
State Government Committee

HB 1640

Brief Description: Providing for expanded employment opportunities for people with disabilities.

Sponsors: Representatives Miloscia (co-prime sponsor), Dunn (co-prime sponsor), Casada, Conway and Santos.

Brief Summary of Bill

- Requires state agencies to purchase products and services from certified community rehabilitation programs when they are of standard price and quality. Creates a commission to facilitate and supervise the purchase of products and services produced by persons with disabilities who are employed by certified community rehabilitation programs.

Hearing Date: 2/5/02

Staff: Bree Ramage (786-7617).

Background:

The director of the Department of General Administration (GA), through the state purchasing and material control director, purchases material, supplies, services and equipment needed for use in state institutions, colleges and departments. Alternatively, an agency may purchase material, supplies, services, and equipment directly from a vendor if the agency notifies the purchasing and material control director that it is more cost-effective. The purchasing and material control director may also delegate to state agencies authorization to purchase or sell materials, supplies, services, and equipment, within a specified dollar amount.

Generally, and to the extent feasible, all purchases and sales must be based on competitive bids following a formal sealed bid procedure. There are some exceptions to the rule requiring formal sealed bidding. For example, purchases and contracts to meet the needs of vocational rehabilitation clients of the Department of Social and Health Services (DSHS) may be purchased through direct negotiation if appropriate. With some exceptions, purchases of \$35,000 and under do not require formal sealed bidding.

State agencies and departments may purchase products and services manufactured or provided by sheltered workshops and programs of the DSHS. Sheltered workshops are defined as nonprofit organizations whose primary purpose is to provide gainful employment or rehabilitation services to disabled persons who cannot readily be absorbed in the competitive labor market or during a time when employment opportunities in the competitive labor market do not exist. The purchases must be at fair market price, which is defined as the last comparable bid on a product or the last price paid for a product.

Summary of Bill:

Purchasing

Where possible, state agencies must purchase products and services produced by persons with disabilities who are employed by certified community rehabilitation programs, provided that the services and products:

- are of standard price and quality;
- have been certified by the commission; and
- have been placed on the commission's list of certified products and services.

Commission

A commission is created to purchase products and services from persons with disabilities who are employed by certified community rehabilitation programs in the Division of Vocational Rehabilitation of the DSHS. A certified community rehabilitation program is defined as a program approved by the DSHS that provides vocational rehabilitation and employment services to people with disabilities to enable them to maximize employment opportunities.

The commission will have eight members, appointed by the Governor, representing: the DSHS, the GA, the Governor's Committee on Disability Issues and Employment, an advocacy organization for people with disabilities, and a certified community rehabilitation program.

The commission will develop and administer policies and procedures for the certified community rehabilitation programs, and:

- certify the community rehabilitation programs;
- review products, services, and bids;
- establish an equitable market value for all products and services;
- publish a list of all products and services available and provide the list to purchasing officers of state agencies; and
- issue an annual report to the Governor and the Legislature.

Equitable market value is the price determined by the commission through consideration of current market pricing for goods or services of equal quality and value. The price must recover all reasonable costs associated with the production and delivery of products and services to the state.

Nonprofit Agency

The commission will immediately designate a central nonprofit agency to provide support to the commission. A central nonprofit agency is a private tax-exempt organization with

relationships to a statewide network of community rehabilitation programs. The agency will represent the interests of the certified community rehabilitation programs and the disabled individuals employed by such programs. The agency will assist the commission in determining the eligibility of community rehabilitation programs for certification, and supervise the compliance with contract and quality standards required by the purchasing authority. The agency will be financed by a fee generated through contracts between certified community rehabilitation programs and the state.

This act will not apply to products and services available by prior agreement between two state agencies.

This bill includes an intent section.

Rulemaking Authority: Express rulemaking authority.

Appropriation: Yes.

Fiscal Note: Requested on January 30, 2002.

Effective Date: The bill takes effect on January 1, 2002.