

ALABAMA DEPARTMENT OF REHABILITATION SERVICES BUSINESS ENTERPRISE  
PROGRAM  
ADMINISTRATIVE CODE

CHAPTER 795-7-3  
ESTABLISHMENT OF VENDING FACILITIES

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795-7-3-.01      Establishment Of Vending Facilities.

(1) The establishment or expansion of all BEP vending facilities will be contingent upon the completion of a survey to determine if the potential gross sales to be derived are sufficient to justify SLA expenditures related to facility development or improvement. This survey will be based on available information and shall not provide a guarantee of any particular income estimate. However, projected net income should be no less than the monetary amount designated by the Social Security Administration's definition of Substantial Gainful Activity. A vending facility may comprise one or more physical locations and may be assigned to one facility number.

(2) When considering the establishment or expansion of any vending facility, the SLA, at its option, can execute a lease and/or other rental agreements that may include a charge to be paid by the prospective vendor. In such cases, it shall be the responsibility of the vendor to pay the rent and/or other assessments. If a utility or other operating expense is levied against a vending facility, it shall be the responsibility of the vendor to pay any such charges directly to the grantor.

(3) The SLA shall assign each established facility to one of seven classifications prior to announcing the facility's availability as set forth in 795-7-3-.04.

**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors

**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.

**History: New Rule:** Filed January 19, 2000; effective February 23, 2000. **Amended:** Filed March 6, 2017; effective April 20, 2017.

**795-7-3-.02      Establishment Of An Add-On Site.**

(1) A prospective vending location or an existing location with established monthly net proceeds of less than Substantial Gainful Activity (SGA), as defined in Social Security regulations, may be considered an add-on site. A survey shall be completed to determine the potential or experienced monthly net proceeds of such locations and the SLA's costs of development.

(2) Priority for add-on sites will be extended to vendors who operate a vending facility in the same BEP region where the add-on-site is located. Add-on sites will be first offered to a vendor whose vending facility has the lowest average monthly gross sales for the preceding 12 months and has maintained no less than 85 points on their most recent performance appraisal. In addition, the vendor must have scored a minimum of 3 point on Rating (A): Timely Submission of Monthly Reports under Responsibilities and Performance Goals on their Annual Vendor Performance Appraisal. Said vendor shall be current in his/her set-aside and escrow fund payments and in good standing with BEP.

(3) A vendor offered an add-on site shall either accept or decline the offer within five days of receipt of written notice. Failure to respond within the prescribed time frame shall be considered a forfeiture of the add-on site. If he/she declines the add-on site, it will be offered to the next qualifying vendor.

**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors

**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.

**History: New Rule:** Filed January 19, 2000; effective February 23, 2000. **Amended:** Filed March 6, 2017; effective April 20, 2017.

**795-7-3-.03      Establishment Of A Vendor-Recruited Site.**

A permanently assigned vendor may actively seek new locations for his/her facility. The prospective location shall not be federal or state property; such locations are reserved for assignment as per the General Rules. Additionally, a vendor-recruited add-on site must be in the same BEP region where the recruiting vendor operates and a BEP representative site survey shall be completed to determine the potential monthly net proceeds of such locations and the SLA's costs of development. The SLA shall maintain final approval and/or disapproval of all such vendor-recruited locations. All such locations developed and approved in this manner shall become a permanent part of the overall assigned facility and is not transferable. Vendors desiring to seek and

obtain new add-on locations must be current in their set-aside and escrow payments, must be in good standing with BEP, and must have maintained no less than 85 on their most recent performance appraisal. A vendor-recruited site by a vendor that does not meet all of the above criteria will be offered to other vendors pursuant to the General Rules.

**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors

**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.

**History: New Rule:** Filed June 9, 2006; effective July 14, 2006.

**Amended:** Filed March 6, 2017; effective April 20, 2017.

#### 795-7-3-.04      Temporary Assignments.

(1) If circumstances require, the SLA may place a facility under temporary management. A BEP representative shall select the person assigned to a facility on a temporary basis. Temporary assignments shall be selected from the following order:

(a) displaced vendors,

(b) temporarily displaced vendors,

(c) licensed vendors who have suffered a 25% loss of average gross income as reported in the previous year due to no fault of their own,

(d) licensees, or

(e) others. Individuals selected for temporary assignments shall be in good standing with BEP. As a last resort, a BEP representative may secure approval from the SLA to place someone who is not a vendor or licensee in the temporary assignment. All sales, expenses, and income records derived from a temporary assignment shall be maintained and reported separately from those incurred in a vendor's permanent facility.

(2) All temporary operators must sign a standard temporary operating agreement. The temporary operating agreement will clearly define the responsibilities of the SLA and the operator with respect to the terms and conditions governing the effective and efficient operation of the facility. A copy of initial inventory will be provided. All temporary operators must abide by and comply with the rules and regulations governing BEP.

(3) A temporary agreement will be in effect until a permanent vendor is assigned. A temporary agreement shall extend for an initial period of not greater than 90 days and, at the option of

the SLA, may be extended. Either party upon the receipt of a ten-day written notice may cancel a temporary agreement.

(4) At each quarterly meeting the SLA shall provide a list of all BEP facilities being operated on a temporary basis to the Elected Committee of Blind Vendors. The list shall include:

(a) the name of the temporary operator;

(b) the date on which the facility began operations with a temporary operator.

**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors

**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.

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#### **795-7-3-.05      Classification Of Facilities.**

(1) Vending Machine Facility - A facility that derives its primary gross sales from vending machines located in a building, group of buildings, or multiple floors.

(2) Vending Machine Route - A facility that derives its primary gross sales from machines located in various locations combined to constitute a route.

(3) Highway Vending - A facility that derives its primary gross sales from vending machines located at one or more state of Alabama highway rest areas or welcome centers.

(4) Limited Food Preparation Facility - A facility that derives its primary gross sales from over-the-counter merchandise and excludes prepared hot items other than coffee or other beverages.

(5) Snack Bar Facility - A facility that derives its primary gross sales from over-the-counter merchandise of beverages and prepared hot and cold food items.

(6) Cafeteria Facility - A facility that derives its primary gross sales from dispensing a broad variety of prepared foods and beverages (including hot meals) primarily through the use of a line where customers are served from displayed selections. A

cafeteria may be fully automated or may have limited table service. Table or booth seating is always provided.

(7) Other Facilities - A facility that derives its primary gross sales from activities not defined in classifications (1) through (6).

**Author:** Alabama Board of Rehabilitation Services, Alabama Elected Committee of Blind Vendors

**Statutory Authority:** Code of Ala. 1975, §§21-1-40, 21-9-9; 20 U.S.C. 107 et. seq.

**History: New Rule:** Filed January 19, 2000; effective February 23, 2000. **Amended (Rule No. Only):** Filed June 9, 2006; effective July 14, 2006.

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