

Hall of the House of Representatives
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of House Bill No. 2492

"AN ACT TO REVISE CERTAIN DEFINITIONS RELATING TO STATE PROCUREMENTS."

Amendment No. 1 to House Bill No. 2492.

Amend House Bill No. 2492 as originally introduced:

Page 1, delete lines 19 through 26 and substitute the following:

“SECTION 1. Arkansas Code § 19-11-902 is amended to read as follows:
19-11-902. Regulations.

(a) The Office of State Procurement shall be responsible for developing regulations governing implementation of this subchapter.

(b) For purposes of this subchapter:

(1) "Commodities" means all property, including, but not limited to, equipment, printing, stationery, supplies, and insurance, but excluding real property, leases on real property, or a permanent interest in real property;

(2) "Disabled individuals" means those persons who have a medically or psychiatrically determined physical, mental, or developmental disability constituting a substantial vocational handicap;

(3) "Arkansas Rehabilitation Services" means the Arkansas Rehabilitation Services of the Department of Workforce Education;

(4) "Fiscal year" means July 1 of one (1) year through June 30 of the next year;

(5) "Ordering office" means any state department, independent establishment, board, commission, bureau, service, or division of state government and any wholly owned state corporation;

(6) "Products", for purposes of this subchapter, means commodities or services wherein the price of the commodities includes at least twenty percent (20%) value added when the work center is awarded a contract using the ~~ten percent (10%)~~ five percent (5%) preference, and in the case of services, that they are performed by the disabled;

(7)(A) "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance.

(B) This term shall not include employment agreements, collective bargaining agreements, or architectural or engineering contracts requiring approval of Arkansas State Building Services;

(8) "Sheltered workshop" means a work center which has:

(A) Certification from the United States Department of Labor as a sheltered workshop; and



(B) Been licensed by the Division of Developmental Disabilities Services of the Department of Human Services or certification from Arkansas Rehabilitation Services; and

(9)(A) "Work center" means any facility certified by the Arkansas Rehabilitation Services where any manufacture or handiwork is carried on and which is operated for the primary purpose of providing evaluation, training, and gainful employment to disabled individuals of Arkansas:

(i) As an interim step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market; or

(ii) During such time as employment opportunities for them in the competitive labor market do not exist.

(B) "Work center" includes a sheltered work center.

(c) All state agencies as defined in § 19-11-203 are required to purchase their requirements of needed available and suitable products, as defined in subdivision (b)(6) of this section, and purchase suitable services, as defined in subdivision (b)(7) of this section, from nonprofit work centers for disabled individuals, unless such commodities and services are authorized by prior legislation for production in another state agency, department, or institution.

(d)(1) The Office of State Procurement shall issue to all agency purchasing agents a schedule of work center-made commodities and services and the conditions under which they are to be procured from the workshops.

(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.

(f)(1)(A) In order to qualify for participation in the program as a work center, an organization shall submit an application to the Office of State Procurement.

(B) If required for all vendors, there should be included a list of the commodities and services offered for sale to the state.

(2) Work centers shall:

(A) Furnish commodities and services in strict accordance with the allocation and government order;

(B) Maintain records of wages paid, hours of employment, and sales;

(C) Make available pertinent books and records of the agency for inspection at any reasonable time to representatives of the Arkansas Rehabilitation Services; and

(D)(i) Submit to the Arkansas Rehabilitation Services by September 1 an annual report for the preceding fiscal year.

(ii) This report shall include data on disabled workers, wages and wage supplements, hours of employment, sales, whether the workshop requires a facilities sheltered workshop certificate from the United States Department of Labor and special minimum rates authorized where such 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:

(1) Necessity requires delivery within the specified period, and the work center cannot give assurance of positive availability;

(2) When commodities listed on the schedule of work center-made commodities can be purchased from a nonwork center source by the agency for a price more than ~~ten percent (10%)~~ five percent (5 %) lower than work center-made commodities included in the schedule;

(3) Services offered by any work center shall be procured by any agency in accordance with this section at a price not more than ~~ten percent (10%)~~ five percent (5%) above the lowest price submitted from a nonwork center source.

(i) Work center-made product commodities will be delivered in accordance with the terms of the purchase order.

(j) Where a workshop fails to comply with the terms of a government order, the ordering office shall make reasonable efforts to negotiate an adjustment before taking action to cancel the order.

(k) Any alleged violation of these regulations shall be investigated by the Office of State Procurement, which shall notify the work center concerned and afford it an opportunity to submit a statement of facts and evidence.”

The Amendment was read _____

By: Representative Lendall

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Chief Clerk