



Goodwill Industries of Kentucky

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January 21, 2005

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* Roland R. Blahnik
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* Denotes Executive Committee

President's Committee for Purchase
from People Who Are Blind or Severely Disabled
Attention G. John Heyer
1421 Jefferson Davis Highway
Jefferson Plaza 2, Suite 10800
Arlington, VA, 22202-3259

To Whom It May Concern:

I am writing to express my opposition to the proposed notice of rulemaking [Docket No. 2004-01-01] from the President's Committee for Purchase From People Who Are Blind or Severely Disabled.

Last year our Goodwill placed 400 persons with disabilities or other disadvantages into jobs. Goodwill paid \$3,665,573 in wages to persons with disabilities. In addition to employment opportunities we offer a range of workforce development services including assessments, counseling, placement and an adult learning center. In various ways we served more 3,000 people in the last year. July 1 we started our first custodial program through JWOD at the Richmond Army Depot. January 3, 2005 we added two federal buildings for more than \$1.2M in contracts. This will be about 5% of our consolidated revenue base in 2005.

In 2003 the Board considered whether to pursue contracts under the JWOD Act. I supported adding this dimension. It was a vigorous discussion because another CRP chose to resign the Army base and two separate CRP's had failed to make a go of the two Federal Buildings. Our research suggested that contribution margins were small, even for well run contracts, contrary to some of our earlier efforts where excellence is rewarded with returns that help fund other services and expansion. We made the decision to proceed, but I am not sure the Board will stay with that decision with the additional regulations.

The authorizing statute for the JWOD program clearly delineates the powers and responsibilities of the Committee (41 CFR 51-2.2, 41 U.S.C. § 46). These powers and responsibilities do not extend to governance standards or executive compensation. Both Congress and the Internal Revenue Service (IRS) have jurisdiction over these areas. The Committee is mandated with determining which commodities and services should be on the Committee's procurement list and fair market prices, and informing federal agencies about the JWOD program.

As a participating JWOD agency, we would hope that the Committee would comply fully with the Congressional intent to provide employment and training opportunities for persons who are blind or have other severe disabilities and not delve into areas for which it lacks both the Congressional and statutory authority. We believe that the proposed rules do not advance the Congressional intent of the enacting JWOD legislation, and would, if adopted, diminish the program's ability to increase employment opportunities for the blind and disabled. We respectfully request that the Committee withdraw these rules.

Sincerely yours,



Roland R. Blahnik
President/CEO

CC: James Clay Smith, Board Chairman

