

STATE AGENCY BUY RECYCLED CAMPAIGN REPORTING RESULTS FOR FY 2015–16

July 20, 2017

Executive Summary

In Fiscal Year 2015–16, state agencies spent \$351 million on products included in the statutorily mandated purchasing categories in the State Agency Buy Recycled Campaign (SABRC). Of these purchases, about \$245 million were compliant with the SABRC post-consumer recycled content requirements.

However, many state agencies were not compliant with the purchasing requirements in specific categories. Consequently, in July 2017 CalRecycle referred 48 agencies to the Department of General Services for notification as part of that Department's annual review of state agencies' delegated purchasing authority. Information about any specific agency can be found in the SABRC section on the CalRecycle website:

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

Moreover, the \$245 million in compliant purchases constitutes only about 22 percent of the approximately \$1.1 billion of state product purchases in FY 2015-16. This percentage likely would be even lower if placed in the context of the approximately \$5 billion spent on service contracts, which include some non-reported product purchases.

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

Overview of State Agency Purchasing Requirements

Public Contract Code sections 12200–12217 require state agencies to choose products made with post-consumer recycled content (PCRC) and to report to CalRecycle annually on the results of their recycled content purchases within 11 categories of material types. Each state agency must ensure that at least 50 percent of reportable purchases within these categories are recycled products.

This report summarizes state agency purchasing compliance, based on FY 2015-16 SABRC annual reports, the status of ongoing efforts with the Department of General Services (DGS), monitoring of and technical assistance provided to state agencies, status of FI\$Cal and SABRC integration, and potential statutory 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 [CalRecycle's SABRC "How Are We Doing?" webpage](#).

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 greenhouse gas (GHG) emissions and the carbon footprint of state operations, and they 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. In addition, the ARB's Short-Lived Climate Pollutant Reduction Strategy, adopted in March 2017 pursuant to SB 1383 (Chapter 395, Statutes of 2016), also identifies state procurement of recycled organic materials as a priority.

However, existing law does not provide any enforcement or penalty mechanism for non-submittal of the annual report or noncompliance with the purchasing requirements. To date, CalRecycle's only recourse for addressing the noncompliance of state agencies 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 noncompliant agencies to DGS. DGS then reviews these agencies as part of its annual evaluation of state agency delegated purchasing authority (see the section titled "Ongoing Collaboration with DGS" for more details).

Two legislative changes have affected the scope and goals of the program. First, effective January 1, 2015 (pursuant to Assembly Bill 2490 [Chapter 342, Statutes of 2014]), California District Agricultural Associations or Fairs 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 section 12153–12217.

Second, the overall goal for state agency procurement will increase to 75 percent beginning in 2020. AB 2675 (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 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 will remain at the 50 percent requirement.

Summary of State Agency Purchasing Compliance

For FY 2015-16, 155 state agencies, large state facilities, and the state university system were required to report their recycled content product purchases by October 31, 2016.* The majority of state agencies reported by the due date, and the remaining reported to CalRecycle by February 2017.

According to SABRC reporting, in FY 2015-16 these state agencies spent \$351 million in SABRC purchasing categories, of which \$245 million of these purchases were SABRC-compliant or PCRC products. This is a significant increase over FY 2014-15, when state agencies spent \$204 million in SABRC purchasing categories, of which \$134 million of these purchases were SABRC-compliant. The total dollars spent on SABRC-compliant purchases in FY 2015-16 increased from the previous year. Factors that could contribute to the increase in compliancy are increased provision technical assistance and training by CalRecycle, improved resources and tools for both agencies and vendors, and large compliant purchases made by some agencies every other year. In addition, the percentage of SABRC-compliant purchases increased from the previous reporting year (Table 1).

SABRC-reportable purchases increased from 7 percent of the \$1.1 billion in total goods purchased statewide in FY 2014-15 to 22 percent in FY 2015-16.† However this percentage would be likely even lower when considering the approximately \$5 billion spent on services (for which the products purchased may not be reported separately from the services rendered).‡

* Note: The names and number of reporting agencies may have changed compared to FY 2014–2015 due to facility closures, openings, restructuring, mergers, or agency elimination by the Governor’s budget.

† Figure based on IT & Non-IT Goods purchases as reported in eSCPRS (DGS’ Electronic State Contract and Procurement Registration System). The first and second quarters of FY 2015-16 were tracked in BidSync. The third and fourth quarters were tracked in the Financial Information System for California (FI\$Cal).

‡ 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. CalRecycle continues to work with PIA on the post-consumer recycled content and SABRC compliancy of its available products.

Table 1: Overall Statewide SABRC Purchasing[§]

Report Year	Total SABRC Reportable Dollars	Total SABRC Compliant Dollars	% SABRC Compliant Spending
2015-16	\$351 million	\$245 million	69%
2014-15	\$204 million	\$134 million	65%
2013-14	\$209 million	\$145 million	70%

Table 2 below documents the statewide percentage of compliant purchasing for FY 2015-16 by SABRC category. Notably, 7 of the 11 product categories show statewide compliance rates of 50 percent or higher. The Metal Products category accounted for approximately 67 percent of all reported SABRC purchases, but it also exhibited a 12 percent increase in compliance. This, in turn, contributed to the 4 percent increase (i.e., from 65 to 69 percent) in the total statewide compliance for all categories. Table 2 also illustrates several product categories that show low compliance, such as antifreeze, glass products, paint, and retread tires. These four categories, along with the glass category, have historically been low. Appendix A provides additional explanation regarding the low compliance for these categories and CalRecycle’s plans to help address some of the barriers.

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, limited product availability in some categories, inaccurate reporting, and commodity-specific factors. In addition, under their delegated purchasing authority, some agencies purchase commodities and services independent of the DGS Procurement Division’s statewide contracts. In fact, more than 50 percent of state purchases are conducted outside the Procurement Division. These agencies may issue their own contracts and are required to reference the SABRC requirements that the contractors or subcontractors must follow. However, since the agency may not be monitoring, tracking, and reporting these purchases, the contractors or subcontractors may not be purchasing SABRC-compliant products.

For the FY 2015-16 cycle, CalRecycle identified 48 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.** These agencies did not provide a sufficient explanation regarding the deficiency. Thus, in July 2017 CalRecycle referred these 48 agencies to the DGS Purchasing Authority Unit as part of DGS’ annual review.

[§] Figures based on state spending as reported by state agencies in the SABRC Annual Report System.

** This does not include approximately two dozen other agencies that were deficient in one or more categories but that provided a reasonable explanation regarding deficiencies. In addition, Appendix A describes several other categories (antifreeze, oil, retreads) that historically have had low recycled-content product purchasing percentages for various reasons.

Table 2: Statewide SABRC Purchasing by Product Category 2015–16††

Product Category	Total SABRC Reportable Dollars	Total SABRC Compliant Dollars	% SABRC-Compliant Spending	No. of Agencies Reporting in Each Category
Antifreeze	\$284,022	\$123,122	43	32
Compost, Co-compost Mulch	\$6,497,355	\$6,093,274	93	27
Glass Products	\$8,666,942	\$1,619,407	18	67
Lubricating Oils	\$2,065,165	\$1,196,176	57	60
Metal Products	\$209,519,774	\$163,430,768	78	143
Paint	\$4,968,753	\$1,309,428	26	51
Paper Products	\$26,868,829	\$15,333,073	57	149
Plastic Products	\$45,176,810	\$30,268,528	67	148
Printing and Writing Paper	\$34,078,100	\$20,550,364	60	155
Tire-Derived Products	\$4,500,821	\$4,280,104	95	39
Tires	\$8,512,309	\$860,827	10	55
Totals	\$351,138,884	\$245,065,078	69	

Ongoing Collaboration with DGS

CalRecycle and DGS establish and implement policies that promote the procurement of recycled content products. Ongoing collaboration activities between CalRecycle and DGS include the following:

- 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. This is significant because more than 50 percent of state purchases are conducted outside of the DGS Procurement Division’s statewide contracts. CalRecycle and DGS established a process, finalized in 2015, that includes CalRecycle identifying agencies or departments not meeting their SABRC requirements and reporting that information to DGS; at the same time, CalRecycle’s director also sends a letter to these agencies’ directors informing them they are not compliant in meeting the purchasing requirements in some categories and offering CalRecycle assistance. DGS then informs the agencies about their noncompliance and directs each agency to inform CalRecycle about how it will address the deficiencies. Once the agencies and departments receive the notice, they are required to report to CalRecycle on how they will correct the deficiency. CalRecycle provides additional

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

outreach, assistance, and training to those agencies or departments. This new process has proved to be extremely effective in getting agencies to address the deficiencies.

- CalRecycle is also a member of the [Performance and Environmental Standards \(PES\) Workgroup](#). The PES Workgroup discusses topics related to the improvement and streamlining of purchasing specifications, policies, and procedures. The group is comprised of key delegation buyers from multiple agencies, Prison Industry Authority representatives, and environmental subject matter experts when needed. The goal of the workgroup in particular is to promote SABRC and statewide environmentally preferable purchasing throughout DGS and all agencies and departments. CalRecycle's assistance in the workgroup has included providing comments and edits to various documents such as DGS purchasing standards and bid specifications (for selected commodities). CalRecycle staff also provided feedback for Environmentally Preferable Purchasing (EPP) training for state agency buyers.
- 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 works with the California Government Operations Agency and DGS to provide input on the latest tools and topics to help the state achieve its sustainability goals.
- CalRecycle works with DGS' State Administrative Manual and State Contracting Manual units to submit updates on those manuals as needed. In 2015, CalRecycle submitted updates to both manuals to reflect SABRC purchasing requirements and other new laws, such as mandatory commercial organics recycling and extended producer responsibility programs. This has been effective as it provides CalRecycle a process for providing the latest and most accurate information to state agency procurement staff and contractors. State agencies also use the manuals to train procurement staff and as a reference for guidelines and information.

Monitoring and Assistance to State Agencies

In the past, CalRecycle would target and follow up with a small group of specific agencies that either they spent significantly on noncompliant products or showed the need for assistance in multiple categories. Beginning with the FY 2013–14 and continuing through the FY 2015–16 review cycles, CalRecycle utilized more detailed tracking and correspondence to state agencies, the DGS' Delegated Purchasing Authority process, and enhanced tools to monitor and track state agencies' compliance.

Correspondence to State Agencies

In the past, CalRecycle has sent compliance letters thanking those state agencies that submitted their annual SABRC report on time and noncompliance letters to those state agencies that did not submit an annual SABRC report and, therefore, were not in compliance. After

review of the FY 2014–15 reporting cycle, CalRecycle began communicating to each state agency director more detailed information concerning SABRC compliance and the process implemented in conjunction with DGS’s Delegated Purchasing Authority Unit.

Referrals to DGS’s Delegated Purchasing Authority Unit

CalRecycle refers an agency to DGS’s Delegated Purchasing Authority Unit when the agency is deficient, with less than 50 percent of reportable dollars in any category, and the agency did not provide a reasonable explanation regarding the deficiency. DGS and CalRecycle developed the process in 2015. CalRecycle referred 44 agencies to DGS in June 2016 for the FY 2014-15 SABRC reporting cycle. Subsequently, as part of the DGS Delegated Purchasing Authority Unit’s review cycle, agencies receive a deficiency notice advising them to either correct any misreported information or work with CalRecycle on meeting their minimum 50 percent SABRC-compliant purchasing requirement and respond to DGS. CalRecycle reviewed all of the responses submitted to DGS, and all agencies resolved their deficiency by either submitting corrected data or working with CalRecycle on procuring relevant SABRC-compliant products in the future. Additionally, CalRecycle reminded each agency to use the State Administrative Manual, State Contracting Manual, CalRecycle’s online manual, and SABRC handout as references.

In July 2017, CalRecycle referred 48 agencies to DGS for the FY 2015-16 SABRC reporting cycle. If the response is similar to the first submittal of noncompliant agencies, CalRecycle expects this process to continue to be an effective means to ensure agencies address and remedy the deficiency issues.

For the initial FY 2014-15 referral, CalRecycle provided follow-up assistance in FY 2015-16 to many of the agencies. For example, CalRecycle staff provided technical assistance to the California Student Aid Commission on procurement in the SABRC categories including paper products and printing and writing paper. CalRecycle’s representative worked with the coordinator to identify potential roadblocks with PCRC such as reduced storage space that forces them to buy smaller quantities and changing the costs of PCRC products. In addition, staff clarified SABRC terms and requirements to help them with future procurement and reporting.

Monitoring and Tracking

In 2017, CalRecycle staff increased monitoring and tracking of an additional 59 agencies. CalRecycle did not refer these agencies to DGS’s Purchasing Authority Unit because they provided sufficient explanations for being deficient. Staff will follow up with each agency to clarify potential gaps or address challenges and issues.

Although assistance has become broader, the following key issues still exist and CalRecycle is addressing them by providing direct technical assistance and with enhanced online information and tools:

- **Training and Education:** Training and education, particularly at larger agencies, needs to be more frequent and to be promoted by agency leadership in order to be effective. Purchasing staff turnover often is high, and even staff educated by the agency's SABRC coordinator may not follow through and purchase SABRC-compliant products. In addition, the employees may not obtain information about the product's PCR during the purchase, which makes it difficult to report on whether the product is compliant. Information needs to be disseminated frequently to keep agencies updated about the availability of particular products and to reduce the misconception that recycled-content products (such as paint) are lower quality. CalRecycle will continue to work with SABRC coordinators to help them promote procurement of recycled content products to staff. Updated reference and outreach tools are also essential and are being developed by CalRecycle (see below for online tool enhancements).
- **Tracking Purchases:** Many larger agencies have improved tracking of products purchased in the 11 SABRC categories but still may not be including all relevant purchases. For example, CalRecycle worked with the following agencies and vendors to clarify tracking and classification of products as SABRC compliant: California Student Aid Commission, Department of Water Resources, and Prison Industry Authority. CalRecycle will continue to work with agencies to help them improve their tracking.
- **Limited Vendor Information:** In some cases, agencies may be underreporting because of limited information from vendors regarding the amount of post-consumer recycled content in some products. Many state agencies note this as a problem. CalRecycle has compiled and disseminated vendor-specific information on how to identify and classify SABRC products (see the "Summary of Enhanced Online Information and Tools" below for new online vendor information). CalRecycle has met with some vendors to assist them in providing improved information via the Form 74 to agencies.

Summary of Enhanced Online Information and Tools

CalRecycle continues to update its online tools so coordinators can easily access the most relevant, up-to-date information to assist in procuring SABRC-compliant products. Below are some highlights.

- The [SABRC homepage](#) was updated to focus on "Product Categories" pages. The remaining product pages will follow in 2017 and will resemble the existing paint web page. Each page will vary depending on the product category, but at a minimum will include minimum content requirements, a reference to regulations, examples of compliant products, resources and guidelines that may include statewide contracts and associated programs, and status updates on statewide procurement for that category with the top spenders highlighted.
- Webpages dedicated to state agencies by agency type provide an overview of the operations and needs of agencies that are similar in operations or part of a statewide infrastructure. This will allow users to read about agencies that parallel their own operations and are successful in waste diversion and SABRC procurement, including reuse. State agency webpages will also link to case studies to serve as examples of resolved challenges

and successful practices. CalRecycle is planning to complete additional summaries for the Department of Transportation, state parks, California State University system, community colleges, fairs, veteran facilities, hospitals, and general state agencies that are usually associated with a standard office setting.

- CalRecycle added a new section entitled “[Vendor Resources](#)” to the SABRC web section. The pages provide assistance and resources to vendors that supply products and services to state agencies. The new section includes information on how to sell to the state of California, guidance on how to complete a CalRecycle Form 74, and answers to frequently asked questions.
- To highlight the importance of procuring products with PCRC, CalRecycle added the page “[Greenhouse Gas Benefits](#)” that explains how procurement decisions made by state agencies and departments are directly linked to the climate change goals of AB 32.
- CalRecycle worked with DGS to update [training slides](#) with important details about the SABRC program to train SABRC coordinators and help coordinators train their agency's purchasing staff.

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

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. Since 2012, in a greater effort to track the procurement of SABRC products, CalRecycle has been working with DGS on the SABRC reporting criteria in FI\$Cal.

FI\$Cal has provided the ability for state procurement staff to record SABRC information on purchases. Users can input not only the post-consumer recycled content percentage for the product, but also the total recycled content when available, providing CalRecycle with more information on product availability. However, in order to analyze and report the data captured, FI\$Cal needed to continue its work on the SABRC data export and reporting process. CalRecycle worked with FI\$Cal to complete the SABRC tracking tool, SABRC/EPP Detail Report. This will allow state agencies to export their SABRC reportable and compliant purchases to include in their annual 2016-2017 SABRC report.

Potential Statutory Changes to Improve SABRC Procurement

While the increase in the procurement requirement—to 75 percent effective in 2020—should help drive more recycled content procurement, the SABRC program is still not 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. This is even more important given the new mandates established by SB 1383 to reduce the disposal of organic materials by 75 percent by 2025.

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 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.

Appendix: Categories with Low Purchasing Rates

This section discusses the four categories with low SABRC-compliant procurement rates.

- **Paint:** The statewide compliance rate for post-consumer recycled content latex paint decreased to 26 percent in FY 2015-16 with overall state spending increasing to almost \$5 million. The statewide compliance rate for post-consumer recycled content latex paint reached 44 percent in FY 2014-15, although overall state spending for paint remained approximately the same as FY 2013-14 year at \$2,130,959, compared to \$2,047,012 the year before. The overall compliance rate for recycled paint has been low for many years, in part because some of the spending agencies with the largest expenditures in this category are not buying recycled content paint.

The Department of Transportation, California State University Chancellor's Office, Prison Industry Authority, Department of Water Resources, and the Department of Corrections and Rehabilitation (Facility Planning/Construction Management) are the top five spending agencies in this category; each agency reported spending more than \$100,000. The total reportable dollars for the five agencies came to a total of \$4,498,497, accounting for 91 percent of the statewide reportable dollars. This year the Department of Corrections and Rehabilitation (Facility Planning/Construction Management) was the only top five agency compliant in this category. Both the Department of Transportation and the Prison Industry Authority were not compliant this year, with last year being their only compliant year in this category. In addition, the California Department of Transportation reported spending over \$2 million more in this category compared to the prior year and reported that they procured a majority of their paint purchases from a statewide contract. However, the California

Department of Transportation procured paint that is traditionally not available with recycled content (“Paint, Rapid Dry & High Build Waterbone Traffic Line”). CalRecycle will continue outreach to these agencies.

Other agencies commented in their reports that recycled paint is not up to professional standards, does not adhere well to their old buildings, is not available in direct to metal paint, and either the vendor or business submitting a bid does not include the recycled content information on the product. It also is possible a large volume of paint is purchased as part of service contracts, where the paint type has generally not been prescribed and the choice has been left to the painting contractor.

Thus, a primary issue in increasing SABRC-compliant purchasing of paint has been ongoing state agency and contractor education. Agencies and contractors need to be made aware of recycled paint manufacturers, the state contract, the cost-saving benefits of buying recycled paint, and that performance issues for many paint applications have been addressed. Furthermore, most, if not all, recycled paint manufacturers in California stand by the quality of their products and will work with state agencies to address any potential performance issues that could be experienced. 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 in designated circumstances.

To address the gaps in purchasing, DGS published the recycled paint bid specifications as part of the statewide commodity contract, whereby recycled paint must meet the same performance specifications as virgin paint, which should help. DGS also provides the public with information, specifications, and links to paint contracts on its [Buying Green](#) website. As previously mentioned, CalRecycle maintains a dedicated webpage on post-consumer recycled paint and will continue to educate state procurement staff about the benefits of using recycled paint. Lastly, CalRecycle gave an informative presentation on recycled paint at a major State agency meeting where approximately one hundred state agencies are usually in attendance.

- **Retread Tires:** The overall purchasing compliance rate in this category is 10 percent, which is near the 11 percent rate for last year. There was an increase of approximately \$836,000 in the reportable dollars spent on retread tires, and twelve more agencies purchased tires this year over last. However, many agencies spent more on new tires, and overall spending on retreads was \$7,000 less compared to last year. Overall tire purchases tend to fluctuate every other year based on need.

The overall compliance rate has remained low primarily because the top-spending agencies, the California Department of Transportation and the California Highway Patrol, do not buy retreads due to safety concerns about both law enforcement and heavy-duty vehicles. Again, this alters the overall statewide compliance rate for all reporting agencies, as these two agencies spent approximately \$6 million on tires, accounting for 72 percent of the total reportable dollars in this category, but only 10 percent of those dollars were SABRC-compliant. Some state agencies cited Public Resource Code section 42400 et seq., which restricts the placement of retreaded tires 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 demand for retreads for other vehicles may be lessened due to low-rolling restraint tire regulations issued by ARB.

- **Antifreeze:** For this category in the 2015-16 reporting cycle, the SABRC compliancy rate of 43 percent more than doubled compared to the 22 percent in 2014-15. This category has consistently been low, and only reached levels of 29 and 10 percent in 2012-13 and 2013-14, respectively. Once again, the largest purchaser of antifreeze was Caltrans, which accounted for 65 percent of expenditures in this category. Caltrans increased its recycled-content purchases from 0 percent in FY 2013-14 to 12 percent in FY 2014-15, to 55 percent this year. The remaining 31 reporting agencies had a combined SABRC compliance rate of only 21 percent, a significant decrease compared with their rate of 38 percent over the prior two years.

There are several reasons why purchasing in this category is generally low. State agencies can buy this commodity on their own, and there is no statewide contract. Some agencies have commented that recycled antifreeze is hard to find, and that they cannot control the choice of products sold or used by contracted vendors. Research is needed to determine existing availability of recycled antifreeze and to consider its current applicability and relevance as a SABRC category.

- **Glass:** The statewide compliance rate for post-consumer recycled content glass decreased to 18 percent for FY 2015-16. In the last several years, beginning from FY 2011-12, the compliancy rate has ranged from 23 to 69 percent, reaching its highest level last year at 69 percent. The significant decrease from FY 2014-15 may be attributable to a reporting error involving the California State University Chancellor's Office, which reported spending \$6,247,217 on paint this year. The Chancellor's Office collects information from each of its campuses statewide and believes that the information submitted may be incorrect, but it is unable to trace the errors. If the reported dollars from the California State University system are removed, the statewide dollars spent in this category will be compliant at 62 percent (\$1,503,274 SABRC-compliant purchases out of \$2,419,725 SABRC reportable purchases). This percentage of 62 percent is closely comparable to last year's compliancy rate of 69 percent.