
SENATE BILL 5760

State of Washington

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By Senators Prentice, Roach, Fairley, Rasmussen, T. Sheldon, Horn, McAuliffe, Winsley, Thibaudeau, Kohl-Welles, Shin and Kline

Read first time 02/11/2003. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to employment opportunities for people with
2 disabilities; amending RCW 43.19.520, 43.19.525, and 43.19.530; adding
3 new sections to chapter 43.19 RCW; adding new sections to chapter 50.40
4 RCW; and providing expiration dates.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 43.19.520 and 1974 ex.s. c 40 s 1 are each amended to
7 read as follows:

8 It is the intent of the legislature to encourage state agencies and
9 departments to purchase products and/or services manufactured or
10 provided by (~~sheltered workshops and~~):

11 (1) Community rehabilitation programs of the department of social
12 and health services which operate facilities serving (~~the handicapped~~
13 and)) disadvantaged persons and persons with disabilities and have
14 achieved or consistently make progress towards the goal of enhancing
15 opportunities for disadvantaged persons and persons with disabilities
16 to maximize their opportunities for employment and career advancement,
17 and increase the number employed and their wages; and

18 (2) Until December 31, 2007, businesses owned and operated by
19 persons with disabilities that have achieved or consistently make

1 progress towards the goal of enhancing opportunities for disadvantaged
2 persons and persons with disabilities to maximize their opportunities
3 for employment and career advancement, and increase the number employed
4 and their wages.

5 **Sec. 2.** RCW 43.19.525 and 1974 ex.s. c 40 s 2 are each amended to
6 read as follows:

7 ~~((As used in RCW 43.19.520 and 43.19.530 the term "sheltered~~
8 ~~workshops" shall have the meaning ascribed to it by RCW 82.04.385 and))~~
9 The definitions in this section apply throughout RCW 43.19.520 through
10 43.19.530 unless the context clearly requires otherwise.

11 (1) "Businesses owned and operated by persons with disabilities"
12 means any sole proprietorship, partnership, or corporation, that has at
13 least fifty percent of its value owned by, and at least fifty percent
14 of the positions exercising executive or management authority occupied
15 by, persons who have been either:

16 (a) Determined by the department of social and health services to
17 have a developmental disability, as defined in RCW 71A.10.020;

18 (b) Determined by an agency established under Title I of the
19 federal vocational rehabilitation act to be or have been eligible for
20 vocational rehabilitation services;

21 (c) Determined by the federal social security administration to be
22 or have been eligible for either social security disability insurance
23 or supplemental security income; or

24 (d) Determined by the United States department of veterans affairs
25 to be or have been eligible for vocational rehabilitation services due
26 to service-connected disabilities, under 38 U.S.C. Sec. 3100 et seq.

27 (2) "Community rehabilitation programs of the department of social
28 and health services" ((shall)) means ((the group training homes and day
29 training centers defined in RCW 72.33.800)) any entity that:

30 (a) Is registered as a nonprofit corporation with the secretary of
31 state; and

32 (b) Is recognized by the department of social and health services,
33 division of vocational rehabilitation as eligible to do business as a
34 community rehabilitation program.

35 (3) "Vendor in good standing" means a business owned and operated
36 by persons with disabilities or a community rehabilitation program,

1 that has been determined under sections 4 and 6 of this act to meet the
2 following criteria:

3 (a) Has not been in material breach of any quality or performance
4 provision of any contract for the purchase of goods or services between
5 the workshop, business, or program and any state agency during the past
6 twelve months; and

7 (b) Has achieved, or continues to work towards, the goal of
8 enhancing opportunities for disadvantaged persons and persons with
9 disabilities to maximize their opportunities for employment and career
10 advancement, and increase the number employed and their wages, as
11 determined by the governor's committee on disability issues and
12 employment.

13 **Sec. 3.** RCW 43.19.530 and 1977 ex.s. c 10 s 2 are each amended to
14 read as follows:

15 The state agencies and departments are hereby authorized to
16 purchase products and/or services manufactured or provided by
17 (~~sheltered workshops and~~):

18 (1) Community rehabilitation programs of the department of social
19 and health services; and

20 (2) Until December 31, 2007, businesses owned and operated by
21 persons with disabilities.

22 Such purchases shall be at the fair market price of such products
23 and services as determined by the division of purchasing of the
24 department of general administration. To determine the fair market
25 price the division shall use the last comparable bid on the products
26 and/or services or in the alternative the last price paid for the
27 products and/or services. The increased cost of labor, materials, and
28 other documented costs since the last comparable bid, the average of
29 current comparable contracts including the effects of any changes in
30 specifications, or the last price paid are additional cost factors
31 which shall be considered in determining fair market price. Upon the
32 establishment of the fair market price as provided for in this section
33 the division is hereby empowered to negotiate directly for the purchase
34 of products or services with (~~sheltered workshops or~~) officials in
35 charge of the community rehabilitation programs of the department of
36 social and health services (~~for the purchase of the products or~~

1 services)) and, until December 31, 2007, businesses owned and operated
2 by persons with disabilities.

3 NEW SECTION. Sec. 4. A new section is added to chapter 43.19 RCW
4 to read as follows:

5 (1) Annually, the department of general administration shall
6 compile a list of vendors in good standing that includes all registered
7 vendors that:

8 (a) Are businesses owned and operated by persons with disabilities
9 or community rehabilitation programs of the department of social and
10 health services;

11 (b) Have not been in material breach of any quality or performance
12 provision of any contract for the purchase of goods or services between
13 the business or program and any state agency during the past twelve
14 months; and

15 (c) Have achieved, or continue to work towards, the goal of
16 enhancing opportunities for disadvantaged persons and persons with
17 disabilities to maximize their opportunities for employment and career
18 advancement, and increase the number employed and their wages, as
19 determined by the governor's committee on disability issues and
20 employment under section 6 of this act.

21 (2) The department of general administration shall annually, but no
22 less often than once every fifteen months:

23 (a) Request from vendors in good standing information sufficient to
24 accurately describe all products and services, including but not
25 limited to any significant quantity or geographic limitations affecting
26 the availability of such products and services, that such vendors
27 propose to offer to state agencies during at least the subsequent
28 fifteen-month period;

29 (b) Disseminate the information obtained in response to the request
30 made pursuant to (a) of this subsection to at least one purchasing
31 official in each state agency; and

32 (c) Notify each vendor in good standing of all contracts for the
33 purchase of goods and services by state agencies with respect to which
34 the department anticipates either renewing or requesting bids or
35 proposals within at least twelve months of the date of the notice.

36 (3) The department of general administration and the governor's
37 committee on disability issues and employment shall jointly prepare

1 and, on or before December 31, 2006, issue a report to the governor and
2 the legislature. The report shall describe the activities authorized
3 or required by this act, and their effect on enhancing opportunities
4 for disadvantaged persons and persons with disabilities to maximize
5 their opportunities for employment and career advancement, and increase
6 the number employed and their wages.

7 (4) This section expires December 31, 2007.

8 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.19 RCW
9 to read as follows:

10 (1) Nothing in this act requires any state agency to take any
11 action that interferes with or impairs an existing contract between any
12 state agency and any other party, including but not limited to any
13 other state agency.

14 (2) Until December 31, 2007, except as provided under RCW 43.19.534
15 and subsection (1) of this section, a state agency shall not purchase
16 any product or service identified in the notice most recently
17 disseminated by the department of general administration, as provided
18 under section 4(2)(b) of this act, from other than a vendor in good
19 standing until the state agency has first solicited and considered in
20 good faith a proposal to provide the goods or service from at least one
21 vendor in good standing supplying the goods or service needed by the
22 agency, unless no vendor in good standing supplying the goods or
23 service needed by the agency responds within ten days to the agency's
24 solicitation for proposal.

25 NEW SECTION. **Sec. 6.** A new section is added to chapter 50.40 RCW
26 to read as follows:

27 (1) No less frequently than once each year, the governor's
28 committee on disability issues and employment shall determine whether
29 entities seeking to qualify as vendors in good standing, pursuant to
30 sections 4 and 6 of this act, have achieved, or continue to work
31 towards, the goal of enhancing opportunities for persons of
32 disabilities to maximize their employment and career advancement, and
33 increase the number employed and their wages.

34 (2) In making the determination provided for in subsection (1) of
35 this section, the governor's committee on disability issues and
36 employment shall appoint and, except in the case of malfeasance or

1 misfeasance, shall rely upon the conclusions of an advisory
2 subcommittee consisting of: (a) Three members chosen from among those
3 current or former clients of a community rehabilitation program who
4 have nominated themselves, at least one of whom must be a person with
5 a developmental disability; (b) one member chosen from among those
6 guardians, parents, or other relatives of a current client or employee
7 of a community rehabilitation program who have nominated themselves;
8 (c) one member chosen from among those who have been nominated by a
9 community rehabilitation program; (d) one member chosen from among
10 those owners of a business owned and operated by persons with
11 disabilities who have nominated themselves; (e) one member who is
12 designated by the developmental disabilities council; (f) one member
13 who is a member of and selected by the governor's committee on
14 disability issues and employment; (g) one member who is designated by
15 the secretary of the department of social and health services; and (h)
16 one member who is designated by the director of the department of
17 services for the blind.

18 (3) The advisory subcommittee appointed by the governor's committee
19 on disability issues and employment shall conclude that entities
20 seeking to qualify, pursuant to sections 4 and 6 of this act, as
21 vendors in good standing, have achieved, or continue to work towards,
22 the goal of enhancing opportunities for persons of disabilities to
23 maximize their employment and career advancement, and increase the
24 number employed and their wages if, and only if, the entity provides
25 reasonably conclusive evidence that, during the twelve-month period
26 immediately preceding the entity's application, at least one-half of
27 the following measurement categories applicable to the entity have been
28 either achieved, pursuant to rules established under subsection (4) of
29 this section, or have been improved as compared to the entity's
30 condition with respect to that measurement category one year ago:

31 (a) The number of people with disabilities in the entity's total
32 work force who are working in integrated settings;

33 (b) The percentage of the people with disabilities in the entity's
34 total work force who are working in integrated settings;

35 (c) The number of people with disabilities in the entity's total
36 work force who are working in individual supported employment settings;

37 (d) The percentage of the people with disabilities in the entity's

1 total work force who are working in individual supported employment
2 settings;

3 (e) The number of people with disabilities in the entity's total
4 work force who, during the last twelve months, have transitioned to
5 less restrictive employment settings either within the entity or with
6 other community employers;

7 (f) The number of people with disabilities in the entity's total
8 work force who are earning at least the state minimum wage;

9 (g) The percentage of the people with disabilities in the entity's
10 total work force who are earning at least the state minimum wage;

11 (h) The number of people with disabilities serving in supervisory
12 capacities within the entity;

13 (i) The percentage of supervisory positions within the entity that
14 are occupied by people with disabilities;

15 (j) The number of people with disabilities serving in an ownership
16 capacity or on the governing board of the entity;

17 (k) The ratio of the total amount paid by the entity in wages,
18 salaries, and related employment benefits to people with disabilities,
19 as compared to the amount paid by the entity in wages, salaries, and
20 related employment benefits paid by the entity to persons without
21 disabilities during the previous year; and

22 (l) The percentage of people with disabilities in the entity's
23 total work force for whom the entity has developed a reasonable,
24 achievable, and written career plan.

25 (4) The commissioner shall consult with the advisory subcommittee
26 established in subsection (2) of this section to develop and adopt
27 rules establishing the measurement at which it is deemed that the
28 measurement categories identified in subsection (3)(b), (d), (e), (g),
29 (h), (j), (k), and (l) of this section have been achieved.

30 (5) This section expires December 31, 2007.

31 NEW SECTION. **Sec. 7.** A new section is added to chapter 50.40 RCW
32 to read as follows:

33 (1) The commissioner is authorized to adopt rules to implement
34 section 6 of this act, including but not limited to authority to
35 establish (a) a nonrefundable application fee of not more than five
36 hundred dollars to be paid by each entity seeking to establish or renew
37 qualification as a vendor in good standing, pursuant to sections 4 and

1 6 of this act; (b) a fee of not more than two percent of the face
2 amount of any contract awarded under this act; or (c) both fees
3 identified in (a) and (b) of this subsection.

4 (2) The fee or fees established pursuant to subsection (1) of this
5 section must set a level of revenue sufficient to recover costs
6 incurred by the department of general administration in fulfilling the
7 duties identified in section 4 of this act and the governor's committee
8 on disability issues and employment in fulfilling the duties identified
9 in section 6 of this act.

10 (3) The vendors in good standing account is created in the custody
11 of the state treasurer. All receipts from the fee or fees established
12 pursuant to subsection (1) of this section must be deposited into the
13 account. Expenditures from the account may be used only for the
14 purpose described in subsection (2) of this section. Expenditures from
15 the account may be authorized only upon the approval of both the
16 director of the department of general administration and the
17 commissioner, or their respective designees. The account is subject to
18 allotment procedures under chapter 43.88 RCW, but an appropriation is
19 not required for expenditures.

20 (4) This section expires December 31, 2007, and any unencumbered
21 funds remaining in the vendors in good standing account on that date
22 shall revert to the general fund.

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