

# HOUSE BILL 881

P2

8lr2364

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By: **Delegate Weldon**

Introduced and read first time: February 6, 2008

Assigned to: Health and Government Operations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Procurement – Preference Procurement Program for Sheltered Workshops –**  
3 **Individual With Disability Owned Businesses**

4 FOR the purpose of expanding eligibility in the preference procurement program for  
5 sheltered workshops within the Department of General Services to include a  
6 specified entity; defining the entity and specifying requirements for the entity to  
7 qualify to participate in the program; requiring a specified committee to  
8 establish and review specified eligibility guidelines for participation in the  
9 program; requiring the committee to maintain and periodically review and  
10 revise a specified list of entities eligible for the program; and generally relating  
11 to the preference procurement program for sheltered workshops and individual  
12 with disability owned businesses.

13 BY repealing and reenacting, with amendments,  
14 Article – State Finance and Procurement  
15 Section 14–101, 14–103, 14–106, 14–107, and 14–108  
16 Annotated Code of Maryland  
17 (2006 Replacement Volume and 2007 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – State Finance and Procurement**

21 14–101.

22 (a) In this subtitle the following words have the meanings indicated.

23 (B) **“INDIVIDUAL WITH DISABILITY OWNED BUSINESS” MEANS AN**  
24 **ENTITY:**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (1) THAT IS ORGANIZED UNDER THE LAWS OF THE UNITED  
2 STATES OR OF THIS STATE;

3           (2) THAT IS MAJORITY OWNED BY AN INDIVIDUAL OR  
4 INDIVIDUALS CERTIFIED AS HAVING A DISABILITY BY THE DIVISION OF  
5 REHABILITATION SERVICES IN THE STATE DEPARTMENT OF EDUCATION;

6           (3) WHOSE MAJORITY OWNER OR OWNERS ARE DIRECTLY AND  
7 SIGNIFICANTLY ENGAGED IN THE DAILY OPERATION OF THE BUSINESS;

8           (4) WHOSE WORKFORCE INCLUDES INDIVIDUALS WITH  
9 DISABILITIES COMPRISING A PERCENTAGE OF THE WORKFORCE THAT IS AT OR  
10 ABOVE THE MINIMUM REQUIRED UNDER THE POLICIES OR GUIDELINES  
11 ESTABLISHED BY THE STATE PRICING AND SELECTION COMMITTEE FOR  
12 REHABILITATION AND EMPLOYMENT PROGRAMS;

13           (5) WHOSE TOTAL GROSS REVENUES FOR CONTRACTS ASSIGNED  
14 UNDER THE PROGRAM AT THE TIME OF ASSIGNMENT DO NOT EXCEED THE  
15 MAXIMUM ALLOWED UNDER POLICIES OR GUIDELINES ESTABLISHED BY THE  
16 STATE PRICING AND SELECTION COMMITTEE FOR REHABILITATION AND  
17 EMPLOYMENT PROGRAMS; AND

18           (6) THAT CONTINUES TO MEET ALL OTHER ELIGIBILITY CRITERIA  
19 ESTABLISHED BY THE STATE PRICING AND SELECTION COMMITTEE FOR  
20 REHABILITATION AND EMPLOYMENT PROGRAMS.

21           [(b)] (C)       “Sheltered workshop” means an agency:

22                       (1)     that is organized under the laws of the United States or the State;

23                       (2)     that is certified as a sheltered workshop by the Wage and Hour  
24 Division of the United States Department of Labor;

25                       (3)     that is accredited by the Division of Rehabilitation Services of the  
26 State Department of Education;

27                       (4)     that is operated in the interest of individuals who have a mental or  
28 physical disability, including blindness, that:

29                               (i)     constitutes a substantial handicap to employment; and

30                               (ii)    prevents the individual from engaging in normal competitive  
31 employment; and

1 (5) the net income of which does not inure wholly or partly to the  
2 benefit of any shareholder or other individual.

3 [(c)] (D) “State aided or controlled entity” means any public or quasi-public  
4 institution that receives aid from the State or that is owned, controlled, or managed by  
5 the State.

6 14–103.

7 The State or a State aided or controlled entity shall buy supplies and services  
8 from:

9 (1) Maryland Correctional Enterprises, as provided in Title 3, Subtitle  
10 5 of the Correctional Services Article, if State Use Industries provides the supplies or  
11 services;

12 (2) Blind Industries and Services of Maryland, if:

13 (i) Blind Industries and Services of Maryland provides the  
14 supplies or services; and

15 (ii) Maryland Correctional Enterprises does not provide the  
16 supplies or services; or

17 (3) sheltered workshops **OR INDIVIDUAL WITH DISABILITY OWNED**  
18 **BUSINESSES** if:

19 (i) a sheltered workshop **OR AN INDIVIDUAL WITH**  
20 **DISABILITY OWNED BUSINESS** provides the supplies or services;

21 (ii) neither Maryland Correctional Enterprises nor Blind  
22 Industries and Services of Maryland provides the supplies or services; and

23 (iii) the State or a State aided or controlled entity is not required  
24 by law to buy the supplies or services from any other unit of the State government.

25 14–106.

26 (a) In this section, “Committee” means the Pricing and Selection Committee  
27 for Rehabilitation and Employment Programs.

28 (b) There is a Pricing and Selection Committee for Rehabilitation and  
29 Employment Programs.

30 (c) The Committee consists of the following 6 members:

31 (1) the Secretary of Transportation or a designee;

- 1           (2)    the Secretary of General Services or a designee;
- 2           (3)    the Secretary of Public Safety and Correctional Services or a  
3 designee;
- 4           (4)    the President of Blind Industries and Services of Maryland or a  
5 designee; and
- 6           (5)    2 members of Maryland Works, Inc.
- 7           (d)    A member of the Committee:
- 8           (1)    may not receive compensation; but
- 9           (2)    is entitled to reimbursement for expenses under the Standard  
10 State Travel Regulations as provided in the State budget.
- 11          (e)    The Committee shall:
- 12           (1)    establish procedures to govern procurement of supplies and  
13 services from sheltered workshops **AND INDIVIDUAL WITH DISABILITY OWNED**  
14 **BUSINESSES**;
- 15           (2)    from the State procurement list, choose appropriate supplies and  
16 services for sheltered workshops **AND INDIVIDUAL WITH DISABILITY OWNED**  
17 **BUSINESSES** to offer for procurement;
- 18           (3)    provide that the State procure those supplies and services from a  
19 sheltered workshop **OR AN INDIVIDUAL WITH DISABILITY OWNED BUSINESS**;
- 20           (4)    if supplies or services are not available for procurement from a unit  
21 of the State government, determine whether supplies or services are available from a  
22 sheltered workshop **OR AN INDIVIDUAL WITH DISABILITY OWNED BUSINESS**;
- 23           (5)    determine the fair market price of supplies and services that  
24 sheltered workshops **AND INDIVIDUAL WITH DISABILITY OWNED BUSINESSES**  
25 provide;
- 26           (6)    in accordance with market conditions, adjust prices for the supplies  
27 and services that sheltered workshops **AND INDIVIDUAL WITH DISABILITY OWNED**  
28 **BUSINESSES** provide; and
- 29           (7)    at the request of a sheltered workshop **OR AN**  
30 **INDIVIDUAL WITH DISABILITY OWNED BUSINESS**, review or change the price of a  
31 supply or service.

1           **(F) IN ADDITION TO THE DUTIES SPECIFIED UNDER SUBSECTION (E) OF**  
2 **THIS SECTION, THE COMMITTEE SHALL:**

3           **(1) ESTABLISH AND PERIODICALLY REVIEW ELIGIBILITY**  
4 **POLICIES OR GUIDELINES FOR PARTICIPATING SHELTERED WORKSHOPS AND**  
5 **INDIVIDUAL WITH DISABILITY OWNED BUSINESSES;**

6           **(2) MAINTAIN A CURRENT LIST OF SHELTERED WORKSHOPS AND**  
7 **INDIVIDUAL WITH DISABILITY OWNED BUSINESSES; AND**

8           **(3) PERIODICALLY REVIEW AND REVISE THE LIST OF SHELTERED**  
9 **WORKSHOPS AND INDIVIDUAL WITH DISABILITY OWNED BUSINESSES; AND**

10           **(4) (I) SEND ANY REVISED LIST TO THE SECRETARY OF**  
11 **GENERAL SERVICES; AND**

12                   **(II) MAKE THE LIST AVAILABLE TO EACH PERSON**  
13 **RESPONSIBLE FOR BUYING SUPPLIES OR SERVICES FOR THE STATE OR A STATE**  
14 **AIDED OR CONTROLLED ENTITY.**

15 14–107.

16           Periodically the Pricing and Selection Committee for Rehabilitation and  
17 Employment Programs shall:

18           **(1) (I) MAINTAIN A CURRENT LIST OF SUPPLIES AND SERVICES**  
19 **THAT COMMUNITY SERVICE PROVIDERS AND INDIVIDUAL WITH DISABILITY**  
20 **OWNED BUSINESSES PROVIDE; AND**

21                   **[(1)] (II) PERIODICALLY REVIEW AND** revise its list of supplies and  
22 services that sheltered workshops **AND INDIVIDUAL WITH DISABILITY OWNED**  
23 **BUSINESSES** provide; and

24           (2) send the list, **INCLUDING ANY REVISED LIST**, to the Secretary of  
25 General Services and each person responsible for buying supplies or services for the  
26 State or a State aided or controlled entity.

27 14–108.

28           The Secretary of General Services shall designate Maryland Works, Inc., or  
29 another appropriate coordinating entity, to facilitate the distribution of procurement  
30 contracts for supplies and services among sheltered workshops **AND INDIVIDUAL**  
31 **WITH DISABILITY OWNED BUSINESSES.**

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   July 1, 2008.