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**State Government Committee**

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**HB 1813**

**Brief Description:** Expanding employment opportunities for people with disabilities.

**Sponsors:** Representatives Miloscia, Boldt, Linville, Edwards, Romero, Cody, McDermott, Haigh, Hunt, Moeller, Ruderman, Santos, Rockefeller, Simpson, Conway, Wood and Kenney.

**Brief Summary of Bill**

- Before sending out a bid for the purchase of goods and services, agencies are required to first solicit and consider proposals from businesses owned and operated by persons with disabilities and/or from community rehabilitation programs which operate facilities serving disadvantaged persons and persons with disabilities.

**Hearing Date:** 2/25/03

**Staff:** Marsha Reilly (786-7135).

**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.

Stage 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 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 of Bill:**

Changes are made to specify that 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 only to 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.

Each year, the GA is required to identify vendors in good standing and request from such vendors information that describes the products and services, including any limitations on availability, it proposes to offer to state agencies. The GA must disperse this information to at least one purchasing official in each state agency and must notify vendors on the list of all contracts for the purchase of goods and services anticipated in the upcoming 15 months.

Except for provisions related to the inmate program under RCW 43.19.534, state agencies are required to solicit and consider proposals from at least one vendor in good standing before it purchases any product or service from another vendor, as long as that product or service was included on the list dispersed by the GA.

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.

Entities 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 this act on enhancing employment opportunities for disadvantaged persons and persons with disabilities.

This act expires December 31, 2007.

**Appropriation:** None.

**Fiscal Note:** Requested on February 19, 2003.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.