges); delete select categories where the ability to increase purchasing does not seem feasible and where those categories have little impact on CalRecycle's mission (e.g., antifreeze); and update some of the existing categories' minimum content requirements;
- Provide enforcement authority to CalRecycle to address noncompliance with SABRC, similar to the AB 75 (Strom-Martin, Chapter 764, Statutes of 1999) compliance process;
- Clarify that SABRC purchasing and reporting requirements pertain to all state-funded purchases of products, whether through goods or services contracts, whether through a contractor or subcontractor, and whether in statewide contracts or delegated state agency contracts.

# Summary of State Agency Report Submittal Compliance

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For the 2013/14 fiscal year, 206 state agencies, large state facilities, district agricultural associations (fairs), and the state university system were required to report their recycled content product purchases by October 31, 2014.<sup>§</sup> A total of 202 state agencies reported to CalRecycle by February 2015.

Four District Agricultural Associations (DAA) failed to submit a report: 26<sup>th</sup> DAA (Amador County), 27<sup>th</sup> DAA (Shasta County), 30<sup>th</sup> DAA (Tehama County) and 49<sup>th</sup> DAA (Lake County). All of the non-reporting DAAs were offered assistance but failed to submit a SABRC report even after repeated contact by staff. These agencies cited several reasons for non-submittal, including lack of funding, reduced staff resources to track purchases, and personnel changes. For subsequent reporting cycles, effective January 1, 2015 (pursuant to Assembly Bill 2490 [Eggman, Chapter 342, Statutes of 2014] Section 10), California District Agricultural Associations are excluded from the definition of “state agency” for purposes of the provisions in the Food and Agricultural Code Section 4061(a). As such, DAAs are no longer required to submit a SABRC report. However, while AB 2490 exempts DAAs from reporting requirements related to recycled content product purchases, each DAA is still required to maintain and monitor its recycled content purchasing programs to ensure adherence to the SABRC purchasing requirements for state entities under Public Contract Code 12153-12217.

Existing law does not provide any enforcement or penalty mechanism for non-submittal of the annual report. To date, CalRecycle’s only recourse for addressing report non-submittals is for the department’s director to send a letter to other agency and department directors about non-responsive agencies, post information on the public website, and forward a list of non-reporting agencies to DGS for notation during DGS’s annual review of those agencies in relation to delegated purchasing authority (see below in *Ongoing Collaboration with DGS* for more details). Accordingly, CalRecycle will send the four non-submitting DAA’s directors a letter informing them they were not compliant with submitting the report and that, while they are no longer required to submit reports starting in 2015, they are still required to implement the SABRC purchasing requirements. CalRecycle has already notified DGS of these non-submitting DAAs. CalRecycle continually works with DGS and each agency or DAA. For example, if a DAA is faced with hardships such as budget challenges or natural disasters, CalRecycle works with the DAA to allow for late or non-submission of reports due to extenuating circumstances.

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<sup>§</sup> Note: The names and number of reporting agencies may have changed compared to FY 2012/2013 due to facility closures, restructuring, mergers, or agency elimination by the Governor’s budget.

# Summary of State Agency Purchasing Compliance

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The FY 2013/14 reported results show an overall decrease in total dollars spent compared to FY 2012/13 but an increase compared to two years prior (Table 1), which may be due to a change in budgets. In addition, although total dollars spent is down, the percentage of SABRC-compliant purchases increased from the previous reporting year (Table 1).

**Table 1: Overall Statewide SABRC Purchasing\*\***

Report Year	Total SABRC Reportable Dollars	Total SABRC Compliant Dollars	% SABRC Compliant Spending
2013/14	\$209 million	\$145 million	70%
2012/13	\$306 million	\$192 million	62%
2011/12	\$185 million	\$130 million	70 %

Table 2 below documents the statewide percentage of compliant purchasing for FY 2013/14 by category. Notably, 7 of the 11 product categories show compliance rates of 50 percent or higher. The Metal Products category accounted for almost half of all reported SABRC purchases and the majority of the overall increase in statewide SABRC purchasing. Table 2 also illustrates several product categories that show low spending compliance, such as antifreeze, paint, retread tires, and glass. Paint, glass, antifreeze, and retread tires are categories that have been historically low. A number of factors can influence lower compliance rates, including: state agency staff turnover, SABRC not being a priority for state agency management, limited vendor education, and limited product availability in some categories, inaccurate reporting, and commodity-specific factors. Appendix A provides additional explanation regarding the low compliance for these categories, and CalRecycle staff plans to help address some of the barriers. In addition, under their delegated purchasing authority, some agencies purchase commodities and services independent of the DGS Procurement Division. In fact, more than one-half of state purchases are conducted outside the procurement division. These agencies may issue contracts under which contractors and subcontractors are not required to meet and report on SABRC purchasing requirements and thus may not be purchasing SABRC-compliant products via state contracts.

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\*\* Figures based on state spending as reported by state agencies in the SABRC Annual Report System.

**Table 2: Statewide SABRC Purchasing by Product Category 2013/2014<sup>††</sup>**

Product Category	Total SABRC Reportable Dollars	Total SABRC Compliant Dollars	% SABRC-Compliant Spending	No. of Agencies Reporting in each Category
Antifreeze	\$ 268,402.90	\$28,529.57	11%	37
Compost, Co-compost Mulch	\$10,625,065.27	\$10,571,713.89	99%	33
Glass Products	\$2,161,648.42	\$502,213.94	23%	70
Lubricating Oils	\$2,324,137.40	\$1,835,499.16	79%	73
Metal Products	\$90,654,181.92	\$71,621,496.59	79%	168
Paint	\$2,047,012.07	\$550,866.31	27%	92
Paper Products	\$20,163,970.51	\$13,737,658.06	68%	191
Plastic Products	\$36,914,282.13	\$24,365,565.79	66%	175
Printing and Writing Paper	\$27,939,628.79	\$14,343,503.93	51%	191
Tire-Derived Products	\$5,342,764.44	\$5,194,364.75	97%	42
Tires	\$10,520,570.75	\$2,672,578.02	25%	79
<b>Totals</b>	<b>\$208,961,664.60</b>	<b>\$145,423,990.01</b>	<b>70%</b>	

As with non-submittal of reports, existing law does not provide any enforcement or penalty mechanism for noncompliance with the SABRC category purchasing requirements. To date, CalRecycle’s only recourse has been to forward a list of noncompliant agencies to DGS for notation during DGS annual review of those agencies in relation to delegated purchasing authority (see the next section, titled *Ongoing Collaboration with DGS*, for more details). For the FY 2013/14 cycle, CalRecycle identified 71 agencies that had relatively significant purchases but failed to meet the 50 percent purchasing requirement in one or more categories that are significant in terms of CalRecycle’s efforts to reach the 75 percent statewide recycling goal.<sup>‡‡</sup> For many of these, the failure to meet this requirement was in key categories such as paper products, printing and writing paper, and plastic products—all keys in trying to expand markets and divert additional materials from landfills. CalRecycle referred these 71 agencies to the DGS Purchasing Authority Unit as part of DGS’ annual review of delegated purchasing authority. CalRecycle and the DGS Policy Delegation Unit are currently finalizing this process. Under the draft process, DGS informs the agencies about their noncompliance, and then each agency is

<sup>††</sup> Figures based on state spending as reported by state agencies in the SABRC Annual Report System.

<sup>‡‡</sup> This does not include approximately two dozen other agencies that were deficient in one or more categories but exhibited one of the following characteristics: 1) very low purchasing totals; 2) reasonable explanation provided regarding deficiencies; and/or 3) deficiencies involved categories such as metals and paint, which CalRecycle staff are investigating separately to ascertain whether there are more systemic issues involved in purchasing and reporting in these two categories. In addition, Appendix A describes several other categories (antifreeze, oil, retreads) that historically have had low recycled-content product purchasing percentages for various reasons.

directed to inform CalRecycle about how it will address the deficiencies (see the next section). CalRecycle's director also sends these agency directors a letter informing them they are not compliant in meeting the purchasing requirements in some categories, and CalRecycle staff provides education and assistance to selected noncompliant agencies that had high purchasing amounts in key product categories.

# Ongoing Collaboration with DGS

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Existing law requiring the purchase of recycled content products was first enacted in 1989, broadened in the mid-1990s, revised/consolidated in 2005, and revised again in 2014 with the new SABRC 75 percent purchasing requirement. Ongoing and potential opportunities for collaboration between CalRecycle and DGS include the following:

- As described above, CalRecycle currently utilizes DGS' enhanced annual delegated purchasing authority renewal process as a tool to address noncompliant agencies. Agencies with delegated and/or statutory authority may purchase goods and services independently, including through service contracts where agencies may not report these expenditures separately from the services rendered and where the contracts may not include SABRC purchasing and reporting requirements by the contractors and subcontractors. This is significant because more than one-half of state purchases are conducted outside of the DGS Procurement Division. CalRecycle and DGS have established an initial process that includes CalRecycle identifying agencies or departments not meeting their SABRC requirements, reporting that information to DGS, and DGS sending these agencies/departments a deficiency notice. Once the agencies/departments receive the notice, they are required to report to CalRecycle on how they will correct the deficiency. CalRecycle will then provide any needed additional outreach, assistance, and training to those agencies or departments. The approach is proving to be effective: The first deficiency notices were sent out this year, and noncompliant agencies/departments have responded.
- CalRecycle is also a member of the Performance and Environmental Standards (PES) work group, which is a subset of the Purchasing Authority Round Table. The PES work group meets bimonthly concerning the improvement and streamlining of purchasing specifications, policies, and procedures, and is comprised of key delegation buyers from multiple agencies, Prison Industry Authority representatives, and environmental subject matter experts when needed. The goal of the work group in particular is to promote SABRC and statewide environmentally preferable purchasing throughout DGS and all agencies and departments. Specifically for the Performance and Environmental Standards work group, CalRecycle's assistance has included comments and edits to a DGS Standard Specification Guide, product specifications (for selected commodities), State Contracting Manual updates, and the creation of a SABRC survey for the PES work group and round table members. CalRecycle has also brainstormed ways to better educate state agency buyers about SABRC.
- CalRecycle is collaborating with DGS on implementing Governor Brown's Executive Order (B-18-12) related to existing buildings. CalRecycle is leading the Recycling and Waste Diversion work group and participating in other groups related to building and grounds (as part of the DGS Sustainability Taskforce). CalRecycle is also giving input on sustainability tools that the California Government Operations Agency is creating and plans to implement (e.g., sustainability dashboard, sustainability checklist).
- CalRecycle works with DGS' State Administrative Manual and State Contracting Manual units to submit updates at any time. Both manuals can now be updated more frequently than on an annual basis. In 2014, CalRecycle submitted updates to both manuals to reflect

SABRC purchasing requirements and new laws, such as those establishing extended producer responsibility programs. Updating these manuals gives the latest and most accurate information to state agency procurement staff and contractors. The manuals are also used in training state agency procurement staff.

# Assistance to State Agencies

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Last year CalRecycle worked with the following agencies to discuss their purchasing practices (in certain categories): California Department of Transportation (Caltrans); California State University Chancellor's Office; Department of Water Resources; and High Desert State Prison. As a result of this follow-up with each targeted agency, CalRecycle gained additional insight into each agency's purchasing issues and assisted these agencies with education and improved SABRC tracking. Key issues are described below:

- **Lack of Training/Education:** Larger agencies need to make a conscious effort to promote procurement of post-consumer recycled content products to staff. For example, there is staff turnover, and staff educated by the SABRC coordinator do not follow through and purchase SABRC compliant products. Information needs to get disseminated more frequently in order to provide more information on the availability of particular products and reduce the misconception that recycled content products (e.g., paint) are lower quality. This may be the driving force behind why some top-spending agencies exceed their goal while others do not. For example, in the Plastics category, two of the top eight spending agencies did not meet their goal: California State University Chancellor's Office and the Department of Water Resources. In their annual report, these SABRC coordinators reported that they provide education to employees, but it is challenging to get employees to adhere to the SABRC requirements because the employees may not know that they are required to or recognize the importance of purchasing products with recycled content. Also the employees may not obtain the information about the product's PCRC during the purchase; this makes it difficult to report on whether the product is compliant or not. CalRecycle will continue to work with SABRC coordinators to help them promote procurement of recycled content products to staff. Updated reference tools are also essential. Over the past year, CalRecycle discovered some agencies have been using outdated hard-copy manuals, but CalRecycle now has an online SABRC Manual<sup>§§</sup>. CalRecycle will continue to enhance SABRC tools and announce any updates to the SABRC coordinator.
- **Tracking Purchases:** Many larger agencies have improved tracking of products purchased in the 11 SABRC categories but may not have met the 50 percent requirement for SABRC-compliant purchases. For example, CalRecycle worked with the Department of Water Resources to understand goals, tools, and tracking, but the agency now agrees that staff need additional training on tracking the post-consumer products that are purchased. CalRecycle plans to continue training with larger agencies and has started to encourage larger agencies with facilities or regions throughout the state to invite their staff to centrally located training sessions with CalRecycle. Similar coordinated efforts that occurred this year were with Correctional Training Facility and Salinas Valley State Prison, both in Soledad.
- **Limited Vendor Information:** In some cases, agencies may be underreporting because of limited information from vendors regarding the amount of post-consumer recycled

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<sup>§§</sup> <http://www.calrecycle.ca.gov/buyrecycled/stateagency/Manual/default.htm>

content in some products. This is often the case, for example, in the Paper Products category. Last year staff provided assistance to High Desert State Prison, particularly in relation to its low compliance in the Paper Products category. Similar correctional agencies such as Calipatria State Prison and Centinela State Prison achieved SABRC compliance above 60 percent in this category, suggesting there may be other road blocks in reporting the post-consumer content of products at High Desert. In working with High Desert staff, it appears that products in this category are more than likely underreported due to limited information from the vendor regarding the amount of post-consumer recycled content in paper products.

As follow-up to the FY 2013/14 reporting and the referral of noncomplying agencies to DGS, CalRecycle staff also will target the following major agencies to discuss their purchasing practices, address any reporting issues, and identify opportunities to increase SABRC compliant purchases. These agencies were selected for follow-up assistance because they did not meet all of their SABRC purchasing requirements, in particular not being compliant in one or more product categories that total more than \$200,000 per year. The agencies include: Prison Industry Authority, California State University Chancellor's Office, Department of Water Resources, California Department of Transportation, Department of General Services, California Medical Facility, California Highway Patrol, Pelican Bay State Prison, and the California Public Employees Retirement System. Additionally, staff will follow up with other agencies that did not meet their purchasing requirement for paint, and investigate whether metals purchasing is being properly reported.

# Prison Industry Authority and SABRC Coordination

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The Prison Industry Authority (PIA) also plays an important role in state agency purchasing. According to Penal Code Section 2807, a department must first consider if PIA can fulfill the department's need prior to purchasing an item from commercial suppliers. Furthermore, state procurement procedures state that PIA should be the first source for purchases and DGS-governed contracts should be the second, followed by all other sources. PIA instructs state agencies to request a waiver if PIA is unable to provide a requested product, and it identifies some PCRC products on its website. However, several SABRC-compliant products are not listed in the PIA catalog. Therefore, CalRecycle has communicated with PIA in the past year about including all SABRC-compliant products in its catalog. With PIA's critical role in the procurement process, this more formal channel of communication will help ensure more up-to-date information is provided to all state agency procurement personnel on SABRC guidelines and standards.

# Financial Information System for California (FI\$Cal) and SABRC Integration

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The Financial Information System for California (FI\$Cal, <http://www.fiscal.ca.gov>) is a business transformation project for the State of California to combine accounting, budgeting, cash management, and procurement operations into a single financial management system. From 2012 to 2015, in a greater effort to track the procurement of SABRC products, CalRecycle has been working with DGS to seek inclusion of such data in FI\$Cal.

As a result of the collaborative effort initiated and led by DGS Procurement Division, in consultation with CalRecycle and FI\$Cal, there was continued work with the FI\$Cal team to further define and enhance SABRC reporting criteria. FI\$Cal accepted inclusion of the SABRC requirements and made enhancements to the state's new information system. In particular CalRecycle proposed the addition of the following categories that were implemented in the Wave 1 update: Carpet (formerly in Plastics); Janitorial Products (formerly in Paper Products); IT/Electronics (Electronic Product Environmental Assessment Tool Standard); Open Office Panel Systems; Printer or Duplication Cartridges (formerly in Plastics); and the option to choose if a product was SABRC-compliant, Environmentally Preferable Purchasing (EPP) compliant, or neither. CalRecycle also recommended the addition of multi-tier percentage ranges for the amount of post-consumer recycled content in SABRC products to gain more information on products purchased and availability. Inclusion in FI\$Cal should assist state agency purchasers by providing more knowledge about the percentage of PCRC in a product and more insight on the products available and their percent of recycled content purchases.

The FI\$Cal Training Team included CalRecycle in testing prior to the Wave 1 release in July 2014. CalRecycle has also been involved in testing for Wave 2. The FI\$Cal team has a collaborative process where DGS Procurement Division, FI\$Cal, and CalRecycle review the training materials that cover SABRC. In the future, CalRecycle will also work with FI\$Cal in relation to report design and data export for agency use and CalRecycle analysis.

# Appendix: Categories with Low Purchasing Rates

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This section addresses the three categories with low SABRC-compliant procurement rates and why the rates are low.

- **Paint:** The statewide compliance rate for post-consumer recycled content latex paint reached 27 percent in FY 2013/14, although overall state spending for paint increased this year to \$2,047,012, compared to \$824,150 the year before. The overall compliance rate for recycled paint has been low for many years, including the two years prior to this reporting year (21 percent and 12 percent, respectively), in part because some of the spending agencies with the largest expenditures in this category are not buying recycled content paint.

The Prison Industry Authority spent the highest dollar amount at \$676,054, but with only \$139,981 in SABRC-compliant purchases (21 percent, down from 28 percent the previous year). This year, the California State University Chancellor's Office is the second-highest spender with purchases totaling \$339,511, but only \$34,088 in SABRC-compliant purchases (10 percent, up from 8 and 2 percent the previous two years). CalRecycle will continue outreach to the PIA and the California State University Chancellor's Office. The other top spenders in this category were the Department of Water Resources, California Department of Transportation, and the Employment Development Department. Of these top spending agencies, only the Employment Development Department met the SABRC requirement with 100 percent of the \$111,178 in paint purchases meeting the requirement.

Other agencies commented in their reports that recycled paint is hard to find and not available locally; not available in smaller quantities; does not come in the colors needed; is not permitted at high-security correctional institutions; and does not hold up well in extreme desert temperatures. It also is possible a large volume of paint is purchased as part of service contracts, under which the paint type has generally not been prescribed and rather the choice of paint has been left to the painting contractor. Thus, a primary issue in increasing SABRC-compliant purchasing has been ongoing state agency and contractor education. Agencies and contractors need to be made aware of recycled paint manufacturers, the state contract, and the cost-saving benefits of buying recycled paint. In addition, many agencies do not appear to request color matching or samples, although the state's supplier provides the service (and other vendors may as well). Finally, CalRecycle will evaluate specific needs to confirm if recycled paint can be an alternative choice in designated circumstances.

Agencies such as California Exposition and State Fair, which purchased \$5,200 of paint that was not SABRC-compliant, stated that their paint shop remixes old paint, which cannot be reflected in the dollars reported within the SABRC annual report.

DGS published recycled paint purchasing specifications whereby recycled paint must meet the same performance specifications as virgin paint, which should help. This is reflected in the statewide recycled latex paint contract that was renewed in October 2012 for exterior paint. (DGS provides the public with information, specifications, and links to paint contracts

on its [Buying Green](#) website). To further promote the new contract, CalRecycle will continue to provide information to all SABRC report coordinators. CalRecycle will continue this year to inform agencies about the availability of the state paint contract via email and provide a link to DGS' [Buying Green](#) website regarding the state contract, and will continue to educate state procurement staff about the benefits of using recycled paint.

These efforts could also be supported through policy changes (for example, in 2013 paint recycling requirements were added in the State Administrative Manual) that require consideration of recycled paint by contractors and subcontractors when used in state facilities. This type of policy would supplement outreach and education with a compliance approach and likely would increase the quantity of recycled paint purchased annually.

- **Glass:** The statewide compliance rate for post-consumer recycled content glass dropped from 59 percent last year to 23 percent in FY 2013/14. Overall state spending for glass increased this year to \$2,047,012, compared to \$1,557,086 the year before. The overall SABRC-compliant spending decreased from \$929,060 the year before to \$502,214. Agencies that were noncompliant reported the following:
  - DTSC: For laboratory tests, virgin glass is required for true results.
  - Kern Valley Prison: Some items, such as security glass, used in correctional settings are not available as a recycled product.

CalRecycle staff will follow up with the top 31 agencies (in terms of expenditures on glass) that are noncompliant in this category to see if technical assistance is needed.

- **Retread Tires:** The overall purchasing compliance rate in this category is 25 percent, which is a 5 percent improvement over last year, and there was an increase of more than 300 percent in the reportable dollars spent on retread tires. This could possibly be a result of an increase in the state's vehicle fleet. However, the overall compliance rate has remained low primarily because some of the highest-spending agencies are not buying retreads (such as the California Department of Transportation and the California Highway Patrol). Again, this alters the overall statewide compliance for all other reporting agencies, although 100 percent of DGS' \$1,549,180 expenditures were on retreads. Some state agencies pointed out that retreads could not be used for certain vehicles; they referred to California law restricting the placement of retreaded tires (namely Public Resource Code Section 42400 et seq.) on emergency vehicles.

Several agencies noted that retreads overall are hard to find or not available, especially for passenger vehicles. Market availability for retreaded passenger tires remains extremely low in California, and retreads for other vehicles may be compromised by low-rolling restraint tire regulations issued by ARB.

- **Antifreeze:** This category has consistently been below expectations for compliance rates, and decreased to 11 percent in FY 2013/14. The previous two years also had low rates of compliance, 29 percent and 7 percent, respectively. State agencies can buy this commodity on their own, and there is no statewide contract. Agencies have commented that recycled antifreeze is hard to find, and agencies cannot control the choice of products sold or used by contracted vendors. The largest purchaser of antifreeze was Caltrans, with 0 percent compliance out of a total purchase of \$191,351 (these numbers are approximately the same as the prior two years).

The Department of Transportation's overall purchases represent 71 percent of expenditures in this product category. The remaining 36 reporting agencies had a combined SABRC compliance rate of 37 percent. A plausible explanation for the low total purchasing amount may be that state cars are sold before the antifreeze needs to be changed. Many vehicle manufacturers recommend 100,000 miles before antifreeze change-out, and current state vehicle policy has a replacement schedule for vehicles at 100,000 miles. Market research is needed to determine existing availability of recycled antifreeze and to consider its current applicability and relevance as a SABRC category.