

Fiscal Year 2004 – Fiscal Year 2006
Division of Recycling & Litter Prevention
State Agency Recycled-Content Procurement Programs Report

Recycled-Content Purchases Overview

The passage of Substitute House Bill 25 (Sub. H.B. 25) in May 1993 enhanced the State of Ohio's ability to support recycling markets through the purchase of products containing recycled materials. The bill enacted Ohio Revised Code (ORC) Section 125.082 that requires the director of the Department of Administrative Services to adopt guidelines for purchasing equipment, materials and supplies containing recycled materials. Sub H.B. 25 also requires the Department of Administrative Services (DAS) and the Department of Natural Resources (ODNR) to prepare an annual report on the value and types of recycled-content products purchased by certain governmental entities.

ORC Section 125.082 also authorizes entities within the legislative, executive and judicial branches of state government to purchase products containing recycled materials according to DAS guidelines when the products are available and meet DAS performance specifications. The Ohio Administrative Code (OAC) Sections 123:5-1-01 and 123:5-1-09 provide DAS definitions and guidelines for recycled-content purchases. According to OAC Section 123:5-1-09 (A)(3), "...the purchasing entity may apply a price preference not to exceed five percent above the lowest price offered for the comparable non-recycled product being considered."

The Office of Budget and Management established account codes to cover general recycled-content purchasing. The account codes can be used by state agencies to identify nearly all purchases of recycled-content products. State agency fiscal officers enter the codes on purchasing documents used in the state accounting system. At the end of each fiscal year, OBM summarizes the dollar value and type of recycled-content items purchased. Not all recycled-content product purchases can be captured by this reporting method. For example, some mixed-content products (such as vehicles) contain recycled-content materials but are not considered recycled-content purchases. Occasionally, new products that contain recycled materials do not fit the descriptions in the existing recycled-content product purchasing codes. In addition, some vendors do not state that their products contain recycled materials, so a purchaser will not know to use the account code. Finally, the reporting system depends on purchasers who voluntarily use the account codes.

State agencies can complete the recycling loop by purchasing recycled-content products. When state agencies "buy recycled" they support the markets for materials that are collected through their recycling programs. State agencies purchased over \$3.7 million worth of recycled-content products during fiscal years 2004, 2005 and 2006.

Recycling contributes directly to the environmental and economic health of Ohio. Recycling conserves natural resources, saves energy, reduces pollution, conserves landfill space and grows business thus creating jobs. Market conditions for recycled materials can create an opportunity for state agencies to save money by offsetting disposal costs. Recycling efforts overall generate many benefits for the State of Ohio.

The Recycled-Content Procurement Programs Report documents the efforts of state government to purchase recycled-content products. Additionally, waste reduction activities result in practices that decrease the need for supplies, equipment and/or space, thus stopping the creation of waste at its source. Waste reduction usually has the most positive financial impact on agency expenses.

Recycling efforts often divert between 25 to 50 percent of an agency's waste into beneficial use in new products for homes, businesses, institutions and industry. Recycling reduces the use of natural resources, helps to eliminate the production of greenhouse gases, decreases the amount of solid waste going into landfills and incinerators, saves energy and creates jobs. The cost of recycling is usually less than the cost of disposal, so recycling also results in a savings.

The purchase of products made with recycled materials is a critical part of the recycling process. Local recycling programs need markets for materials and material end-users are challenged to manufacture competitively priced products. The State of Ohio's purchasing power can affect the demand for and price of recycled-content products. State government participation in the activities of waste reduction, recycling and buying recycled demonstrates Ohio's commitment to operational efficiency, the environment and a more productive economy. The following illustrates the Ohio Department of Natural Resources commitment to these ideals.

In 2006 the Ohio Department of Natural Resources received a Leadership in Energy and Environmental Design (LEED) certification from the U.S. Green Building Council for its use of recycled scrap materials, recycled-content carpet and energy-efficient lights to reconstruct two floors at an office building on their Fountain Square Complex. This is the first project in Ohio to be certified under the more stringent LEED 2.0 standard. ODNR staff reconstructed the first two floors of Building B at their Fountain Square complex as new homes for the divisions of Water and Soil & Water Conservation. Much of this work was completed in-house rather than bid out the entire job to outside contractors. The goal with this approach was to save time and money, which was accomplished. Reconstruction included new walls, painting ceiling tiles, adding new fire doors, and improving heating and air conditioning. This project was completed four months ahead of schedule and \$98,000 below estimate. The team reused and recycled as much material as possible and incorporated recycled-content materials for construction and décor throughout. At least 24.2 tons of this reused/recycled material was diverted which equated to 55% of the total waste generated. The avoided waste costs equaled \$3,731.16. Much of the old material removed was recycled for re-use by Habitat for Humanity in the construction of nine new homes.