

105TH CONGRESS  
2D SESSION

# S. 2203

To promote drug-free workplace programs.

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IN THE SENATE OF THE UNITED STATES

JUNE 23, 1998

Mr. COVERDELL (for himself and Mr. KYL) introduced the following bill;  
which was read twice and referred to the Committee on Small Business

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## A BILL

To promote drug-free workplace programs.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Drug-Free Workplace  
5 Act of 1998”.

6 **SEC. 2. FINDINGS; PURPOSES.**

7 (a) FINDINGS.—Congress finds that—

8 (1) 74 percent of adults who use illegal drugs  
9 are employed;

10 (2) small business concerns employ over 50 per-  
11 cent of the Nation’s workforce;

1           (3) in more than 88 percent of families with  
2 children under the age of 18, at least 1 parent is  
3 employed; and

4           (4) employees who use and abuse addictive sub-  
5 stances increase costs for businesses and risk the  
6 health and safety of all employees because—

7           (A) absenteeism is 66 percent higher  
8 among drug users than individuals who do not  
9 use drugs;

10           (B) health benefit utilization is 300 per-  
11 cent higher among drug users than individuals  
12 who do not use drugs;

13           (C) 47 percent of workplace accidents are  
14 drug-related;

15           (D) disciplinary actions are 90 percent  
16 higher among drug users than among individ-  
17 uals who do not use drugs; and

18           (E) employee turnover is significantly high-  
19 er among drug users than among individuals  
20 who do not use drugs.

21 (b) PURPOSES.—The purposes of this Act are to—

22           (1) educate small business concerns about the  
23 advantages of a drug-free workplace;

1           (2) provide financial incentives and technical  
2 assistance to enable small business concerns to cre-  
3 ate a drug-free workplace; and

4           (3) assist working parents in keeping their chil-  
5 dren drug-free.

6 **SEC. 3. SENSE OF CONGRESS.**

7 It is the sense of Congress that—

8           (1) businesses should adopt drug-free workplace  
9 programs;

10          (2) States should consider incentives to encour-  
11 age businesses to adopt drug-free workplace pro-  
12 grams;

13          (3) such incentives may include—

14           (A) financial incentives, including—

15               (i) a reduction in workers' compensa-  
16 tion premiums;

17               (ii) a reduction in unemployment in-  
18 surance premiums; and

19               (iii) tax deductions in an amount  
20 equal to the amount of expenditures for  
21 employee assistance programs, treatment,  
22 or drug testing; and

23           (B) other incentives, such as the adoption  
24 of liability limitations, as recommended by the

1 President's Commission on Model State Drug  
2 Laws.

3 **SEC. 4. DRUG-FREE WORKPLACE DEMONSTRATION PRO-**  
4 **GRAM.**

5 The Small Business Act (15 U.S.C. 631 et seq.) is  
6 amended—

7 (1) by redesignating section 32 as section 33;  
8 and

9 (2) by inserting after section 31 the following:

10 **“SEC. 32. DRUG-FREE WORKPLACE DEMONSTRATION PRO-**  
11 **GRAM.**

12 “(a) DEFINITIONS.—In this section:

13 “(1) DRUG-FREE WORKPLACE PROGRAM.—The  
14 term ‘drug-free workplace program’ means a pro-  
15 gram that includes—

16 “(A) a written policy, including a clear  
17 statement of expectations for workplace behav-  
18 ior, prohibitions against substances in the work-  
19 place, and the consequences of violating those  
20 expectations and prohibitions;

21 “(B) alcohol and drug abuse prevention  
22 training for a total of not less than 2 hours for  
23 each employee, and additional alcohol and drug  
24 abuse prevention training for employees who  
25 are parents;

1           “(C) employee drug testing conducted by a  
2 drug testing laboratory certified by the Sub-  
3 stance Abuse and Mental Health Services Ad-  
4 ministration, approved by the Department of  
5 Health and Human Services under the Clinical  
6 Laboratories Improvement Act of 1967 (42  
7 U.S.C. 263a), or approved by the College of  
8 American Pathologists, and a review of each  
9 positive test result by a licensed medical review  
10 officer;

11           “(D) employee access to an employee as-  
12 sistance program, including assessment, refer-  
13 ral, and short-term problem resolution; and

14           “(E) continuing alcohol and drug abuse  
15 prevention assistance.

16           “(2) ELIGIBLE INTERMEDIARY.—The term ‘eli-  
17 gible intermediary’ means an organization—

18           “(A) that is described in paragraph (3) or  
19 (6) of section 501(c) of the Internal Revenue  
20 Code of 1986 that is exempt from taxation  
21 under section 5(a) of such Code, or a program  
22 of any such organization; or

23           “(B) that provides services to any organi-  
24 zation described in subparagraph (A);

1           “(C) that has not less than 2 years of ex-  
2           perience in carrying out drug-free workplace  
3           programs or in providing assistance and serv-  
4           ices to small business concerns;

5           “(D) that has a drug-free workplace policy  
6           in effect;

7           “(E) that is located in a State, the District  
8           of Columbia, or a territory of the United  
9           States; and

10          “(F) the purpose of which is—

11               “(i) to develop comprehensive drug-  
12               free workplace programs or to supply drug-  
13               free workplace services; or

14               “(ii) to provide other forms of assist-  
15               ance and services to small business con-  
16               cerns.

17          “(3) EMPLOYEE.—The term ‘employee’ includes  
18          any—

19               “(A) supervisor;

20               “(B) manager;

21               “(C) officer of a small business concern  
22               who is active in management of the concern;  
23               and

24               “(D) owner of a small business concern  
25               who is active in management of the concern.

1       “(b) ESTABLISHMENT.—There is established a drug-  
2 free workplace demonstration program, under which the  
3 Administrator may make grants to, or enter into coopera-  
4 tive agreements or contracts with, eligible intermediaries  
5 for the purpose of providing financial and technical assist-  
6 ance to small business concerns seeking to establish a  
7 drug-free workplace program.

8       “(c) EVALUATION AND COORDINATION.—Not later  
9 than 1 year after the date of enactment of the Drug-Free  
10 Workplace Act of 1998, the Administrator, in coordination  
11 with the Secretary of Labor, the Secretary of Health and  
12 Human Services, and the Director of the Office of Na-  
13 tional Drug Control Policy, shall—

14               “(1) evaluate the drug-free workplace programs  
15 established with assistance made available under this  
16 section; and

17               “(2) submit to Congress a report describing the  
18 results of the evaluation under paragraph (1).

19       “(d) CONTRACT AUTHORITY.—In carrying out this  
20 section, the Administrator may—

21               “(1) contract with public and private entities to  
22 provide assistance related to carrying out the pro-  
23 gram under this section; and

24               “(2) compensate those entities for provision of  
25 that assistance.

1       “(e) CONSTRUCTION.—Nothing in this section may  
2 be construed to require an employer who attends a pro-  
3 gram offered by an intermediary to contract for any serv-  
4 ice offered by the intermediary.

5       “(f) AUTHORIZATION.—There is authorized to be ap-  
6 propriated to carry out this section, \$10,000,000 for fiscal  
7 year 1999. Amounts made available under this subsection  
8 shall remain available until expended.”.

9       **SEC. 5. SMALL BUSINESS DEVELOPMENT CENTERS.**

10       Section 21(c)(3) of the Small Business Act (15  
11 U.S.C. 648(c)(3)) is amended—

12               (1) in subparagraph (R), by striking “and” at  
13 the end;

14               (2) in subparagraph (S), by striking the period  
15 at the end and inserting “; and”; and

16               (3) by adding at the end the following:

17               “(T) providing information and assistance to  
18 small business concerns with respect to establishing  
19 drug-free workplace programs (as defined in section  
20 32(a)).”.

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