

Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1257

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AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 5-22-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. As used in this chapter, "qualified agency" refers to a nonprofit agency for **persons individuals** with ~~severe~~ disabilities (**as defined by IC 16-32-2-1(a)**) that meets all of the following conditions:

**(1) The agency is a nonprofit organization that is incorporated in Indiana.**

~~(1)~~ **(2)** The agency complies with Indiana laws governing private nonprofit organizations.

~~(2)~~ **(3)** The agency is certified by the ~~Wage and Hour Division~~ **complies with all the requirements** of the United States Department of Labor.

~~(3)~~ **(4)** The agency meets the standards adopted by the secretary of family and social services.

~~(4)~~ **(5)** The agency makes reports under IC 16-32-2-7.

SECTION 2. IC 5-22-13-5, AS AMENDED BY P.L.46-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 5. (a) Supplies and services purchased under this chapter must:

(1) meet the specifications and needs of the purchasing governmental body; and

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(2) be purchased at a fair market price as described under subsection (b).

(b) A fair market price under this section must cover for the qualified agency the costs of raw materials, labor, overhead, and delivery cost. In determining the fair market price, the purchasing agent shall ~~use~~ **determine if the fair market price is within ten percent (10%) of the average price estimates or quotes using** one (1) or more of the following:

- (1) Available information from reliable market sources.
- (2) A market survey from a person designated by the committee.
- (3) Previous contract prices.
- (4) The range of bids from the most recent solicitation, including a determination of:
  - (A) the median price of the bids;
  - (B) the average price of the bids; and
  - (C) any market conditions or specifications that have changed since the most recent solicitation.

SECTION 3. IC 16-18-2-188.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 188.5. "Individual with a disability", for purposes of IC 16-32-2, has the meaning set forth in IC 16-32-2-1(a).**

SECTION 4. IC 16-32-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. **(a) As used in this chapter, "individual with a disability" means an individual:**

- (1) who has a physical or mental impairment that substantially limits one (1) or more major life activities;**
- (2) who has a record of a physical or mental impairment that substantially limits one (1) or more major life activities; or**
- (3) who is regarded as having a physical or mental impairment that substantially limits one (1) or more major life activities.**

**(b)** It is the purpose of this chapter to enhance employment opportunities for ~~persons~~ **individuals** with ~~severe~~ disabilities by encouraging state agencies and units of local government to purchase products made by ~~persons and services provided by individuals~~ with ~~severe~~ disabilities **who are** employed by qualified nonprofit agencies.

SECTION 5. IC 16-32-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 2. There is created a committee for the purchase of products and services of ~~persons who are so severely disabled by a physical or mental disability that the persons cannot engage in normal competitive employment because of the~~



**individuals with a disability.**

SECTION 6. IC 16-32-2-3, AS AMENDED BY P.L.141-2006, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 3. The committee shall be composed of the following members:

- (1) The director of the division of disability and rehabilitative services or the director's designee.
- (2) The commissioner of the Indiana department of administration or the commissioner's designee.
- (3) The executive director of the governor's planning council on people with disabilities.
- (4) The director of the division of mental health and addiction or the director's designee.
- (5) The commissioner of the state department of health or the commissioner's designee.
- (6) Three (3) members appointed by the governor to represent the public at large.
- (7) A representative of the central coordinating agency described in section 7(8) of this chapter.**

SECTION 7. IC 16-32-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 6. **Except for the member serving on the committee under section 3(7) of this chapter**, all members of the committee are entitled to vote on issues before the committee.

SECTION 8. IC 16-32-2-7, AS AMENDED BY P.L.46-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 7. The committee shall do the following:

- (1) Request from any agency of the state or any unit of local government information concerning product specification and service requirements to enable the committee to carry out the intent of this chapter. The requested information shall be furnished to the executive secretary of the committee.
- (2) Meet as often as necessary to carry out the purposes of this chapter. However, the committee shall meet at least quarterly.
- (3) Request from each participating qualified nonprofit agency for **persons individuals** with **severe** disabilities a quarterly report that describes employment data and the volume of sales for each product or service sold under this chapter. These reports shall be made available to the Indiana department of administration.
- (4) Establish the price for all products and services provided by **persons individuals** with **severe** disabilities and offered for sale to state agencies and units of local government under IC 5-22-13

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that the committee determines are suitable for use. The price fixed must recover for the qualified nonprofit agency for ~~persons~~ **individuals** with ~~severe~~ disabilities the cost of raw materials, labor, overhead, and delivery cost. The committee shall **annually review and** periodically revise the prices in accordance with changing cost factors and adopt necessary rules regarding specifications, time of delivery, and fair market price.

(5) Approve and prepare a ~~publication~~ **state use catalog** that:

**(A) contains a compilation of the products and services available through qualified agencies that have been approved by the committee and that are available for purchase; and**

**(B) lists all products and services available from any qualified nonprofit agency for ~~persons~~ individuals with severe disabilities that the committee determines are suitable for procurement.**

The procurement ~~list~~ **state use catalog must be distributed annually by electronic mail, not later than thirty (30) days following the beginning of the state fiscal year** and revisions of the procurement ~~list~~ **state use catalog must be distributed quarterly** to all purchasing officers of state agencies and units of local government for purchase under IC 5-22-13.

(6) Encourage diversity in products and services provided by qualified nonprofit agencies for ~~persons~~ **individuals** with ~~severe~~ disabilities and discourage unnecessary duplication or competition between facilities.

(7) Update the **procurement** state use catalog not less than every ninety (90) days starting January 1 of each year. The web based electronic version shall be considered the catalog of record.

**(8) Contract with a central coordinating agency that:**

**(A) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;**

**(B) provides management services to organizations that provide employment services to individuals with disabilities; and**

**(C) has a management service agreement with a statewide trade association of providers that deliver services to individuals with disabilities.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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