

HOUSE BILL REPORT

HB 1735

As Reported By House Committee On:

Government Administration

Title: An act relating to expanding employment opportunities for people with disabilities.

Brief Description: Expanding employment opportunities for people with disabilities.

Sponsors: Representatives Reams, Quall, Doumit, Radcliff, Cairnes, D. Sommers, Hankins, Zellinsky, Sheldon, Costa, Sehlin, Dyer, Pennington, Ogden, Carlson, Scott, Mitchell, Morris, Gardner, Kenney, Cooke, Kessler, Mielke, Hatfield, Romero, Dickerson, Poulsen, Linville, Johnson, Blalock, Tokuda, Cooper, Murray, Dunshee, Wood, Mason, Clements, Keiser, Mulliken, Chopp and Thompson.

Brief History:

Committee Activity:

Government Administration: 2/18/97, 2/21/97 [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; Wensman and Wolfe.

Staff: Steve Lundin (786-7127).

Background: The Department of General Administration 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 department that such purchases are more cost-effective.

All purchases, whether by the Department of General Administration 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 of from \$400 to \$35,000 may be made under a less formal process using

telephone or written quotations from at least three vendors. Purchases below \$400 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, group training homes, and day training homes to purchase products and services manufactured or provided by such entities. These purchases are to be at the fair market, as determined by the Department of General Administration using the last comparable bid or price paid for similar products or services and increases in labor costs since this 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 Department of General Administration 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 Substitute Bill: State agencies, other than institutions of higher education, are encouraged to establish supported employment positions for people with disabilities who need long-term ongoing support in order to succeed on the job.

A community rehabilitation program is established for state agencies, other than institutions of higher education, to purchase products or services.

A commission for purchases from community rehabilitation programs is created. The commission consists of nine members, four of whom are appointed by the Governor to represent various agencies and organizations and five at-large— members who are appointed by the commission. The four appointees by the Governor represent (1) the Health and Rehabilitation Services Division of the Department of Social and Health Services; (2) the Governor’s Committee on Disability Issues and Employment; (3) an advocacy organization for people with disabilities; and (4) a community rehabilitation program. Commission members do not receive compensation but are reimbursed for actual and necessary expenses.

The commission

- develops policies and procedures to expand the market for products and services provided by community rehabilitation programs.

- certifies community rehabilitation programs providing or facilitating vocational services to persons with disabilities from which state agencies may purchase products and services;
- monitors the negotiated bidding process used by state agencies to contract with community rehabilitation programs for the provision of products and services;
- contracts with a central nonprofit agency for assistance in carrying out its duties; and
- develops criteria to measure goals, collects data, and reports findings to the Legislature.

The commission is funded through a certification fee imposed on community rehabilitation programs it certifies for participation under this system of awarding contracts. The commission may contract with a central nonprofit agency for assistance in carrying out its duties.

State agencies, other than institutions of higher education, are required to purchase products or services from certified community rehabilitation programs if the program can provide the products or services and the products or services meet the agency's expectation of quality. A certified community rehabilitation program that seeks to bid on a contract notifies the agency. The agency is required to meet with representatives of the community rehabilitation program and the central nonprofit agency designated by the commissioner and to make a good faith effort to negotiate a contract.

State agencies, other than institutions of higher education, may not purchase products or services from sheltered workshops under existing procedures.

These provisions take effect on January 1, 1998.

The Legislature is required to review and make findings concerning community rehabilitation programs by December 15, 2002.

Substitute Bill Compared to Original Bill: Provisions are deleted placing a ceiling on purchases that may be made using this process. A representative of the Department of General Administration no longer sits on the commission. Existing sheltered workshop procedures may not be used by state agencies.

Appropriation: None.

Fiscal Note: Requested on February 18, 1997.

Effective Date of Substitute Bill: Sections 1 through 3, and 5 through 12 of this act take effect January 1, 1998.

Testimony For: This will help employ persons with disabilities. Other state's have similar programs. Very few persons with disabilities are employed by the state. Safeguards are built in.

Testimony Against: Existing certifications should be used to contract only with progressive agencies paying sufficient wages. There is a conflict with existing laws on recycled content purchases and correctional industry purchases. Let state agencies get the lowest price.

Testified: Representative Reams, prime sponsor; Trish Borden, Partnership 2000; Roy Ferguson, Ferguson and Associates; Robert Alspaugh and Michael Bainbridge, Rehabilitation Enterprises; Janet Adams, Washington State ARC; and Janet Wadsorth, Correctional Industries, Department of General Administration; and Department of Social and Health Services (neutral).