

STATE OF KANSAS

HOUSE OF REPRESENTATIVES

MR. CHAIRMAN:

I move to amend **HB 2336**, as amended by House Committee, on page 2, following line 41, by inserting:

"Sec. 4. (a) It is the policy of this state to encourage and promote the use of small contractors, minority contractors, physically disabled contractors, and woman contractors in state purchasing of goods and services. All state agencies, institutions and political subdivisions of this state shall cooperate with the department of administration and all other state agencies, institutions and political subdivisions in efforts to encourage the use of small contractors, minority contractors, physically disabled contractors, and woman contractors in achieving the purpose of this act, which is to provide for the effective and economical acquisition, management and disposition of goods and services by and through the department of administration.

(b) (1) Every governmental agency, institution and political subdivision of this state required by statute to use the services of the department of administration in the purchase of goods and services, every local school administrative unit, and every private, nonprofit corporation other than an institution of higher education or a hospital that receives an appropriation of \$500,000 or more during a fiscal year from the Kansas legislature shall report to the department of administration annually on what percentage of its contract purchases of goods and services, through both term contracts and open market contracts, were from:

- (A) Minority owned businesses;
- (B) woman owned businesses;
- (C) disabled owned businesses;

- (D) disabled business enterprises; and
- (E) nonprofit work centers for the blind and the severely disabled.

(2) Each such governmental agency, institution and political subdivision of this state shall include in its reports what percentage of the contract bids for such purchases were from the businesses listed in paragraph (1). The department of administration shall provide instructions to the reporting entities concerning the manner of reporting and the definitions of the businesses referred to in this act.

(c) For the purposes of this act:

(1) "Disabled person" means an individual who has a disability.

(2) "Disabled business enterprise" means a nonprofit entity whose main purpose is to provide ongoing habilitation, rehabilitation, independent living, and competitive employment through supported employment sites or businesses operated to provide training and employment and competitive wages for persons who are disabled.

(3) "Disability" shall have the meaning ascribed to it in K.S.A. 44-1002, and amendments thereto.

(4) "Minority group" means one or more of the following:

(A) "American Indian" means a person who is a lawful citizen of the United States and has origins in any of the original Indian peoples of North America.

(B) "Asian American" means a person who is a lawful citizen of the United States and who has origins in any of the original peoples of the Far East, Southeast Asia, Asia, Indian continent, or Pacific islands.

(C) "African American" means a person who is a lawful citizen of the United States and who has origins in any of the black racial groups of Africa.

(D) "Disabled" means a person who is a lawful citizen of the United States and who has a disability.

(E) “Disadvantaged” means a person who is a lawful citizen of the United States and who is socially and economically disadvantaged as defined in 15 U.S.C. § 637.

(F) “Hispanic” means a person who is a lawful citizen of the United States and who is of Spanish or Portuguese culture having origins in Mexico, South or Central America, or the Caribbean islands, regardless of race.

(G) “Woman” means a person who is a lawful citizen of the United States and who is female.

(5) “Minority owned business” means a business:

(A) In which at least 51% of the business, or of the stock in the case of a corporation, is owned by one or more persons who belong to a minority group; and

(B) of which the management and daily business operations are controlled by one or more persons who belong to a minority group and who own such business.

(6) "Nonprofit work center for the blind and the severely disabled" means an agency:

(A) Organized under the laws of the United States or this state, operated in the interest of the blind and the severely disabled, the net income of which agency does not inure in whole or in part to the benefit of any shareholder or other individual;

(B) in compliance with any applicable health and safety standard prescribed by the United States secretary of labor; and

(C) in the production of all commodities or provision of services, employs during the current fiscal year severely disabled individuals for:

(i) A minimum of 75% of the hours of direct labor required for the production of commodities or provision of services; or

(ii) in accordance with the percentage of direct labor required under the terms and conditions of public law 9228 (41 U.S.C. § 46, et seq.) for the production of commodities or provision of services, whichever is less.

(7) "State agency" shall have the meaning ascribed to it in K.S.A. 75-3701, and amendments thereto.

(d) The department of administration shall compile information on participation in state contracts by small and medium sized businesses subject to this act and report such information as provided in subsection (e). The report shall analyze:

- (1) Contract awards by business size category;
- (2) historical trends in small and medium sized business participation in these contracts; and
- (3) to the extent feasible, participation by small and medium sized businesses in the state procurement process as dealers, service companies, and other indirect forms of participation.

The department of administration may require reports on contracting by business size in the same manner as reports are required under subsection (b).

(e) The department of administration shall collect and compile the data described in this section and report it annually to the governor, the speaker of the house of representatives and to the president of the senate.

(f) In seeking contracts with the state, a disabled business enterprise must provide assurances to the secretary of administration that the payments that would be received from the state under these contracts are directed to the training and employment of and payment of competitive wages to disabled employees.";

On page 1, in the title, in line 1, after "ACT" by inserting "concerning employment of certain persons;"; also in line 1, by striking "and creating"; by striking all in line 2 and inserting "; pertaining to the employment of certain contractors."

_____ District.