

**A-Engrossed**  
**House Bill 2842**

Ordered by the House May 9  
Including House Amendments dated May 9

Sponsored by Representative WITT; Representatives BARKER, BOQUIST, BUCKLEY, CLEM, KOMP, MAURER, MINNIS, NELSON, SCHAUFLEER, Senator L GEORGE (at the request of National Federation of Independent Business, Oregon School Employee Association)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes Commission for the Products of Disabled Individuals. [*Transfers certain duties concerning qualified nonprofit agencies for disabled individuals from Oregon Department of Administrative Services to commission.*] **Establishes duties of Oregon Department of Administrative Services in regard to commission.**

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to the Commission for the Products of Disabled Individuals; creating new provisions;  
3 amending ORS 279.835, 279.845 and 279.850; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS 279.835 to**  
6 **279.855.**

7 **SECTION 2. (1) There is established the Commission for the Products of Disabled Indi-**  
8 **viduals consisting of nine members appointed by the Governor, including:**

9 (a) **Five members who represent individuals with developmental or other disabilities;**

10 (b) **Two members who represent for-profit businesses;**

11 (c) **One member who represents private-sector labor organizations; and**

12 (d) **One member who represents public-sector labor organizations.**

13 (2) **The appointment of a member of the commission is subject to confirmation by the**  
14 **Senate in the manner prescribed in ORS 171.562 and 171.565.**

15 (3) **The term of office of each member is three years, but a member serves at the pleas-**  
16 **ure of the Governor. Before the expiration of the term of a member, the Governor shall ap-**  
17 **point a successor whose term begins on January 1 next following. A member is eligible for**  
18 **reappointment. If there is a vacancy for any cause, the Governor shall make an appointment**  
19 **to become immediately effective for the unexpired term.**

20 (4) **The purpose of the commission is to set policy for the implementation and adminis-**  
21 **tration of ORS 279.835 to 279.855 and to further the policy of this state to encourage and**  
22 **assist individuals with disabilities who cannot participate fully, with reasonable accommo-**  
23 **dation, in competitive employment to find useful, productive and gainful employment.**

24 (5) **The commission shall:**

25 (a) **Make findings and set policies for identifying and serving individuals with disabilities**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **who cannot participate in competitive employment with reasonable accommodation.**

2 **(b) Develop policies and recommendations to expand opportunities for individuals with**  
3 **disabilities to find useful, productive and gainful employment.**

4 **(c) Set standards for determining who qualifies as an individual with disabilities for the**  
5 **purposes of ORS 279.835 to 279.855.**

6 **(d) Set standards for the Oregon Department of Administrative Services to use in es-**  
7 **tablishing the list described in ORS 279.845 (2).**

8 **(e) Set standards for the qualification of nonprofit agencies for individuals with disabili-**  
9 **ties.**

10 **(f) Establish a process to reconsider decisions of the commission.**

11 **(6) The commission may:**

12 **(a) Enter into contracts the commission determines are necessary to carry out the duties**  
13 **of the commission.**

14 **(b) Perform any duties necessary to set policies, standards and guidelines for the full**  
15 **implementation and administration of ORS 279.835 to 279.855.**

16 **(7) The commission shall select one of its members as chairperson and another as vice**  
17 **chairperson, for such terms and with duties and powers necessary for the performance of**  
18 **the functions of such offices as the commission determines.**

19 **(8) A majority of the members of the commission constitutes a quorum for the trans-**  
20 **action of business.**

21 **(9) The commission shall meet at least once every three months at a place, day and hour**  
22 **determined by the commission. The commission may also meet at other times and places by**  
23 **the call of the chairperson or of a majority of the members of the commission.**

24 **(10) The Oregon Department of Administrative Services shall provide staff support to the**  
25 **commission.**

26 **(11) A member of the commission is entitled to compensation and expenses as provided**  
27 **in ORS 292.495.**

28 **SECTION 3.** ORS 279.835 is amended to read:

29 279.835. As used in ORS 279.835 to 279.855:

30 [(1) "Department" means the Oregon Department of Administrative Services.]

31 [(2)] (1) "Direct labor" includes all work required for preparation, processing and packing, but  
32 not supervision, administration, inspection and shipping.

33 [(3)] (2) "Disabled individual" means an individual who, because of the nature of disabilities, is  
34 not able to participate fully in competitive employment, and for whom specialized employment op-  
35 portunities must be provided.

36 [(4)] (3) "Public agency" [or "public contracting agency"] means any agency of the State of  
37 Oregon or any political subdivision thereof authorized by law to enter into public contracts and any  
38 public body created by intergovernmental agreement.

39 [(5)] (4) "Qualified nonprofit agency for disabled individual" means a nonprofit activity center  
40 or rehabilitation facility:

41 (a) Organized under the laws of the United States or of this state and operated in the interest  
42 of disabled individuals, and the net income of which does not inure in whole or in part to the benefit  
43 of any shareholder or other individual;

44 (b) That complies with any applicable occupational health and safety standard required by the  
45 laws of the United States or of this state; [and]

1 (c) That in the manufacture of products and in the provision of services, whether or not the  
2 products or services are procured under ORS 279.835 to 279.855, during the fiscal year employs  
3 disabled individuals for not less than 75 percent of the work hours of direct labor required for the  
4 manufacture or provision of the products or services[.]; **and**

5 **(d) That meets standards set by the Commission for the Products of Disabled Individuals**  
6 **under section 2 of this 2007 Act.**

7 **SECTION 4.** ORS 279.845 is amended to read:

8 279.845. (1) It shall be the duty of the Oregon Department of Administrative Services to:

9 (a) Determine the price of all products manufactured and services offered for sale to the various  
10 public agencies by any qualified nonprofit agency for disabled individuals. The price shall recover  
11 for the workshops the cost of raw materials, labor, overhead, delivery costs and a margin held in  
12 reserve for inventory and equipment replacement;

13 (b) [To] Revise such prices from time to time in accordance with changing cost factors; and

14 (c) **Subject to policies, standards or guidelines prescribed by the Commission for the**  
15 **Products of Disabled Individuals, [to]** make such rules regarding specifications, time of delivery  
16 and other relevant matters of procedure as shall be necessary to carry out the purposes of ORS  
17 279.835 to 279.855, 279A.025 (4) and 279C.335.

18 (2) **Subject to standards set by the commission,** the department shall establish and publish  
19 a list of sources or potential sources of products produced by any qualified nonprofit agency for  
20 disabled individuals and the services provided by any such agency, which the department determines  
21 are suitable for procurement by public agencies pursuant to ORS 279.835 to 279.855, 279A.025 (4)  
22 and 279C.335. This procurement list and revisions thereof shall be distributed to all public purchas-  
23 ing officers.

24 (3) **Except for duties that by agreement of the commission and the department may be**  
25 **transferred between the commission and the department in accordance with the provisions**  
26 **of ORS 279.835 to 279.855,** the department may not delegate any duty imposed under this section  
27 to any person or public agency outside of the department.

28 **SECTION 5.** ORS 279.850 is amended to read:

29 279.850. (1) If [any] a public agency intends to procure any product or service on the procure-  
30 ment list, [that] **the** public agency shall, in accordance with rules of the Oregon Department of Ad-  
31 ministrative Services, procure [such] **the** product or service[,] at the price established by the  
32 department[,] from a qualified nonprofit agency for disabled individuals, provided the product or  
33 service is of the appropriate specifications and is available within the period required by [that] **the**  
34 public agency.

35 (2) In furthering the purposes of ORS 279.835 to 279.855, 279A.025 (4) and 279C.335, it is the  
36 intent of the Legislative Assembly that there be close cooperation between the [department] **Com-**  
37 **mission for the Products of Disabled Individuals, the department,** public [contracting] agencies  
38 and qualified nonprofit agencies for disabled individuals. The [department] **commission and the**  
39 **department,** on behalf of public [contracting] agencies and qualified nonprofit agencies for disabled  
40 individuals, [is] **are** authorized to enter into such contractual agreements, cooperative working re-  
41 lationships or other arrangements as may be determined to be necessary for effective coordination  
42 and efficient realization of the objectives of ORS 279.835 to 279.855, 279A.025 (4) and 279C.335 and  
43 any other law requiring procurement of products or services.

44 **SECTION 6. Section 2 of this 2007 Act and the amendments to ORS 279.835, 279.845 and**  
45 **279.850 by sections 3 to 5 of this 2007 Act become operative on January 1, 2008.**

1       **SECTION 7.** Notwithstanding the term of office specified by section 2 of this 2007 Act,  
2 of the members first appointed to the Commission for the Products of Disabled Individuals:

3       (1) Three shall serve for a term ending January 1, 2009.

4       (2) Three shall serve for a term ending January 1, 2010.

5       (3) Three shall serve for a term ending January 1, 2011.

6       **SECTION 8.** The Governor may appoint the members of the Commission for the Products  
7 of Disabled Individuals before the operative date of section 2 of this 2007 Act. The Director  
8 of the Oregon Department of Administrative Services may take any action before the oper-  
9 ative date of section 2 of this 2007 Act and the amendments to ORS 279.835, 279.845 and  
10 279.850 by sections 3 to 5 of this 2007 Act that is necessary to enable the commission to ex-  
11 ercise, on and after the operative date of section 2 of this 2007 Act and the amendments to  
12 ORS 279.835, 279.845 and 279.850 by sections 3 to 5 of this 2007 Act, all the duties, functions  
13 and powers conferred on the commission by this 2007 Act.

14       **SECTION 9.** This 2007 Act being necessary for the immediate preservation of the public  
15 peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect  
16 on its passage.

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