

## EFFECTIVE DATE OF 1954 AMENDMENT

Amendment by act Aug. 3, 1954, effective July 1, 1954, see section 8 of act Aug. 3, 1954, set out as a note under section 49b of Title 29, Labor.

## TRANSFER OF FUNCTIONS

“Secretary of Education” substituted for “Secretary of Health, Education, and Welfare” in subsec. (a) pursuant to sections 301(a)(4)(B) and 507 of Pub. L. 96-88 which are classified to sections 3441(a)(4)(B) and 3507 of this title and which transferred functions of Secretary of Health, Education, and Welfare under this chapter to Secretary of Education.

For transfer of functions and offices of Secretary and Department of Health, Education, and Welfare, including Rehabilitation Services Administration and Commissioner thereof, to Secretary and Department of Education, and for delegation of certain functions of Secretary of Education under this chapter to Assistant Secretary for Special Education and Rehabilitative Services, see sections 3417 and 3441 of this title.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out in the Appendix to Title 5, Government Organization and Employees. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953.

“Federal Security Administrator” substituted for “Office of Education under the Federal Security Agency, subject to the direction of the Commissioner of Education and such rules and regulations as he may, with the approval of the Federal Security Administrator, prescribe” in subsec. (a) and for “Office of Education” in subsec. (c) by Reorg. Plan No. 2 of 1946, set out in the Appendix to Title 5, which transferred functions of Office of Education and Commissioner of Education under sections 107 to 107f of this title to Federal Security Administrator. Federal Security Agency Order 62, July 16, 1946, 11 F.R. 7943, provided that these functions shall be performed under supervision and direction of Commissioner for Special Services by Director of Vocational Rehabilitation and such officers and employees of Office of Vocational Rehabilitation as Director shall designate.

Office of Education originally established in Department of the Interior from which it was transferred to Federal Security Agency by Reorg. Plan No. 1 of 1939, §201, which is set out in the Appendix to Title 5.

FEDERAL SUPPORT FOR THE RANDOLPH-SHEPPARD  
VENDING FACILITY PROGRAM

Memorandum of President of the United States, Jan. 20, 2012, 77 F.R. 3917, provided:

Memorandum for the Heads of Executive Departments and Agencies

Thousands of Americans who are blind have embraced the entrepreneurial spirit that helps define our Nation as a land of opportunity. Through the Federal Randolph-Sheppard Vending Facility Program administered by the Department of Education, talented and creative individuals who are blind have acquired the management training and business skills necessary to realize the American dream—a lifetime of economic opportunity, independence, and self-sufficiency for themselves and their families.

For 75 years, blind business managers have successfully operated food services and commercial ventures at Federal, State, and private buildings and locations nationwide. We honor and celebrate this program’s historic achievements. We also trust that the Randolph-Sheppard Program will continue to be a leading model for providing high-quality entrepreneurial opportunities for blind individuals. From a simple snack shop, to tourist services at the Hoover Dam, to full food-services operations at military installations, blind entrepreneurs have provided exceptional customer service to

Federal and State employees, the Armed Forces, and the general public. With proven ability, they have challenged preconceived notions about disability.

The Randolph-Sheppard Act (20 U.S.C. 107 *et seq.*) created the Vending Facility Program requiring qualified blind individuals be given a priority to operate vending facilities on Federal properties. This program is responsible today for providing entrepreneurial opportunities for over 2,500 individuals who are blind. In turn, these business managers have hired thousands of workers, many of whom are individuals with disabilities. Every American, including persons with disabilities, deserves the opportunity to succeed without limits, earn equal pay for equal jobs, and aspire to full-time, career-oriented employment.

Continued support and cooperation are needed from executive departments, agencies, and offices (agencies) to extend the Randolph-Sheppard priority to qualified blind managers through the State licensing agencies that implement the program. Therefore, I direct all agencies that have property management responsibilities to ensure that agency officials, when pursuing the establishment and operation of vending facilities (including cafeterias and military dining facilities) as defined in 20 U.S.C. 107e, issue permits and contracts in compliance with the Randolph-Sheppard Program and consistent with existing regulations and law. I further direct the Secretary of Education, through the Commissioner of the Rehabilitation Services Administration, to submit a report to the President on agencies’ implementation of the Randolph-Sheppard Program not later than 1 year from the date of this memorandum.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

The Secretary of Education is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

**§ 107b. Application for designation as State licensing agency; cooperation with Secretary; furnishing initial stock**

A State agency for the blind or other State agency desiring to be designated as the licensing agency shall, with the approval of the chief executive of the State, make application to the Secretary and agree—

(1) to cooperate with the Secretary in carrying out the purpose of this chapter;

(2) to provide for each licensed blind person such vending facility equipment, and adequate initial stock of suitable articles to be vended therefrom, as may be necessary: *Provided, however,* That such equipment and stock may be owned by the licensing agency for use of the blind, or by the blind individual to whom the license is issued: *And provided further,* That if ownership of such equipment is vested in the blind licensee, (A) the State licensing agency shall retain a first option to repurchase such equipment and (B) in the event such individual dies or for any other reason ceases to be a licensee or transfers to another vending facility, ownership of such equipment shall become vested in the State licensing agency (for transfer to a successor licensee) subject to an obligation on the part of the State licensing agency to pay to such individual (or to his estate) the fair value of his interest therein as later determined in accordance with regula-

tions of the State licensing agency and after opportunity for a fair hearing;

(3) that if any funds are set aside, or caused to be set aside, from the net proceeds of the operation of the vending facilities such funds shall be set aside, or caused to be set aside, only to the extent necessary for and may be used only for the purposes of (A) maintenance and replacement of equipment; (B) the purchase of new equipment; (C) management services; (D) assuring a fair minimum return to operators of vending facilities; and (E) retirement or pension funds, health insurance contributions, and provision for paid sick leave and vacation time, if it is determined by a majority vote of blind licensees licensed by such State agency, after such agency provides to each such licensee full information on all matters relevant to such proposed program, that funds under this paragraph shall be set aside for such purposes: *Provided, however*, That in no event shall the amount of such funds to be set aside from the net proceeds of any vending facility exceed a reasonable amount which shall be determined by the Secretary;

(4) to make such reports in such form and containing such information as the Secretary may from time to time require and to comply with such provisions as he may from time to time find necessary to assure the correctness and verification of such reports;

(5) to issue such regulations, consistent with the provisions of this chapter, as may be necessary for the operation of this program;

(6) to provide to any blind licensee dissatisfied with any action arising from the operation or administration of the vending facility program an opportunity for a fair hearing, and to agree to submit the grievances of any blind licensee not otherwise resolved by such hearing to arbitration as provided in section 107d-1 of this title.

(June 20, 1936, ch. 638, §3, 49 Stat. 1560; 1946 Reorg. Plan No. 2, §6, eff. July 16, 1946, 11 F.R. 7873, 60 Stat. 1095; 1953 Reorg. Plan No. 1, §§5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631; Aug. 3, 1954, ch. 655, §4(e), 68 Stat. 664; Pub. L. 93-516, title II, §204, Dec. 7, 1974, 88 Stat. 1625; Pub. L. 93-651, title II, §204, Nov. 21, 1974, 89 Stat. 2-10.)

#### CODIFICATION

The content of Pub. L. 93-516, including provisions of section 204 thereof which amended this section, were originally contained in H.R. 14225, 93rd Congress, Second Session, which was pocket-vetoed during the 31-day intrasession adjournment of the 93rd Congress for the Congressional elections in November, 1974. See 1974 Amendment note below.

Pursuant to an order of the United States District Court for the District of Columbia (*Kennedy v. Jones*, D.C.D.C. 1976, 412 F.Supp. 353) H.R. 14225 was deemed to have become law without the approval of the President on Nov. 21, 1974, and was given the designation Pub. L. 93-651. Therefore, for purposes of codification, this section should be deemed to have been amended by Pub. L. 93-651, title II, §204, Nov. 21, 1974, 89 Stat. 2-10, in exactly the same manner as it was amended by Pub. L. 93-516.

#### AMENDMENTS

1974—Pub. L. 93-516, §204(a)(1), substituted "A State agency" for "A State commission" in provisions preceding par. (1). An identical amendment was made by Pub. L. 93-651. See Codification note above.

Par. (2). Pub. L. 93-516, §204(a)(2), substituted "vending facility" for "vending stand" in two places. An identical amendment was made by Pub. L. 93-651. See Codification note above.

Par. (3). Pub. L. 93-516, §204(a)(2), (b), (c), in provisions preceding subpar. (A), substituted "the net proceeds of the operation of the vending facilities" for "the proceeds of the operation of the vending stands", in subpar. (D), substituted "vending facilities" for "vending stands", added subpar. (E), and in proviso following subpar. (E) substituted "the net proceeds of any vending facility" for "the proceeds of any vending stand". An identical amendment was made by Pub. L. 93-651. See Codification note above.

Par. (6). Pub. L. 93-516, §204(a)(3), substituted "vending facility program an opportunity for a fair hearing, and to agree to submit the grievances of any blind licensee not otherwise resolved by such hearing to arbitration as provided in section 107d-1 of this title" for "vending stand program an opportunity for a fair hearing". An identical amendment was made by Pub. L. 93-651. See Codification note above.

1954—Act Aug. 3, 1954, amended section generally and, among other changes, added pars. (3) to (6).

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#### TRANSFER OF FUNCTIONS

For transfer of functions, see note set out under section 107a of this title.

#### § 107b-1. Access to information with State licensing agencies; election and responsibilities of Committee of Blind Vendors

In addition to other requirements imposed in this title<sup>1</sup> and in the Randolph-Sheppard Act [20 U.S.C. 107 et seq.] upon State licensing agencies, such agencies shall—

(1) provide to each blind licensee access to all relevant financial data, including quarterly and annual financial reports, on the operation of the State vending facility program;

(2) conduct the biennial election of a Committee of Blind Vendors who shall be fully representative of all blind licensees in the State program,<sup>2</sup> and

(3) insure that such committee's responsibilities include (A) participation, with the State agency, in major administrative decisions and policy and program development, (B) receiving grievances of blind licensees and serving as advocates for such licensees, (C) participation, with the State agency, in the development and administration of a transfer and promotion system for blind licensees, (D) participation, with the State agency, in developing training and retraining programs, and (E) sponsorship, with the assistance of the State agency, of meetings and instructional conferences for blind licensees.

(Pub. L. 93-516, title II, §209, Dec. 7, 1974, 88 Stat. 1630; Pub. L. 93-651, title II, §209, Nov. 21, 1974, 89 Stat. 2-15.)

#### REFERENCES IN TEXT

This title, referred to in text, is title II of Pub. L. 93-516, Dec. 7, 1974, 88 Stat. 1617, as amended, known as the "Randolph-Sheppard Act Amendments of 1974". For

<sup>1</sup> See References in Text note below.

<sup>2</sup> So in original. The comma probably should be a semicolon.