

FINAL BILL REPORT

SHB 1813

C 136 L 03

Synopsis as Enacted

Brief Description: Expanding employment opportunities for people with disabilities.

Sponsors: By House Committee on State Government (originally sponsored by Representatives Miloscia, Boldt, Linville, Edwards, Romero, Cody, McDermott, Haigh, Hunt, Moeller, Ruderman, Santos, Rockefeller, Simpson, Conway, Wood and Kenney).

House Committee on State Government

House Committee on Appropriations

Senate Committee on Government Operations & Elections

Background:

The Department of General Administration (GA) purchases materials, supplies, services, and equipment for all state institutions, state elective offices, and institutions of higher education. However, an agency may make its purchases directly from a vendor if it has notified the GA that such purchases are more cost-effective.

All purchases, whether by the GA or by the agency itself, must be made using a competitive bidding process. A formal sealed bidding process must be used for purchases of \$35,000 or more, except in various specified circumstances, such as emergency purchases, single-source purchases, purchases involving special facilities or services, and purchases involving market conditions. Purchases from \$3,000 to \$35,000 may be made under a less formal process using telephone or written quotations from at least three vendors. Purchases below \$3,000 may be made without using a competitive bidding process and are made based upon buyer experience and market knowledge. These dollar figures are adjusted for inflation every two years.

State agencies are authorized to negotiate directly with sheltered workshops and programs of the Department of Social and Health Services (DSHS) to purchase products and services manufactured or provided by such entities. These purchases are to be at the fair market price, as determined by the GA using the last comparable bid or price paid for similar products or services and increases in labor costs since the last price was paid.

Purchases by the Legislature are exempt from these requirements, including the competitive bidding requirements.

State agencies and the Legislature are required to make purchases of goods and services that are produced or provided in whole or part from class II inmate work programs

operated by the Department of Corrections through contract, unless the GA finds the articles or products do not meet reasonable requirements, are not of equal or better quality, or the price is higher than otherwise available.

Summary:

State agencies and departments are authorized to make purchases of products and services from community rehabilitation programs of the DSHS which operate facilities serving disadvantaged persons and persons with disabilities, and from businesses owned and operated by persons with disabilities. Restrictions are made to limit purchases to only those facilities that have achieved or met certain goals in expanding employment for disadvantaged persons and persons with disabilities.

A vendor in good standing is defined as a business owned and operated by persons with disabilities or a community rehabilitation program that has not had a breach of contract due to quality or performance provisions and has achieved or made progress in enhancing employment opportunities for disadvantaged persons and persons with disabilities. The Office of Minority and Women Business Enterprises will certify to the GA all vendors in good standing.

The GA is required to identify in its vendor registry all vendors in good standing. Every 12 to 15 months vendors are asked to update information on the registry, including a description of the products and services the vendor provides and the applicable Washington commodity codes of its products. The updated information is dispersed by the GA to at least one purchasing official in each state agency. The GA will, in turn, notify vendors of all anticipated contract renewals and solicitations for the next 12 months.

All vendors in good standing are included in the customary solicitation process. When agencies enter into negotiations with the lowest responsible bidder, they must also negotiate with, and may consider for award, the lowest responsible bidder that is a vendor in good standing.

An advisory subcommittee is appointed by the Governor's Committee on Disability Issues and Employment to determine if entities seeking to qualify as vendors in good standing have achieved or made progress toward enhancing employment opportunities for disadvantaged persons and persons with disabilities. The subcommittee includes 10 members:

- three current or former clients of a community rehabilitation program, one of which must be a person with a developmental disability;
- one who is a guardian, parent, or other relative of a current client or employee of a community rehabilitation program;
- one who is nominated by a community rehabilitation program;

- one who represents a business owned and operated by persons with disabilities;
- one who is designated by the Developmental Disabilities Council;
- one who is a member of the Governor's Committee on Disability Issues and Employment;
- one who is designated by the Secretary of the DSHS; and
- one who is designated by the Director of the Department of Services for the Blind.

An entity seeking to be listed as a vendor in good standing must provide conclusive evidence that, during the previous 12 months, it has met at least half of the established measurable goals regarding its work force, or has improved with respect to that category from one year ago. Measurable goals include statistics on the numbers and percentages of disadvantaged persons and persons with disabilities who:

- are working in integrated settings;
- are working in individual supported employment settings;
- have transitioned to less restrictive employment settings;
- are earning at least the state minimum wage;
- are serving in supervisory capacities within the entity;
- are serving in an ownership capacity or on the governing board of the entity;
- are receiving wages, salaries, and related employment benefits comparable to persons without disabilities; and
- have a reasonable, achievable, and written career plan developed by the entity.

Entities must pay a non-refundable application fee of: 1) not more than \$500; 2) not more than 2 percent of the face amount of any contract awarded; or 3) both fees to establish or renew qualification as a vendor in good standing. Fees established are to recover costs incurred by the GA and by the subcommittee.

The GA and the Governor's Committee on Disability Issues and Employment are required to prepare and issue a report to the Governor and the Legislature describing the effect of these provisions on enhancing employment opportunities for disadvantaged persons and persons with disabilities.

These provisions expire December 31, 2007.

Votes on Final Passage:

House 94 0
 Senate 49 0

Effective: July 27, 2003