

## 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.

## SHORT TITLE OF 1974 AMENDMENT

Pub. L. 93-516, title II, §200, Dec. 7, 1974, 88 Stat. 1622, provided that: "This title [enacting sections 107b-1 to 107b-3 and 107d-1 to 107d-4 of this title, amending this section, sections 107a, 107b, 107d, 107e of this title, and section 5108 of Title 5, Government Organization and Employees, repealing sections 107c and 107e-1 of this title, and enacting provisions set out as notes under this section and section 702 of Title 29, Labor] may be cited as the 'Randolph-Sheppard Act Amendments of 1974'."

An identical provision is in section 200 of Pub. L. 93-651. See Codification note above.

## SHORT TITLE OF 1954 AMENDMENT

Act Aug. 3, 1954, ch. 655, §1, 68 Stat. 652, provided that: "This Act [enacting section 107e-1 of this title and amending this section and sections 107a, 107b, 107e, and 107f of this title and sections 31 to 41, 42, 49b, and 49g of Title 29, Labor] may be cited as the 'Vocational Rehabilitation Amendments of 1954'."

## SHORT TITLE

Act June 20, 1936, ch. 638, §11, as added by Pub. L. 108-136, div. A, title VIII, §852(c), Nov. 24, 2003, 117 Stat. 1556, provided that: "This Act [enacting this chapter] may be cited as the 'Randolph-Sheppard Act'."

The act June 20, 1936 is also popularly known as the "Randolph-Sheppard Vending Stand Act".

## CONGRESSIONAL FINDINGS

Pub. L. 93-516, title II, §201, Dec. 7, 1974, 88 Stat. 1622, provided that: "The Congress finds—

"(1) after review of the operation of the blind vending stand program authorized under the Randolph-Sheppard Act of June 20, 1936 [this chapter], that the program has not developed, and has not been sustained, in the manner and spirit in which the Congress intended at the time of its enactment, and that, in fact, the growth of the program has been inhibited by a number of external forces;

"(2) that the potential exists for doubling the number of blind operators on Federal and other property under the Randolph-Sheppard program within the next five years, provided the obstacles to growth are removed, that legislative and administrative means exist to remove such obstacles, and that Congress should adopt legislation to that end; and

"(3) that at a minimum the following actions must be taken to insure the continued vitality and expansion of the Randolph-Sheppard program—

"(A) establish uniformity of treatment of blind vendors by all Federal departments, agencies, and instrumentalities,

"(B) establish guidelines for the operation of the program by State licensing agencies,

"(C) require coordination among the several entities with responsibility for the program,

"(D) establish a priority for vending facilities operated by blind vendors on Federal property,

"(E) establish administrative and judicial procedures under which fair treatment of blind vendors, State licensing agencies, and the Federal Government is assured,

"(F) require stronger administration and oversight functions in the Federal office carrying out the program, and

"(G) accomplish other legislative and administrative objectives which will permit the Randolph-Sheppard program to flourish."

An identical provision is in section 201 of Pub. L. 93-651. See Codification note above.

## § 107a. Federal and State responsibilities

**(a) Functions of Secretary; surveys; designation of State licensing agencies; qualifications for license; evaluation of programs**

The Secretary of Education shall—

(1) Insure that the Rehabilitation Services Administration is the principal agency for carrying out this chapter; and the Commissioner shall, within one hundred and eighty days after enactment of the Randolph-Sheppard Act Amendments of 1974, establish requirements for the uniform application of this chapter by each State agency designated under paragraph (5) of this subsection, including appropriate accounting procedures, policies on the selection and establishment of new vending facilities, distribution of income to blind vendors, and the use and control of set-aside funds under section 107b(3) of this title;

(2) Through the Commissioner, make annual surveys of concession vending opportunities for blind persons on Federal and other property in the United States, particularly with respect to Federal property under the control of the General Services Administration, the Department of Defense, and the United States Postal Service;

(3) Make surveys throughout the United States of industries with a view to obtaining information that will assist blind persons to obtain employment;

(4) Make available to the public, and especially to persons and organizations engaged in work for the blind, information obtained as a result of such surveys;

(5) Designate as provided in section 107b of this title the State agency for the blind in each State, or, in any State in which there is no such agency, some other public agency to issue licenses to blind persons who are citizens of the United States for the operating of vending facilities on Federal and other property in such State for the vending of newspapers, periodicals, confections, tobacco products, foods, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, as determined by the State licensing agency, and including the vending or exchange of chances for any lottery authorized by State law and conducted by an agency of a State; and

(6) Through the Commission,<sup>1</sup> (A) conduct periodic evaluations of the program authorized by this chapter, including upward mobility and other training required by section 107d-4 of this title, and (B) take such other steps, including the issuance of such rules and regulations, as may be necessary or desirable in carrying out the provisions of this chapter.

**(b) Duty of State licensing agencies to prefer blind**

The State licensing agency shall, in issuing each such license for the operation of a vending facility, give preference to blind persons who are in need of employment. Each such license shall be issued for an indefinite period but may be ter-

<sup>1</sup> So in original. Probably should be "Commissioner,".

minated by the State licensing agency if it is satisfied that the facility is not being operated in accordance with the rules and regulations prescribed by such licensing agency. Such licenses shall be issued only to applicants who are blind within the meaning of section 107e of this title.

**(c) Selection of location and type of facility**

The State licensing agency designated by the Secretary is authorized, with the approval of the head of the department or agency in control of the maintenance, operation, and protection of the Federal property on which the facility is to be located but subject to regulations prescribed pursuant to section 107 of this title, to select a location for such facility and the type of facility to be provided.

**(d) Buildings occupied by United States departments, agencies, and instrumentalities required to provide sites for facilities; exceptions**

(1) After January 1, 1975, no department, agency, or instrumentality of the United States shall undertake to acquire by ownership, rent, lease, or to otherwise occupy, in whole or in part, any building unless, after consultation with the head of such department, agency, or instrumentality and the State licensing agency, it is determined by the Secretary that (A) such building includes a satisfactory site or sites for the location and operation of a vending facility by a blind person, or (B) if a building is to be constructed, substantially altered, or renovated, or in the case of a building that is already occupied on such date by such department, agency, or instrumentality, is to be substantially altered or renovated for use by such department, agency, or instrumentality, the design for such construction, substantial alteration, or renovation includes a satisfactory site or sites for the location and operation of a vending facility by a blind person. Each such department, agency, or instrumentality shall provide notice to the appropriate State licensing agency of its plans for occupation, acquisition, renovation, or relocation of a building adequate to permit such State agency to determine whether such building includes a satisfactory site or sites for a vending facility.

(2) The provisions of paragraph (1) shall not apply (A) when the Secretary and the State licensing agency determine that the number of people using the property is or will be insufficient to support a vending facility, or (B) to any privately owned building, any part of which is leased by any department, agency, or instrumentality of the United States and in which, (i) prior to the execution of such lease, the lessor or any of his tenants had in operation a restaurant or other food facility in a part of the building not included in such lease, and (ii) the operation of such a vending facility by a blind person would be in proximate and substantial direct competition with such restaurant or other food facility except that each such department, agency, and instrumentality shall make every effort to lease property in privately owned buildings capable of accommodating a vending facility.

(3) For the purposes of this subsection, the term "satisfactory site" means an area deter-

mined by the Secretary to have sufficient space, electrical and plumbing outlets, and such other facilities as the Secretary may by regulation prescribe, for the location and operation of a vending facility by a blind person.

**(e) State licensing agency in States having vocational rehabilitation plans**

In any State having an approved plan for vocational rehabilitation pursuant to the Vocational Rehabilitation Act or the Rehabilitation Act of 1973 [29 U.S.C. 701 et seq.], the State licensing agency designated under paragraph (5) of subsection (a) of this section shall be the State agency designated under section 101(a)(2)(A) of such Rehabilitation Act of 1973 [29 U.S.C. 721(a)(2)(A)].

(June 20, 1936, ch. 638, § 2, 49 Stat. 1559; 1939 Reorg. Plan No. I, §§ 201, 204, eff. July 1, 1939, 4 F.R. 2728, 53 Stat. 1424; 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(b)-(d), 68 Stat. 663; Pub. L. 93-516, title II, § 203, Dec. 7, 1974, 88 Stat. 1623; Pub. L. 93-651, title II, § 203, Nov. 21, 1974, 89 Stat. 2-8; Pub. L. 96-88, title III, § 301(a)(4)(B), title V, § 507, Oct. 17, 1979, 93 Stat. 678, 692; Pub. L. 104-66, title I, § 1041(i), Dec. 21, 1995, 109 Stat. 715; Pub. L. 105-220, title IV, § 414(a), Aug. 7, 1998, 112 Stat. 1241.)

REFERENCES IN TEXT

For the date of the enactment of the Randolph-Sheppard Act Amendments of 1974, referred to in subsec. (a)(1), see Codification note below.

The Vocational Rehabilitation Act, referred to in subsec. (e), is act June 2, 1920, ch. 219, 41 Stat. 735, as amended, which was classified to chapter 4 (§ 31 et seq.) of Title 29, Labor, and was repealed by Pub. L. 93-112, title V, § 500(a), Sept. 26, 1973, 87 Stat. 357. Such section 500, classified to section 790 of Title 29, provides in part that references to the Vocational Rehabilitation Act in any other provision of law shall be deemed to be references to the Rehabilitation Act of 1973.

The Rehabilitation Act of 1973, referred to in subsec. (e), is Pub. L. 93-112, Sept. 26, 1973, 87 Stat. 355, as amended, which is classified generally to chapter 16 (§ 701 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 701 of Title 29 and Tables.

CODIFICATION

The content of Pub. L. 93-516, including provisions of section 203 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. 1422 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, § 203, Nov. 21, 1974, 89 Stat. 2-8, 2-9, in exactly the same manner as it was amended by Pub. L. 93-516, Dec. 7, 1974, 88 Stat. 1617.

AMENDMENTS

1998—Subsec. (e). Pub. L. 105-220 substituted "section 101(a)(2)(A)" for "section 101(a)(1)(A)".

1995—Subsec. (a)(6)(A). Pub. L. 104-66 struck out "and annually submit to the appropriate committees of Con-

gress a report based on such evaluations," after "section 107d-4 of this title."

1974—Subsec. (a)(1). Pub. L. 93-516, §203(a)(1), added par. (1). Former par. (1) redesignated (2). An identical amendment was made by Pub. L. 93-651. See Codification note above.

Subsec. (a)(2). Pub. L. 93-516, §203(a)(1), (2), redesignated former par. (1) as (2) and substituted "Through the Commissioner, make annual surveys of concessions vending opportunities for blind persons on Federal and other property in the United States, particularly with respect to Federal property under the control of the General Services Administration, the Department of Defense, and the United States Postal Service" for "Make surveys of concession-stand opportunities for blind persons on Federal and other property in the United States". Former par. (2) redesignated (3). An identical amendment was made by Pub. L. 93-651. See Codification note above.

Subsec. (a)(3). Pub. L. 93-516, §203(a)(1), redesignated former par. (2) as (3). Former par. (3) redesignated (4). An identical amendment was made by Pub. L. 93-651. See Codification note above.

Subsec. (a)(4). Pub. L. 93-516, §203(a)(1), redesignated former par. (3) as (4). Former par. (4) redesignated (5). An identical amendment was made by Pub. L. 93-651. See Codification note above.

Subsec. (a)(5). Pub. L. 93-516, §203(a)(1), (3), redesignated former par. (4) as (5), substituted "State agency for the blind in each State, or, in any State in which there is no such agency, some other public agency to issue licenses to blind persons who are citizens of the United States for the operating of vending facilities" for "State commission for the blind in each State, or, in any State in which there is no such commission, some other public agency to issue licenses to blind persons who are citizens of the United States and at least twenty-one years of age for the operating of vending stands", and "foods, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, as determined by the State licensing agency, and including the vending or exchange of chances for any lottery authorized by State law and conducted by an agency of a State" for "articles dispensed automatically or in containers or wrapping in which they are placed before receipt by the vending stand, and such other articles as may be approved for each property by the department or agency in control of the maintenance, operation, and protection thereof and the State licensing agency in accordance with the regulations prescribed pursuant to section 107 of this title", and struck out proviso that effective four years after the enactment of the Vocational Rehabilitation Amendments of 1954, in States having an approved plan for vocational rehabilitation pursuant to the Vocational Rehabilitation Act, the licensing agency to be designated hereunder shall be the State agency designated pursuant to section 35(a)(1) of title 29 as the sole agency with respect to vocational rehabilitation of the blind, and that prior to such time, no license shall be granted except upon certification by a vocational rehabilitation agency that the individual is qualified to operate a vending stand. An identical amendment was made by Pub. L. 93-651. See Codification note above.

Subsec. (a)(6). Pub. L. 93-516, §203(a)(1), (4), redesignated former par. (5) as (6), substantially reenacted existing provisions in cl. (B), and added cl. (A) and provisions preceding cl. (A). An identical amendment was made by Pub. L. 93-651. See Codification note above.

Subsec. (b). Pub. L. 93-516, §203(b), substituted "operation of a vending facility" for "operation of a vending stand", struck out one year residency requirement for giving preference, and in provisions relating to qualifications of applicants, struck out "but are able, in spite of such infirmity, to operate such stands". An identical amendment was made by Pub. L. 93-651. See Codification note above.

Subsec. (c). Pub. L. 93-516, §203(c), substituted "facility" for "stand" in three places. An identical amend-

ment was made by Pub. L. 93-651. See Codification note above.

Subsecs. (d), (e). Pub. L. 93-516, §203(d), added subsecs. (d) and (e). An identical amendment was made by Pub. L. 93-651. See Codification note above.

1954—Act Aug. 3, 1954, added to the list of articles which may be vended, articles dispensed automatically or in containers or wrappings received by the stand and to provide that after four years the agency designated under section 35(a)(1) of title 29 shall be the sole State agency for vocational rehabilitation of the blind and to require, prior to that time, certification by agencies as a condition for issuing licenses.

#### 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 regulations 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,*