

## **ENHANCING AND EXPANDING BUSINESS DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES FOR THE BLIND**

As the Senate HELP Committee recently highlighted in its hearing, multiple barriers hinder full integration of blind individuals into the workplace, either as employees or as entrepreneurial business owners. The undersigned organizations are pleased to present the following proposal to improve the administration of the Randolph-Sheppard program, enhance and expand business and employment opportunities for the blind, and create new employment opportunities for persons with disabilities.

### **I. Improve program accountability, oversight, support and leadership by moving Randolph-Sheppard to a new Blind Business and Employment Agency at the Department of Commerce.**

The Rehabilitation Services Administration in the Department of Education is not providing the proactive leadership, accountability, support, training, or oversight of State Licensing Agencies necessary to strengthen the Randolph-Sheppard program and expand opportunities for blind entrepreneurship and employment. An agency with a greater interest and expertise in business development could help to grow and expand the program. Therefore, a new Blind Business and Employment Agency should be created at the Department of Commerce, at the same organizational level as the Minority Business Development Agency, to administer a modern Randolph-Sheppard program and expand business and employment opportunities for persons who are blind.

The Blind Business and Employment Agency shall advocate for and enforce the priority for the blind in food service contracts. Its responsibilities shall include:

- developing rules for administration of the Randolph-Sheppard program;
- establishing national standards for training that facilitate the portability of blind vendor licenses across state lines;
- preparing current and new Randolph-Sheppard vendors for potential business expansion and growth;
- developing program reporting and accountability standards; and

- publishing annual information describing the program's accomplishments and outcomes.

The Blind Business and Employment Agency shall have three divisions, each overseeing an aspect of entrepreneurial and employment opportunities:

- 1) The *Business Enterprise Branch* shall:
  - oversee the State Licensing Agencies and the priority for blind vendors under a modernized Randolph-Sheppard program; and
  - provide additional training and technical assistance to State Licensing Agencies to assist them in, and hold them accountable for, developing additional opportunities for blind vendors under the Randolph-Sheppard Act.
- 2) The *Entrepreneurial Development Branch* shall:
  - oversee the Qualified Blind Business Enterprise certification program (described below) that rewards blind entrepreneurs for offering high quality employment opportunities to persons with disabilities;
  - offer training and technical assistance to Qualified Blind Business Enterprises;
  - administer a Blind Entrepreneur Loan and Loan Guarantee program (described below); and
  - develop strategic partnerships with franchising operations and other private sector entities to help expand contracting opportunities for qualified blind entrepreneurs.
- 3) The *Employment Enterprise Branch* shall:
  - oversee all elements of a Qualified Blind Employment Enterprise certification program (described below) that creates high quality job opportunities for blind persons by giving blind entrepreneurs who agree to higher standards

priority in competition to provide to federal agencies products and services other than food services, as described below.

**II. Create additional, high-quality employment opportunities for blind individuals and those with other disabilities in contracts where the federal government is appropriating funds to provide meals to federal employees.**

Any vendor administering contracts funded by federally-appropriated funds for the purpose of purchasing meals for federal employees must certify that at least one-third of its full-time and part-time employees are blind individuals or individuals with other physical or mental impairments that constitute or result in a substantial impediment to employment. This requirement shall be written into all solicitations. Randolph-Sheppard vendors may meet this requirement in one of the following three ways, at the discretion of the Randolph-Sheppard vendor:

- 1) Executing a service contract with a qualified vendor under the Javits-Wagner-O'Day Act;
- 2) Executing a subcontract with a Qualified Blind Business Enterprise, as described in section III; or
- 3) Becoming a Qualified Blind Business Enterprise, subject to the criteria described in section IV.

This requirement shall take effect two years after enactment of the Act, and apply at the expiration of each existing service contract.

**III. Create incentives, similar to those offered to HubZone, women- and minority-owned firms, that reward blind entrepreneurs for offering high quality employment opportunities to persons with disabilities through a qualified Blind Business Enterprise certification program.**

The Business and Employment Development Branch shall develop a Qualified Blind Business Enterprise (QBBE) certification program, and shall offer training and technical assistance to QBBEs and SLAs to strengthen the Randolph-Sheppard program and improve the number and quality of business and employment opportunities for blind individuals nationwide. In order to be certified as a QBBE, a business must meet the following management and workforce participation criteria:

- 1) Management Criteria

- The majority ownership interest in the firm awarded the contract must be held by people who are blind;
- The principal manager of the work performed under the contract must have served successfully as a licensed blind vendor under the Randolph-Sheppard Act for a minimum of five years, or be certified by the Business and Employment Development Branch as having attained comparable training and experience; and
- One or more of the key personnel assigned under the contract must be blind.

2) Workforce Participation Criteria

- At least one-third of the enterprise's full-time and part-time employees (including management employees) must be blind individuals or individuals with other physical or mental impairments that constitute or result in a substantial impediment to employment;
- The percentage of the total annual compensation paid to blind and disabled employees (including management employees) must be at least equivalent to the percentage of the employment positions held by such individuals working for the enterprise;
- Benefits provided must be identical for all employees without regard to blindness or disability;
- Wages paid for full-time and part-time employment shall not be less than the highest wage required under applicable state or federal laws, and in no event shall be less than the federal minimum wage; and
- The enterprise must acknowledge the collective bargaining rights of its employees, and accept jurisdiction of the National Labor Relations Board regarding such rights.

**IV. Create incentives for blind entrepreneurs to qualify as Qualified Blind Business Enterprises by expanding available business opportunities both on and off of federal properties.**

In return for providing high quality employment opportunities for individuals who are blind and persons with other disabilities, and to expand the numbers of

persons who are blind or have other disabilities who can take advantage of these high quality jobs, support should be provided to help expand business opportunities for QBBEs. This shall be carried out in the following ways:

- If a State Licensing Agency (SLA) is offered a site under the Randolph-Sheppard Act and declines for any reason to exercise the priority for blind persons under the Randolph-Sheppard Act, the priority for blind persons may be exercised by a QBBE;
- In competition for federal contracts, bonus points shall be given through the proposal evaluation process to bidders that demonstrate that they have offered subcontracts to Randolph-Sheppard vendors and/or QBBEs;
- The Business and Employment Development Branch shall develop strategic partnerships with private sector entities such as franchise food service operations. These relationships shall be used to create opportunities for QBBEs to own and operate commercial franchises; and
- QBBEs shall be eligible to apply for Blind Entrepreneur loans and loan guarantees under the program described in section V below.

**V. Expand business opportunities for Qualified Blind Business Enterprises by creating a Blind Entrepreneur Loan and Loan Guarantee program.**

To assist QBBEs in expanding their business opportunities and creating additional high quality jobs for persons who are blind and those with other disabilities, a Blind Entrepreneur Loan and Loan Guarantee program should be created. This will operate in a manner similar to existing loan and loan guarantee programs for small, minority and disadvantaged businesses:

- The Business Employment Development Branch shall create and administer a Blind Entrepreneur business loan and loan guarantee program to assist QBBEs in obtaining capital for operations, equipment, expansion, and other necessary business expenses.
- QBBEs shall be eligible to apply for Blind Entrepreneur loans and/or loan guarantees for the purpose of taking advantage of business opportunities that are on public or private property.
- The Blind Entrepreneur business loan and loan guarantee program shall be authorized at \$15 million for fiscal year 2007, \$20 million for fiscal year 2008, and such sums as necessary thereafter.

**VI. Create incentives for federal contractors to subcontract with Randolph-Sheppard vendors and/or QBBEs for their food services.**

In order to expand business and employment opportunities for persons who are blind, the Randolph-Sheppard program must be expanded. To create incentives for large private entities to offer food service opportunities to Randolph-Sheppard vendors and QBBEs, bonus points shall be given through the proposal evaluation process to bidders on federal contracts that demonstrate that they have existing subcontracts with Randolph-Sheppard vendors and/or QBBEs, or will create such subcontracts if awarded the federal contract.

**VII. Create additional high quality job opportunities for blind persons by giving blind entrepreneurs that agree to higher standards priority in competition to provide to federal agencies products and services other than food services through a qualified Blind Employment Enterprise certification program administered by the Employment Enterprise Branch.**

The Employment Enterprise Branch shall administer a Qualified Blind Employment Enterprise (QBEE) certification program that recognizes vendors who agree to follow tough standards for creating high-quality employment opportunities for persons who are blind and who are otherwise disabled. In order to be certified as a QBEE, a business must meet the following criteria:

- Blind Employment Enterprises may be either for-profit or nonprofit corporations organized under the laws of any state or the District of Columbia.
- At least one-third of the enterprise's full-time and part-time employees (including management employees) must be blind individuals or individuals with other physical or mental impairments that constitute or result in a substantial impediment to employment;
- the percentage of the total annual compensation paid to blind and disabled employees (including management employees) must be at least equivalent to the percentage of the employment positions held by such individuals working for the enterprise;
- benefits provided must be identical for all employees without regard to blindness or disability;

- wages paid for full-time and part-time employment shall not be less than the highest wage required under applicable state or federal laws, and in no event shall be less than the federal minimum wage; and
- the enterprise must acknowledge the collective bargaining rights of its employees, and accept jurisdiction of the National Labor Relations Board regarding such rights.

#### **VIII. Implementation:**

Within 180 days of the enactment of the modernized Randolph-Sheppard program, the Federal Acquisition Regulations (FAR) and Defense Federal Acquisition Regulations (DFAR) shall be amended to reflect the provisions of the Act.