

HCS HB 484 -- STATE PURCHASES FROM MISSOURIANS WITH DISABILITIES

SPONSOR: Lauer

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Economic Development by a vote of 22 to 0.

This substitute requires the Division of Purchasing within the Office of Administration to establish a goal of buying at least 3% of goods and services from a person with a significant mental or physical impairment, including blindness; a for-profit or nonprofit business that employs persons with a qualifying disability who perform at least 75% of direct labor hours required to fulfill a state contract; or a nonprofit agency serving people with significant disabilities that meets the eligibility criteria to participate in the federal AbilityOne Program or its successor. The division must develop and maintain a list of goods and services available from qualifying vendors which the division determines are suitable for procurement by departments of the state, approve prices for goods and services, review bids, and award and renew contracts under these provisions without competitive bidding. All products or services offered for purchase to a state department or a political subdivision by a qualifying vendor under these provisions have significant value added by blind or significantly disabled persons as determined by the Office of Administration.

Individuals with a qualifying disability must be paid at least minimum wage for direct labor hours performed in fulfillment of any contract awarded under these provisions. The total amount of goods and services purchased under these provisions is 25 million.

The substitute requires the Office of Administration to determine the fair market price of all products and services offered for sale to the various state departments by qualifying vendors. The fair market price must be competitive with the cost of procuring the goods or services from another source; must, at a minimum, recover for the qualifying vendor the cost of raw materials, labor, overhead, and delivery; and must be revised from time to time in accordance with changing cost factors.

When assessing the suitability of any potential addition to the procurement list, the Office of Administration must consider the interest of small businesses and businesses owned by disadvantaged persons by determining if the addition would have a severe adverse impact on the current contractor for the commodity or service. Generally, an impact of up to 15% of the total revenue would not be deemed severe. The substitute contains specified factors that the office must consider in deciding if a proposed addition would have a severe adverse impact.

The Governor may appoint an unpaid advisory committee to assist with these provisions.

PROPONENTS: Supporters say that this bill will allow a person with a disability to fully participate in society and earn a living. The bill will also encourage businesses to hire a person with a disability.

Testifying for the bill were Representative Lauer; Reinhard Marby, Alphapointe; Aaron Vowell, Alphapointe employee; David Westbrook, Alphapointe employee; David Moody; Missouri Association of County Developmental Disabilities Services.

OPPONENTS: There was no opposition voiced to the committee.