

HOUSE BILL REPORT

HB 2872

As Reported By House Committee On:
Government Administration

Title: An act relating to providing entrepreneurial opportunities for disabled persons.

Brief Description: Providing entrepreneurial opportunities for disabled persons.

Sponsors: Representatives Honeyford, Carlson, Skinner, Cairnes, Cody, Wood, Boldt, Van Luven, Mitchell, Lambert, Dyer and Thompson.

Brief History:

Committee Activity:

Government Administration: 2/6/98 [DPS].

HOUSE COMMITTEE ON GOVERNMENT ADMINISTRATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives D. Schmidt, Chairman; D. Sommers, Vice Chairman; Scott, Ranking Minority Member; Gardner, Assistant Ranking Minority Member; Doumit; Dunn; Dunshee; Murray; Reams; Smith; L. Thomas; Reams and Wolfe.

Staff: Steve Lundin (786-7127).

Background:

1. Normal contracting procedures.

In general, state agencies and institutions of higher education make purchases using either a formal competitive bidding process or a less formal quotation process from vendors. Exceptions are made to this general requirement, including for purchases of a value of less than \$400.

In general, state agencies and institutions of higher education award contracts for public works using a formal competitive bidding process or a less formal small works roster process. Exceptions are made to these general requirements, including for awarding contracts for public works of below a specified dollar amount.

2. Women's and minority-owned and controlled businesses.

The Office of Minority and Women's Businesses develops overall goals for the participation by qualified women and minority-owned and controlled businesses in contracts let by each state agency and institution of higher education, certifies businesses as being women or minority-owned and controlled businesses, and adopts standard contract clauses for the inclusion of women and minority-owned businesses.

Each state agency and institution of higher education is required to comply with the annual goals established for the agency or institution and to adopt a plan to insure that minority and women-owned and controlled businesses are afforded the maximum practicable opportunity to directly and meaningfully participate in the public contracts let by the agency or institution for public works and the purchase of goods and services.

If it is necessary for a state agency or institution of higher education to meet these goals, a contract may be let to the next lowest responsible bidder in turn or all bids may be rejected and new bids obtained. An apparent low bidder must be in compliance with contract provisions required developed by the office of women and minority-owned businesses.

Summary of Substitute Bill: The Office of Minority and Women Business is renamed the Office of Minority, Women, and Disabled Persons. Businesses that are owned and controlled by disabled persons may be certified and participate in all aspects of the state program for minority and women owned and controlled businesses, except that no more than 80 businesses per year may be certified as being owned and controlled by disabled persons and the office does not establish goals for such businesses.

A disabled person is defined as a person with a physical or mental impairment that substantially limits a major life activity. The impairment must be material and medically cognizable or diagnosable, and must be permanent, but does not include drug or alcohol addiction or any negative effects brought on by the use of drugs or alcohol.

The Legislature finds that no court has held that a program to promote contracting opportunities for businesses owned and controlled by disabled persons must be subject to the strict-scrutiny standard— or must be justified by a disparity study.— If a court of proper jurisdiction finds that the program for disabled persons is subject to such a standard or must be justified by such a study, the program is suspended until the Legislature determines a proper course of action.

These changes take effect on July 1, 1998, and are placed under the sunset review process with a termination date of June 30, 2001, and repealing the law effective June 30, 2002.

Substitute Bill Compared to Original Bill: Only 80 businesses may be certified per year.

Appropriation: None.

Fiscal Note: Requested February 6, 1998.

Effective Date of Substitute Bill: This act takes effect July 1, 1998.

Testimony For: All we want is an opportunity. There are no quotas involved.

Testimony Against: None.

Testified: Representatives Honeyford and Carlson, sponsors; Andrea Stephenson; Greg Morris and Glen Strachon, WABOD; Skip Dreps, Northwest Chapter of Paralyzed Veterans of America; and Toby Olson, Governor's Committee on Disability Issues.