
SUBSTITUTE HOUSE BILL 1721

State of Washington

54th Legislature

1995 Regular Session

By House Committee on Government Operations (originally sponsored by Representatives Hymes, Sheldon, Hankins, Scott, Mitchell, Basich, Quall, Sehlin, Reams, Tokuda, Cooke, Morris, L. Thomas, Goldsmith and Schoesler)

Read first time 03/01/95.

1 AN ACT Relating to products and services provided by community
2 rehabilitation programs; amending RCW 43.19.520, 43.19.525, 43.19.530,
3 39.23.005, 39.23.010, and 39.23.020; reenacting and amending RCW
4 82.04.385; and creating a new section.

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~~)) require state
9 agencies and departments to purchase products and/or services
10 manufactured or provided by ((~~sheltered workshops and programs of the~~
11 ~~department of social and health services which~~)) community
12 rehabilitation programs that operate facilities serving ((the
13 handicapped)) severely disabled and disadvantaged citizens.

14 The legislature recognizes the need to assure a consistent market
15 for the products and services provided by community rehabilitation
16 programs, thereby reducing the forced and often sole dependence on
17 public welfare and providing transferrable employment, skills, and
18 income opportunities for severely disabled and disadvantaged citizens
19 who want and are able to work and contribute to their economy. The

1 legislature intends to provide a dignified means of coparticipation by
2 the severely disabled with all taxpayers in Washington state in easing
3 public subsidy for their support. Providing access to state agencies
4 and departments enhances the ability of community rehabilitation
5 programs to provide long-term employment and training programs for
6 severely disabled and disadvantaged citizens.

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

9 As used in RCW 43.19.520 and 43.19.530 (~~the term "sheltered~~
10 ~~workshops" shall have~~) "community rehabilitation programs" has the
11 meaning ascribed to it by RCW 82.04.385 (~~and "programs of the~~
12 ~~department of social and health services" shall mean the group training~~
13 ~~homes and day training centers defined in RCW 72.33.800~~)).

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

16 The state agencies and departments (~~are hereby authorized to~~)
17 shall purchase products and/or services manufactured or provided by
18 (~~sheltered workshops and programs of the department of social and~~
19 ~~health services~~) community rehabilitation programs. Such purchases
20 shall be at the fair market price of such products and services as
21 determined by the (~~division of purchasing of the department of general~~
22 ~~administration~~) state agency or department purchasing authority,
23 referred to in this section as "purchaser". To determine the fair
24 market price the (~~division~~) purchaser shall use the last comparable
25 bid on the products and/or services or in the alternative the last
26 price paid for the products and/or services. The increased cost of
27 labor, materials, and other documented costs since the last comparable
28 bid or the last price paid are additional cost factors which shall be
29 considered in determining fair market price. Upon the establishment of
30 the fair market price as provided for in this section the (~~division~~)
31 purchaser is hereby empowered to negotiate directly with (~~sheltered~~
32 ~~workshops or officials in charge of the programs of the department of~~
33 ~~social and health services~~) community rehabilitation programs for the
34 purchase of the products or services.

35 **Sec. 4.** RCW 39.23.005 and 1975 c 20 s 1 are each amended to read
36 as follows:

1 It is the intent of the legislature to encourage municipalities to
2 purchase products and/or services manufactured or provided by
3 (~~sheltered workshops and programs of the department of social and~~
4 ~~health services which~~) community rehabilitation programs that operate
5 facilities serving (~~the handicapped~~) severely disabled and
6 disadvantaged citizens.

7 **Sec. 5.** RCW 39.23.010 and 1975 c 20 s 2 are each amended to read
8 as follows:

9 As used in RCW 39.23.005 and 39.23.020 (~~the term "sheltered~~
10 ~~workshops" shall have~~) "community rehabilitation programs" has the
11 meaning ascribed to it by RCW 82.04.385 (~~and "programs of the~~
12 ~~department of social and health services" shall mean the group training~~
13 ~~homes and day training centers defined in RCW 72.33.800 and~~
14 ~~"municipality" shall have the meaning ascribed to it by RCW~~
15 ~~39.04.010~~)).

16 **Sec. 6.** RCW 39.23.020 and 1977 ex.s. c 10 s 1 are each amended to
17 read as follows:

18 Municipalities are (~~hereby~~) authorized to purchase products
19 and/or services manufactured or provided by (~~sheltered workshops and~~
20 ~~programs of the department of social and health services~~) community
21 rehabilitation programs. Such purchases shall be at the fair market
22 price of such products and services as determined by a municipality.
23 To determine the fair market price a municipality shall use the last
24 comparable bid on the products and/or services or in the alternative
25 the last price paid for the products and/or services. The increased
26 cost of labor, materials, and other documented costs since the last
27 comparable bid or the last price paid are additional cost factors which
28 shall be considered in determining fair market price. Upon the
29 establishment of the fair market price as provided for in this section
30 a municipality is hereby empowered to negotiate directly with
31 (~~sheltered workshops or officials in charge of the programs of the~~
32 ~~department of social and health services~~) community rehabilitation
33 programs for the purchase of the products or services.

34 **Sec. 7.** RCW 82.04.385 and 1988 c 176 s 915 and 1988 c 13 s 1 are
35 each reenacted and amended to read as follows:

1 This chapter shall not apply to income received from the department
2 of social and health services for the cost of care, maintenance,
3 support, and training of persons with developmental disabilities at
4 nonprofit group training homes as defined by chapter 71A.22 RCW or to
5 the business activities of nonprofit organizations from the operation
6 of (~~sheltered workshops~~) community rehabilitation programs. For the
7 purposes of this section, "the operation of (~~sheltered workshops~~)
8 community rehabilitation programs" means performance of business
9 activities of any kind on or off the premises of such nonprofit
10 organizations which are performed for the primary purpose of (1)
11 providing gainful employment or rehabilitation services to the
12 handicapped as an interim step in the rehabilitation process for those
13 who cannot be readily absorbed in the competitive labor market or
14 during such time as employment opportunities for them in the
15 competitive labor market do not exist; or (2) providing evaluation and
16 work adjustment services for handicapped individuals.

17 NEW SECTION. Sec. 8. (1) The department of general administration
18 shall establish a state use advisory committee composed of equal
19 representation from purchasers, community rehabilitation programs, and
20 other appropriate parties for the purpose of reviewing the intent and
21 application of this act and reporting such findings and recommendations
22 to the legislature by December 1, 1996. Particular issues that should
23 be addressed in the report include the number of severely disabled and
24 disadvantaged citizens employed, establishing fair market price, and
25 the impact on private businesses and community rehabilitation programs.
26 (2) This section shall expire December 31, 1996.

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