

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND House Committee Substitute for Senate Bill No. 18, Page 4, Section 34.378, Line 78, by  
2 inserting after all of said section and line the following:

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4 "34.470. 1. As used in this section, the following terms shall mean:

5 (1) "Direct labor", all work performed to fulfill a contract under the provisions of this  
6 section, excluding supervision and administration;

7 (2) "Qualifying disability", a significant mental or physical impairment, including blindness,  
8 that impedes a person who is seeking, entering, or maintaining gainful employment. Such significant  
9 disability shall be certified by the division of vocational rehabilitation within the department of  
10 elementary and secondary education; the Social Security Administration Title 42, Section 423 of the  
11 United States Code; the Social Security Administration Title 42, Section 416(i)(1)(B) of the United  
12 States Code; or a person eligible for services from the division of developmental disabilities of the  
13 department of mental health; (3) "Qualifying vendor":

14 (a) A person with a qualifying disability;

15 (b) A business or entity, whether for profit or nonprofit, that employs individuals with a  
16 qualifying disability, provided such individuals perform at least seventy-five percent of the direct  
17 labor hours required to fulfill a state contract for goods or services; or

18 (c) Any nonprofit agency serving people with significant disabilities that meets the eligibility  
19 criteria to participate in the federal AbilityOne program, or its successor program, as described in 41  
20 U.S.C. Section 46-48c.

21 2. The broad purpose of this legislation is to provide persons with a qualifying disability  
22 access to job opportunities in the private sector competitive job market and additional job  
23 opportunities for individuals who choose facility-based employment in their community.  
24 Notwithstanding any other provision of this chapter to the contrary, the division of purchasing within  
25 the office of administration shall set a goal of procuring at least three percent of goods and services  
26 from qualifying vendors. The division shall develop and maintain a list of goods and services that  
27 are available from qualifying vendors and which such division determines are suitable for  
28 procurement from qualifying vendors by departments of the state, approve prices for goods and  
29 services identified under this section, review bids received by qualifying vendors, and award and  
30 renew contracts for the purchase of goods and services under this section without competitive  
31 bidding. Such procurement list, and revision thereof, shall be submitted to the board for approval  
32 and, upon approval, be distributed to all purchasing officers of the state, its departments and all  
33 political subdivisions. All products or services offered for purchase to a state department or a  
34 political subdivision by a qualifying vendor shall have significant value added by blind or  
35 significantly disabled persons as determined by the office of administration. Suspected violations of  
36 the eligibility criteria for a qualifying vendor may be reported to and shall be investigated by the  
37 department of labor and industrial relations.

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1       3. Individuals with a qualifying disability shall be paid at least minimum wage for direct  
2 labor hours performed in fulfillment of any contract awarded under the provisions of this section.

3       4. The amount of goods and services that may be purchased in accordance with this section  
4 shall not exceed twenty-five million dollars.

5       5. It shall be the duty of the office of administration to determine the fair market price of all  
6 products and services offered for sale to the various departments of the state by qualifying vendors.  
7 The fair market price shall be competitive with the cost of procuring the goods or services from  
8 another source; shall, at a minimum, recover for the qualifying vendor the cost of raw materials,  
9 labor, overhead, and delivery; and shall be revised from time to time in accordance with changing  
10 cost factors. The office of administration may make such rules and regulations necessary to carry out  
11 the purposes of this section including specifications, time of delivery, assignment of products and  
12 services to be supplied by qualifying vendors, and other relevant matters of procedure. After a  
13 contract has been awarded, all state departments as defined in section 34.010 shall purchase the  
14 products and services on the procurement list as determined by the office of administration in  
15 accordance with this section. The office of administration may authorize the purchase of products  
16 and services from other sources when requisitions cannot reasonably be fulfilled by a qualifying  
17 vendor.

18       6. In assessing the suitability of any potential addition to the procurement list, the office of  
19 administration shall consider the interest of small businesses and businesses owned by disadvantaged  
20 persons by determining whether the addition would have a severe adverse impact on the current  
21 contractor for the commodity or service. Generally, an impact up to fifteen percent of the total  
22 revenue of the contractor would not be deemed severe. However, in deciding whether a proposed  
23 addition to the procurement list would have a severe adverse impact on the current contractor, the  
24 office of administration shall consider:

25       (1) Financial and employment information provided by the current contractor regarding the  
26 impact on the contractor's sales;

27       (2) Whether the contractor has been a consistent supplier of the commodity or service and,  
28 therefore, more dependent on such sales; and

29       (3) Any other factor the office of administration deems relevant.

30       7. Except as otherwise provided in this section, all departments shall purchase goods and  
31 services produced by a qualifying vendor if:

32       (1) The goods or services offered for sale by a qualifying vendor reasonably conform to the  
33 needs and specifications of the department; and

34       (2) The qualifying vendor can supply the goods or services within a reasonable time.

35       8. In furtherance of this act, the Governor may elect to appoint a committee of no fewer than  
36 five senior state agency procurement officials, at least one representative of a qualified nonprofit  
37 agency for the blind, and one representative of a qualified nonprofit agency for the significantly  
38 disabled, and one private citizen to collaborate to further the Act. Such committee will be unpaid,  
39 not require appropriation, and would serve in an advisory capacity only."; and

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41 Further amend said bill by amending the title, enacting clause, and intersectional references  
42 accordingly.  
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