

HB 3253 A STAFF MEASURE SUMMARY**Carrier:** Rep. Keny-Guyer, Rep. Hack**House Committee On Rules****Action Date:** 05/16/17**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 8-0-1-0**Yeas:** 8 - Barreto, Hack, Kennemer, McLane, Nosse, Rayfield, Smith Warner, Williamson**Exc:** 1 - Holvey**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Erin Seiler, LPRO Analyst**WHAT THE MEASURE DOES:**

Expands and refines responsibilities of Commission for the Blind (Commission) regarding vending facilities and other services at public buildings and properties. Establishes priority for operation of specified food service operations. Clarifies law to allow subcontracting, with Commission approval. Prohibits charging Commission, or persons who are blind, for right to operate in public building. Requires Commission determine set-aside amount and discounts for employing blind, disabled and veteran employees, and for selling healthy and/or locally produced food. Establishes fund for proceeds from operation of vending facilities and specifies how money is used. Authorizes Commission to determine, by rule, percentage of net proceeds deposited in fund. Permits spouse or domestic partner, upon death or incapacitation of licensed manager, to operate vending facility for up to six months or until end of contract. Requires Commission submit annual performance and building survey report to Legislative Assembly and committee related to human and health services. Establishes operative dates and effective date 91st day following adjournment *sine die*.

ISSUES DISCUSSED:

- History of Commission for the Blind's Business Enterprise Program
- Legal challenges the program faces regarding subcontractors
- Similar programs in other states
- Difference between preference and priority
- Encouraging and increasing opportunities to hire people with disabilities

EFFECT OF AMENDMENT:

Establishes priority for the Commission's Business Enterprise Program (BEP) to operate vending machines, snack bars, micromarkets, cafés, convenience stores, espresso/coffee carts and food trucks for counties, towns, cities, villages, local governments and municipalities. Maintains preference for operating cafeterias. Permits Commission to supply materials, equipment or machinery to operate vending facility or allow subcontracting with third party to obtain materials. Clarifies law to allow subcontracting with Commission approval. Requires Commission to provide list of pre-approved subcontractors and approve vending facility manager to subcontract with Commission-approved third party to meet vending facility management requirements. Specifies elements Commission must consider to approve third party subcontract. Prohibits imposition of liability in agreement between vending facility manager and subcontractor unless Commission agrees. Prohibits charging Commission, or persons who are blind, for right to operate in public building. Requires Commission submit annual performance and building survey report. Establishes operative dates. Directs Commission to provide statement describing full-time responsibilities of vending facility manager and to determine set-aside amount and discounts for employing blind, disabled and veteran employees and for selling healthy and/or locally produced food, with active participation of Business Enterprise Consumer

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Committee. Establishes fund for proceeds from operation of vending facilities and specifies how money may be used. Allows percentage of net proceeds to be deposited in fund to be determined by rule. Reduces percentage collected based on percentage of healthy and local vending items vending facility offers in machines. Directs Commission to increase net proceeds collected by four percent when operator is not in compliance with vending facility manager statement of requirements; repeals four percent increase on December 31, 2019. Permits spouse or domestic partner, upon death or incapacitation of licensed manager, to operate vending facility for up to six months or until end of contract. Establishes operative dates and effective date 91st day following adjournment *sine die*.

BACKGROUND:

The Randolph-Sheppard Act is a federal law enacted in 1936 to provide employment opportunities to people who are blind. It requires state rehabilitation agencies to recruit, train, license and place individuals who are blind in positions operating vending facilities on federal properties which includes vending facilities in cafeterias and snack bars, and automatic vending machines.

Oregon law requires state agencies to purchase certain products and services from the Commission for the Blind as part of the state's efforts to increase economic opportunities for the visually impaired. The Commission is authorized, by statute, to operate vending facilities in public buildings and properties, with the approval of the relevant agency head. The Commission is also tasked with surveying public properties for determining suitability of vending facilities, as well as training and licensing qualified blind staff for the facilities.

House Bill 3253-A expands and further defines the Commission's responsibilities regarding vending facilities and other services at public buildings and properties. The measure establishes priority for the Commission's Business Enterprise Program to operate vending machines, snack bars, micromarkets, cafés, convenience stores, espresso/coffee carts, and food trucks for counties, towns, cities, villages, local governments and municipalities.