Chapter 9. Council on the Purchase of Products and Services of Severely Disabled Persons

§901. General Rules

A. The purpose of this program is to further the state of Louisiana’s [DSS] policy of encouraging and assisting individuals with disabilities to achieve maximum personal independence by engaging in useful and productive employment activities and, in addition, to provide state agencies, departments, and institutions and political subdivisions of the state with a method for achieving conformity with requirements of nondiscrimination and affirmative action in employment matters related to individuals with disabilities, furnish products and services to the state, and to reduce the need for institutionalization. This program will provide job opportunities for individuals with severe disabilities thereby reducing their need for financial and other forms of assistance from government.

B. The Program for the Purchase of Products Goods and Services Provided by Individuals with Disabilities created pursuant to R.S. 39:1604.4 which provides that every agency gives a preference in its purchasing practices to goods manufactured and services performed by individuals with disabilities shall be called the “State Use Council for the Purchase of Goods and Services Provided by Individuals with Disabilities,” hereinafter called “Council,” of Severely Disabled Persons is designed to facilitate R.S. 39:1595.4, Act 109 of 1984 which provides that: every governmental body shall give preference in its purchasing practice to goods manufactured and services performed by individuals with severe handicaps in state operated and state supported sheltered workshops, and Act 291 of 1986, R.S. 39:1594(I) which allows for competitive sealed bidding.

Exemption. Purchases of goods manufactured by or services performed by individuals with severe handicaps in state operated or state supported workshops as defined in R.S. 39:1595.4 shall be exempt from the provisions of this Section.

C. The Louisiana Department of Health shall establish a council and the membership of the Council shall be determined by the Secretary of the Department of Health, on the Purchase of Products and Services of Severely Disabled Persons, established by the secretary of the Department of Social Services (DSS).

D. The Council shall be responsible for the implementation, policies, supervision, and monitoring of the program including having the authority to designate and contract with a central nonprofit agency to assist supported employment providers in submitting applications for the selection of suitable goods and services. The council shall have the authority to facilitate the allocation of orders among qualified supported employment providers.

E. When contracting with a central nonprofit agency, the council shall solicit and evaluate competitive sealed proposals pursuant to R.S. 39:1595 at least every five (5) years.

F. All suitable products or services approved by the council in accordance with applicable specifications by or for any state agency shall be procured from such nonprofit workshop organization, program or entity as defined by R.S. 12:201 et seq., where such products or services are available within the period specified at the fair market price unless otherwise excluded.


HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).
§903. Definitions

Central Nonprofit Agency (CNA) – an entity designed as a central nonprofit agency under contract pursuant to R.S. 39:1604.4.

Community Rehabilitation program (CRP) – a government or nonprofit private program operated under criteria established by the Council and under which individuals with disabilities produce products or perform services for compensation.

Council—when used in these rules shall refer to the Louisiana D.S.S. Department of Health State Use Council for the Purchase of Products and Services Provided by Individuals with Disabilities, of Severely Disabled Persons.

Direct Labor—all work required for preparation, processing and packaging of a product, or work directly relating to the performance of a service; labor involved in the manufacture of goods or the performance of services except for supervision, instruction, administration, inspection or and shipping products.

Disability - a mental or physical impairment, including blindness that impedes a person who is seeking, entering, or maintaining gainful employment.

Goods Manufactured and Services Performed by Severely Handicapped Individuals with Disabilities—goods and services for which not less than 75 percent of the man-hours of direct labor required for manufacture or performance is provided by severely disabled individuals.

Qualified Nonprofit Agency of the Severely Handicapped Supported Employment Provider—an organization, program or entity that:

1. is defined by R.S. 12:201 et seq incorporated under the Louisiana Nonprofit Corporation Law and operated in the interests of severely disabled individuals with disabilities and provides gainful, competitive, integrated employment for individuals with disabilities, and the income of which does not inure in whole or part to the benefit of any shareholder or other private individual, in compliance with a central nonprofit agency for individuals with disabilities, and

2. complies with any applicable occupational health and safety standards provided by the statutes or regulations of this state or of the United States.

3. in Fiscal Years 2019-2020 and 2020-2021, “supported employment provider” shall also include any sheltered workshop transitioning to a supported employment provided as defined above.

Severely Disabled Individuals with Disabilities—individuals with a physical, behavioral, developmental, intellectual, sensory, mental, or addictive disord substance abuse disability which constitutes a substantial obstacle to their employment and is of such a nature as to prevent an individual from engaging in normal competitive employment.

Sheltered Workshop—a facility designed to provide gainful employment for severely disabled individuals who cannot be absorbed into the competitive labor market or to provide interim employment for such individuals when employment opportunities for them in the competitive labor market do not exist.

State Operated Sheltered Workshop—a sheltered workshop staffed by state agency personnel.

State Supported Sheltered Workshop—a sheltered workshop funded in whole or part by the state and staffed by personnel from a qualified nonprofit agency for the severely disabled.


HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).
§905. Organization of the Council

A. The council will be composed of no more than nine members to be known as the State Use Council on for the Purchase of Goods Products and Services Provided by Individuals with Disabilities of Severely Disabled Persons, including three state agency members and up to six appointed members. The state agency members shall be the director of State Purchasing of the Division of Administration; and the assistant secretary of the Office of Human Services for Citizens with Developmental Disabilities, Louisiana Department of Health and Hospitals; and the director of Louisiana Rehabilitation Services or their designees. The six appointed members shall be recommended by the State Use Council on for the Purchase of Goods Products and Services of Provided by Individuals with Disabilities Severely Disabled Persons and approved by the secretary of the Department of Social Services Health. A chairman shall be recommended by the council to the secretary of the Department of Social Services Health for appointment.

B. Reimbursement for necessary expenses actually incurred in the performance of services in connection with the work of the council will be made as authorized by the secretary of D.S.S.

C. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the council.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).

§907. Duties and Responsibilities of the Council

A. The duties and responsibilities of the council are:

1. to coordinate and facilitate the carrying of R.S. 39:1595.4 1604.4;
2. to certify eligibility of programs for participation;
3. to suspend and reinstate a workshop;
4. to solicit and evaluate competitive sealed proposals pursuant to R.S. 39:1595 at least every 5 years to designate and contract with a central nonprofit agency to assist the council in performing its functions;
5. to act on recommendations of the central nonprofit agency.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).

§909. Certification of Eligibility of Participating Workshops Supported Employment Provider

A. The council shall certify each workshop making application for participating in the Program for the Purchase of Goods Products and Services Provided by Individuals with Disabilities of the Severely Disabled based on the criteria contained in Act 109 LA RS, 1984.

1. The applicant meets the necessary definition of a supported employment provider as defined in R.S. 39:1604.4 sheltered workshop as specified in Act 109 LA RS, 1984.
2. The applicant meets the necessary definition of a qualified nonprofit agency as outlined in R.S. 39:1604.4 for the severely handicapped as specified in Act 109 LA RS, 1984, only if qualified nonprofit status is a requirement that the program must have obtained to function legally as a sheltered workshop under federal and/or state statutory requirements.
3. The applicant conforms to the requirement for “Goods manufactured and services performed by severely handicapped individuals individuals with disabilities” Section 1, Act 109 LA RS, 1984, as defined in R.S. 39:1604.4.
4. The applicant has demonstrated to the council's satisfaction that it is capable of providing goods and services for sale to the state that conform to the criteria for same, as established by the rules pursuant to Act 109 LA R.S., 1984 R.S. 39:1604.4.


HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).

§911. Central Nonprofit Agency

A. The council may have the authority to designate and contract with a central nonprofit agency to assist workshops supported employment providers in submitting applications for the selection of suitable goods and services, eligibility, suspending and reinstating workshops, facilitating the allocation distribution of orders among qualified workshops supported employment providers, in controlling quality control, and in assisting the council in carrying out its responsibilities.

B. The council shall solicit and evaluate competitive sealed proposals pursuant to R.S. 39:1595 at least every five years to designate and contract with a central nonprofit agency.

C. The central nonprofit agency may also assist supported employment providers workshops in training, contract negotiations and procurement, costing, cash advancements against billing, no interest loans, credit checks and collections, public relations, consultations, product development, market research, networking, industry referrals, production, management, contract administration, liaison with government, and other duties as specified by the council. Payment, if any, for such assistance shall be by agreement with the individual supported employment provider.

D. The council shall establish rates for marketing services to be charged the workshops supported employment provider by the central nonprofit agency.

E. Purchase orders shall be issued by the appropriate purchasing agency for suitable products and services directly to workshops supported employment provider with copies to a central nonprofit agency, but no vouchers from that agency will be approved for payment by the purchasing agency. The purchasing agency will consult with the central nonprofit agency on questions of allocation before issuing a purchase order to any workshop. Provision may also be made where permissible, to issue purchase orders directly to the central nonprofit agency which will in turn make payment to the workshops supported employment provider.

F. If such assistance is authorized in the designation, the council may instruct the central nonprofit agency to assist it in carrying out certain specified council responsibilities.

G. The central nonprofit agency will submit annually a detailed written report of its program and budget to the council. This report shall include:

1. the number of disabled persons according to their type of disability who are employed in workshops participating the program for the purchase of goods and services;
2. the amount of annual wages paid to persons participating in the program;
3. a summary of the sale of products offered by the workshops supported employment providers;
4. a list of products and services offered by the workshops supported employment providers;
5. the geographic distribution of the workshops supported employment providers; and
6. other information specified by the council for its determination of rates for marketing services to be charged the workshops supported employment providers by the central nonprofit agency.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).

§913. Suspension and Reinstatement of a Supported Employment Provider Workshop

A. The council, after notice and a hearing may suspend a supported employment provider workshop from its right to receive purchase orders from this program for suitable products and services under any or all of the following circumstances:

1. failure of delivered products and services to meet or exceed specification;
2. failure to deliver ordered products and services as required in the specifications.

B. The council may reinstate a supported employment provider workshop after a suspension only if the council makes an affirmative finding on each of the following:

1. that the workshop supported employment provider has reimbursed the state for damages suffered by reason of any of the failures giving rise to suspension;
2. that the workshop supported employment provider has made the necessary corrections to avoid these failures in the future.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).

§915. Value Added

A. A workshop may not act merely as a receiving and shipping facility, except under circumstances as approved by the council.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).

§917. Inspections

A. The appropriate purchasing agency, at its option, may monitor workshop manufacturing activities for compliance with specifications under existing contracts.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).

§919. Records

A. The records of the council and of any nonprofit agency participating in this program which pertain to state purchases of the products and services of severely disabled persons, shall be made available upon request to the inspection of representatives of the State Auditor, Office of the Inspector General, the Governor's Budget Office, or the Legislative Budget Board on the assurance that the information will be safeguarded, used only for the purpose for which provided, and not released to unauthorized persons.

B. A request for information from other records of the council which identifies severely disabled persons as a state agency client or former client will be forwarded to the appropriate agency for release.

C. DSS is the depository for all records concerning the council’s operations.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).


(a) The Agency shall access financial or other information and records from a CNA or a CRP if the Agency determines the information and records are necessary for the effective administration of this chapter and rules adopted under this chapter.

(b) Information and records must be obtained under subsection (a) of this section in recognition of the privacy interest of individuals employed by CNAs or CRPs. The information and records may not be released or made public on subpoena or otherwise, except that release may be made:

(1) for statistical purposes, but only if a person is not identified;

(2) with the consent of each person identified in the information released; or

(3) regarding a compensation package of any CNA employee or subcontractor if determined by the Commission to be relevant to the administration of this chapter.

(c) No records belonging to a CNA or a CRP may be accessed or released except as authorized under the Texas Public Information Act.

(d) The Agency or a CNA shall inspect a CRP for compliance with certification criteria established under Texas Human Resources Code §122.013(c).

§921. Exceptions

A. Exceptions from the operation of the mandatory provisions of these rules may be made in any case where under the rules of the state purchasing agency, the product or service so produced or provided does not meet the reasonable requirements of the office, department, institution, or agency.

B. No office, department, institution, or agency may evade the intent of these rules by slight variations from standards adopted by the appropriate purchasing agency, when the products or services produced or provided by persons with severe disabilities, in accordance with established standards, are reasonably adapted to the actual needs of the office, department, institution, or agency.


HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Rehabilitation Services, LR 16:976 (November 1990).