

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 509 Session of
2001

INTRODUCED BY THOMPSON, MOWERY, KUKOVICH, RHOADES, COSTA,
TARTAGLIONE, M. WHITE, MUSTO, BOSCOLA, LEMMOND, WILLIAMS,
ROBBINS, LOGAN, SCHWARTZ, WAUGH, HELFRICK, TOMLINSON AND
CONTI, APRIL 3, 2001

REFERRED TO STATE GOVERNMENT, APRIL 3, 2001

AN ACT

1 Amending Title 62 (Procurement) of the Pennsylvania Consolidated
2 Statutes, further providing for supplies manufactured and
3 services performed by persons with disabilities.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 520 of Title 62 of the Pennsylvania
7 Consolidated Statutes is amended to read:

8 § 520. Supplies manufactured and services performed by persons
9 with disabilities.

10 (a) General rule.--Contracts for supplies manufactured by
11 and services performed by persons with disabilities shall be
12 entered into in accordance with this section without the
13 requirement for competitive bidding. Persons with disabilities
14 must make an appreciable contribution in manufacturing an item
15 or performing a service.

16 (b) Fair market price.--Upon request of the department and
17 notice to the purchasing agency, the department shall determine

1 the fair market price of any supply manufactured by or service
2 performed by persons with disabilities and offered for sale to
3 any Commonwealth agency by an agency for persons with
4 disabilities. The department shall revise the prices in
5 accordance with changing market conditions.

6 (c) Distribution.--At the request of the department, the
7 Department of Public Welfare or a nonprofit agency with the
8 approval of the Department of Public Welfare shall facilitate
9 the distribution of orders for supplies manufactured by or
10 services performed by persons with disabilities among agencies
11 for persons with disabilities.

12 (d) Procurement of supplies manufactured and services
13 performed by persons with disabilities.--Except as provided in
14 subsection (e), all supplies manufactured by and services
15 furnished by persons with disabilities shall be procured in
16 accordance with applicable specifications of the department or
17 other Commonwealth agencies from any agency for persons with
18 disabilities whenever the supplies and services are available at
19 a price determined by the department to be the fair market
20 price. The head of a purchasing agency shall annually discuss
21 its needs for supplies or services with any agency for persons
22 with disabilities.

23 (e) Procurement from Commonwealth agency.--If any supply
24 manufactured by or any service performed by persons with
25 disabilities and offered for sale is available for procurement
26 from any Commonwealth agency and this part or any other statute
27 requires the procurement of the supply or service from the
28 Commonwealth agency, then the procurement of the supply or
29 service shall be made in accordance with the other provisions.

30 (f) Exception.--Notwithstanding subsection (h), when the

1 Commonwealth enters into a contract under this section for the
2 operation of the Commonwealth's driver's license photo centers,
3 at least 70% of the amount paid by the Commonwealth shall be
4 used to cover payment of wages and salaries to persons with
5 disabilities and to cover actual manufacturing costs, real
6 estate lease costs, property insurance and other costs which are
7 specifically required by contract.

8 (g) Application.--

9 (1) This section shall not supersede any contract
10 currently in force between a Commonwealth agency and another
11 party.

12 (2) Nothing in this section shall be construed as
13 conferring upon any party any right or interest in any
14 contract entered into with the Commonwealth.

15 (h) Definitions.--As used in this section, the following
16 words and phrases shall have the meanings given to them in this
17 subsection:

18 "Agency for persons with disabilities." Any charitable,
19 nonprofit agency incorporated under the laws of this
20 Commonwealth and approved by the department through which
21 persons with disabilities manufacture supplies or perform
22 services in this Commonwealth.

23 "Appreciable contribution."

24 (1) Except as provided in paragraph (2), the department
25 shall determine whether the contribution by individuals with
26 disabilities is appreciable. Persons with disabilities must
27 make an appreciable contribution in manufacturing an item or
28 performing a service.

29 (2) At least 75% of the personnel either engaged in the
30 direct labor of manufacturing of a product or engaged in the

direct labor in performing a service in this Commonwealth must be visually impaired, mentally retarded, mentally ill or physically disabled. In addition, at least 75% of the amount paid by the Commonwealth agency for the product or the service shall be remitted to the agency for persons with disabilities to cover payment of wages and salaries to persons with disabilities and to cover other actual manufacturing costs incurred by the agency for persons with disabilities in manufacturing of a product.

"Manufactured." The transformation of raw materials or the assembly of essential component parts or a combination of both in the production of an item, which is different in form, composition or character from the raw materials or the essential component parts.

"Mentally ill." A severe personality or behavioral disorder that constitutes a substantial impediment to employment and which prevents the individual from engaging in normal competitive employment. Those disorders caused by substance abuse or chemical dependency are not included.

"Mentally retarded." Subaverage general intellectual functioning which originates during the developmental period and is associated with the impairment of maturation, learning or social adjustment.

"Performed." Labor provided to do the work to fulfill the requirements of the contract.

"Persons with a disability." A person who is visually impaired, mentally retarded, mentally ill or physically disabled.

"Physically disabled." A limitation of most activities and functioning by virtue of a severe impairment of the various

1 bodily systems which cannot be eliminated, modified or
2 substantially reduced by the usual rehabilitation services and
3 which precludes competitive employment.

4 "Services." While "services" is defined in section 103
5 (relating to definitions) of this part, for the purposes of this
6 section, the term specifically includes such packaging or
7 repackaging which, as determined by the department, provides a
8 substantial and real benefit to the Commonwealth agency which
9 needs the supplies to be packaged or repackaged. When packaging
10 or repackaging services are to be provided to a Commonwealth
11 agency by an agency for persons with disabilities, the
12 Commonwealth agency shall make the arrangements for the
13 procurement of the supplies to be packaged or repackaged.
14 Packaging or repackaging shall not be considered "services" if
15 the manufacturer usually packages or repackages the supplies, in
16 the quantity required by the agency, as a part of its
17 manufacturing and distribution process.

18 ["Supply manufactured by or service performed by person with
19 disabilities." At least 75% of the personnel either engaged in
20 the direct labor of manufacturing of a product or engaged in the
21 direct labor in performing a service in this Commonwealth must
22 be visually impaired, mentally retarded or physically disabled.
23 In addition, at least 75% of the amount paid by the Commonwealth
24 agency for the product or the service shall be remitted to the
25 agency for persons with disabilities to cover payment of wages
26 and salaries to persons with disabilities and to cover other
27 actual manufacturing costs incurred by the agency for persons
28 with disabilities in manufacturing of a product.]

29 "Visually impaired." A condition in which central visual
30 acuity does not exceed 20/200 in the better eye with correcting

- 1 lenses or in which the widest diameter of the visual field
- 2 subtends an angle no greater than 20 degrees.
- 3 Section 2. This act shall take effect in 30 days.