

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Workforce

REVENUE: No revenue impact**FISCAL: Minimal fiscal impact, no statement issued****SUBSEQUENT REFERRAL TO:****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Matthew Germer, Administrator**Meeting Dates:** 5/20, 5/27

WHAT THE MEASURE DOES: Requires public agency terminating contract with qualified nonprofit agency for individuals with disabilities (QRF) to require in new contract for same work that contractor must offer employment to employees of terminated QRF at terms as or more favorable than terms under former contract. Allows contracting agency to require QRFs to comply with applicable local ordinances governing labor standards and to disqualify from public contracts QRFs repeatedly violating local labor standard ordinances.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

(-A5) Removes applicability to contracts for services that expire. Requires provision of health benefits for those who work 28 or more hours per week.

BACKGROUND: The QRF program, established by the Legislative Assembly in 1977, is intended to encourage and assist individuals with disabilities to achieve maximum personal independence through useful and productive gainful employment by assuring an expanded and constant market for sheltered workshop and activity center products and services. Public agencies must procure products and services goods from a QRF, at the prices established by the Department of Administrative Services, provided that the products and services are of the appropriate specifications and are available within the time period needed. In 2014, there were 35 QRFs employing 4,332 persons with disabilities. State and local governments procured goods and services totaling approximately \$45 million. Janitorial services, temporary staffing and unarmed security account for the vast majority of contracts.