Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1	State of Arkansas	As Engrossed: H3/19/03	
2	84th General Assembly	A Bill	
3	Regular Session, 2003		HOUSE BILL 2492
4			
5	By: Representative Lendall		
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7			
8	For An Act To Be Entitled		
9	AN ACT TO REVISE CERTAIN DEFINITIONS RELATING TO		
10	STATE 1	PROCUREMENTS; AND FOR OTHER PURPOSES.	
11			
12		Subtitle	
13	AN A	ACT TO REVISE CERTAIN DEFINITIONS	
14	RELA	ATING TO STATE PROCUREMENTS.	
15			
16			
17	BE IT ENACTED BY THE	GENERAL ASSEMBLY OF THE STATE OF ARKAN	ISAS:
18			
19	SECTION 1. Arkansas Code § 19-11-902 is amended to read as follows:		
20	19-11-902. Regu		
21	(a) The Office of State Procurement shall be responsible for		
22		ns governing implementation of this sub	chapter.
23		ses of this subchapter:	
24		mmodities" means all property, includin	
25		ing, stationery, supplies, and insuranc	_
26		s on real property, or a permanent inte	erest in real
27	property;		
28		sabled individuals" means those persons	
29	medically or psychiatrically determined physical, mental, or developmental		
30	•	ing a substantial vocational handicap;	
31		kansas Rehabilitation Services" means t	
32		ces of the Department of Workforce Educ	
33		scal year" means July 1 of one (1) year	through June 30
34	of the next year;		
35		dering office" means any state departme	<u>-</u>
36	establishment board	commission bureau service or divis	ion of state

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1 government and any wholly owned state corporation; 2 (6) "Products", for purposes of this subchapter, means commodities or services wherein the price of the commodities includes at 3 least twenty percent (20%) value added when the work center is awarded a 4 5 contract using the ten percent (10%) five percent (5%) preference, and in the 6 case of services, that they are performed by the disabled; 7 (7)(A) "Services" means the furnishing of labor, time, or effort 8 by a contractor, not involving the delivery of a specific end product other 9 than reports which are merely incidental to the required performance. This term shall not include employment agreements, 10 11 collective bargaining agreements, or architectural or engineering contracts 12 requiring approval of Arkansas State Building Services; "Sheltered workshop" means a work center which has: 13 14 (A) Certification from the United States Department of 15 Labor as a sheltered workshop; and 16 (B) Been licensed by the Division of Developmental 17 Disabilities Services of the Department of Human Services or certification from Arkansas Rehabilitation Services; and 18 19 (9)(A) "Work center" means any facility certified by the Arkansas Rehabilitation Services where any manufacture or handiwork is 20 carried on and which is operated for the primary purpose of providing 21 22 evaluation, training, and gainful employment to disabled individuals of 23 Arkansas: 24 (i) As an interim step in the rehabilitation process 25 for those who cannot be readily absorbed in the competitive labor market; or 26 (ii) During such time as employment opportunities 27 for them in the competitive labor market do not exist. 28 (B) "Work center" includes a sheltered work center. (c) All state agencies as defined in § 19-11-203 are required to 29 30 purchase their requirements of needed available and suitable products, as defined in subdivision (b)(6) of this section, and purchase suitable 31 32 services, as defined in subdivision (b)(7) of this section, from nonprofit 33 work centers for disabled individuals, unless such commodities and services 34 are authorized by prior legislation for production in another state agency,

(d)(1) The Office of State Procurement shall issue to all agency

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department, or institution.

purchasing agents a schedule of work center-made commodities and services and the conditions under which they are to be procured from the workshops.

- 3 (2) The schedule shall include the item or service description.
 - (e) Arkansas Rehabilitation Services shall undertake the inspection on a continuing basis of the workshops certified by Arkansas Rehabilitation Services to determine that they operate in accordance with the requirements of the statute and the regulations of this section.
- 8 (f)(1)(A) In order to qualify for participation in the program as a 9 work center, an organization shall submit an application to the Office of 10 State Procurement.
- 11 (B) If required for all vendors, there should be included 12 a list of the commodities and services offered for sale to the state.
- 13 (2) Work centers shall:

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- 14 (A) Furnish commodities and services in strict accordance 15 with the allocation and government order;
- 16 (B) Maintain records of wages paid, hours of employment, 17 and sales;
- 18 (C) Make available pertinent books and records of the 19 agency for inspection at any reasonable time to representatives of the
- 20 Arkansas Rehabilitation Services; and
- 21 (D)(i) Submit to the Arkansas Rehabilitation Services by 22 September 1 an annual report for the preceding fiscal year.
- 23 (ii) This report shall include data on disabled 24 workers, wages and wage supplements, hours of employment, sales, whether the 25 workshop requires a facilities sheltered workshop certificate from the United 26 States Department of Labor and special minimum rates authorized where such 27 certificate is held and such other relevant information as may be required.
 - (g) Where a commodity or service is identified in the schedule of work center-made commodities and services as being available through the Office of State Procurement, it shall be obtained in accordance with the requisitioning procedures of the supplying agency.
 - (h) An ordering office may purchase from a nonworkshop source commodities or services listed in the schedule of work center-made commodities and services in any of the following circumstances:
- 35 (1) Necessity requires delivery within the specified period, and 36 the work center cannot give assurance of positive availability;

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1	(2) When commodities listed on the schedule of work center-made		
2	commodities can be purchased from a nonwork center source by the agency for a		
3	price more than ten percent (10%) five percent (5 %) lower than work center-		
4	made commodities included in the schedule;		
5	(3) Services offered by any work center shall be procured by any		
6	agency in accordance with this section at a price not more than ten percent		
7	(10%) five percent (5%) above the lowest price submitted from a nonwork		
8	center source.		
9	(i) Work center-made product commodities will be delivered in		
10	accordance with the terms of the purchase order.		
11	(j) Where a workshop fails to comply with the terms of a government		
12	order, the ordering office shall make reasonable efforts to negotiate an		
13	adjustment before taking action to cancel the order.		
14	(k) Any alleged violation of these regulations shall be investigated		
15	by the Office of State Procurement, which shall notify the work center		
16	concerned and afford it an opportunity to submit a statement of facts and		
17	evidence.		

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/s/ Lendall