



NATIONAL FEDERATION OF THE BLIND

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BLIND ENTREPRENEURS INITIATIVE

THE BLITZ

April - June, 2016

The Randolph-Sheppard Merry-Go-Round never stops. Whether it's the biggest and best BLAST ever, Disney training, NAMA, training in the states, going after the VA, fighting off the DOD threat, or addressing the challenge of the day, it has been an extremely busy 3 months. That's not unusual but there seems to be more at stake than at any time in recent memory. The challenges are great and the threats are real but the NFBEI continues to bring value to the Randolph-Sheppard Program. The next several pages will prove that point.

Our DOD Strategy: Forcing the Action – For over a year now, we've known that the Department of Defense was working on proposed rules regarding military dining facilities. Nicky Gacos (NABM), Terry Smith (NFBEI), Parnell Diggs (NFB), and Andy Freeman (Brown, Goldstein, and Levy) had met with OMB in March to express concerns about possible regulations. The National Council of State Agencies for the Blind had met separately with OMB. Neither of us were successful in swaying DOD who appears determined to gut the Randolph-Sheppard priority and eliminate blind vendors from the military dining arena. On June 7th, DOD published a Notice of Proposed Rulemaking in the Federal Register. The proposed rules would narrow the scope of services that fall under the priority and change the way the competitive range is set. If these rules become final, several of our 40 DOD vendors would likely lose their facilities when they are re-competed. Most assuredly, there would be no new opportunities made available to Randolph-Sheppard. It is no exaggeration. These proposed rules could put blind vendors out of the military dining business. NABM and the NFBEI are not going down without a fight. Our strategy is as follows:

1. Generate 1,000 comments by Randolph-Sheppard stakeholders to be posted on the Federal Register by the August 8th deadline. NABM is preparing detailed comments that will be on our website in the next few days. We have also created a website that makes it simple to submit comments. Click here <https://nfb.constituentvoice.net/nfbreg/> fill in 3 blanks, and Bam you are making a difference. You will be asked to indicate which of the following apply to you:
 - o Committee Chair
 - o Blind Entrepreneur
 - o Blind Person
 - o Military Base Employee
 - o Other Interested Stakeholder

You will then need to provide your name and state and your comments will be automatically submitted. Don't wait. Submit now and then come back and finish reading The Blitz. Additionally, every single SLA, whether they have a military dining contract or not, should also submit comments.

2. Sponsor a Virtual Fly-In. We are asking all of the blind entrepreneurs who currently operate these military dining facilities and their teaming partners if they have one to set up telephone appointments with their members of Congress and/or the staffer who handles defense issues. The goal is to get report language added to either the National Defense Authorization Act or Defense Appropriations Bill directing DOD to not move forward with any rule that violates the Randolph-Sheppard Act. This does not mean we are not making personal contacts with members of Congress. The NFB National Office is heavily engaged in these efforts.
3. NABM is preparing to challenge any final rule in federal court. We believe that DOD does not have the authority to promulgate Randolph-Sheppard rules. Only RSA has such authority. At the very least, DOD doesn't have the authority to promulgate rules that blatantly violate the Randolph-Sheppard Act. If all else fails, we will let the courts decide.

It was our hope that DOD would back off of the rules after CNN ran several critical stories of the AbilityOne Program and the federal government allegedly opened up a grand jury investigation into the program. We again thought there would be some hesitation when the Senate included language in the NDAA mandating that DOD enter into no new contracts with SourceAmerica agencies until after all investigations have been concluded and controls have been put in place. But no, DOD was unfazed and still published rules that will give hundreds of millions of dollars in new contracts to a program under federal investigation. Why? We will leave that up to you to surmise. We're not buying their reasoning that they simply want clarity for their contracting officers. They could provide clarity that complies with the Randolph-Sheppard Act. Ironically, the first person to post a comment on the Federal Register appears to be a contracting officer who opposes the new rule and makes the point that the rule creates less clarity.

We want to offer one last note about the proposed rules. NABM submitted a Freedom of Information Request to the Department of Education seeking copies of correspondence between Education and OMB during the time the proposed rules were being finalized. We know OMB asked Education to review what DOD was proposing and provide feedback. We want to know what Education said. We are still waiting on those documents. We are confident that RSA would have never agreed to such a restrictive rule but we want to see for ourselves. In publishing the proposed rule, DOD states that the proposed rule complies with the Randolph-Sheppard Act. It does not. Did RSA tell them it did? We don't think so.

The DOD issue is Priority #1 right now for NABM and the NFBEI. You will be hearing much more about this in the coming weeks and months. We will prevail but it will take everyone pulling together.

Topeka Judge Not Impressed by DOD Proposed Rules – In the last issue of The Blitz, we reported that a federal judge had granted the Kansas SLA an injunction preventing DOD from replacing a blind vendor operation with an AbilityOne non-profit agency. DOD filed a motion requesting that the injunction be lifted based upon the proposed DOD rules. The judge wasn't buying. First, in his ruling denying the motion, he said the rules have many steps yet to become final and to assume they will become final ignores this fact. Oh so true Your Honor! He then stated that even if the rules do become final it would ignore the legislative reality that DOD doesn't have the authority to promulgate such rules. Right again Judge. That will be at the heart of our legal challenge. Having one federal judge recognize this fundamental fact is a positive sign for Randolph-Sheppard.

Windy City BLAST Knocks It Out of the Park – Not enough superlatives can be used to describe the Windy City BLAST. Many attendees called it the best BLAST ever. The speakers were powerful. Whether it be Navy Seal Leif Babin, NFB President Mark Riccobono, former Congresswoman Barbara Kennelly, Abraham Lincoln impersonator Gene Griesman, leadership guru Kevin O'Connor, one of our Randolph-Sheppard attorneys, or one of any of the other great presenters, there was much information to be absorbed. The entertainers were enjoyable especially the musical tribute to Chicago, the songs written by J.P. Williams just for the occasion, and the comedian at the banquet. The trade show was the biggest ever at a Randolph-Sheppard function.

BLAST generated quite a bit of buzz in the vending industry. If you don't believe me, check out the latest issue of The Vending Times by clicking on the link:

<http://vendingtimes.com/ME2/dirmod.asp?sid=737C17AB0E09499F90660557C93983AD&nm=Articles&type=Publishing&mod=Publications%3A%3AArticle&mid=8F3A7027421841978F18BE895F87F791&tier=4&id=AF85A72680104B76864A9786F9751E04>

Much more could be said. Here are just a few notes that might be of interest:

- 97% of those responding to the post conference survey agreed that the quality of the content and the quality of the speakers were excellent. The trade show got equally high marks.
- NABM presented former Congresswoman Barbara Kennelly with the organization's first ever Champion Award. This too garnered national attention. Click to see what The Vending Market Watch had to say.

http://www.vendingmarketwatch.com/news/12223878/nabm-honors-former-congresswoman-barbara-kennelly-at-2016-blast-conference?utm_source=VMW+Today&utm_medium=email&utm_campaign=AUTM160616002

- Three other awards were presented at BLAST:
 - John Gordon received the first ever Presidential award in recognition of a lifetime of advocacy.
 - Chuck Young was presented with an award recognizing his contribution to the Hadley / NABM partnership.
 - Illinois BEP Director Raven Pulliam for his hard work in bringing BLAST to Chicago
- Navy Seal Leif Babin, who gave the keynote address, was blown away by BLAST. These are his words: "I have to say the BLAST Conference in Chicago was one of the best events I have ever been a part of. You could feel the energy and enthusiasm in the audience." Leif is in great demand as a speaker and attends many such functions each year so these remarks were extra special. Leif stayed and signed books for an hour and 15 minutes after his presentation and almost missed his plane as a result.
- The tradeshow featured 80 booths representing 122 companies.
- One attendee observed about the President Lincoln presentation, "Five minutes in I forgot it wasn't really President Lincoln." That is pretty powerful.

Marines Looking at New Troop Dining Contracts – The U.S. Marines have issued a Sources Sought notice seeking information about potential contractors for the multi-state military dining contracts that will come out for bid within the next 2 years. Currently, there are two contacts – one East and one West. It is assumed they will structure contracts the same this time around. We have already started facilitating discussions between the states that could be involved in such a project. The last go around, Arizona and California did submit a joint proposal for the West Coast contract but failed. There were lessons learned. The East Coast states were unable to submit a bid when the teaming partner pulled out at the last minute. The hope is we will be able to compete for both contracts this time.

A Breakthrough with the VA? – Regular readers of The Blitz and those who are familiar with the work of the NFBEI know we have taken on the Department of Veteran’s Affairs as a challenge. The VA has historically blatantly violated the Randolph-Sheppard Act. At last summer’s NFBEI Fly-In, the Florida vendors got the attention of Congressman Jolly. The Congressman did two very important things for us. First, he wrote a letter to the U.S. Department of Education seeking guidance on how the Randolph-Sheppard Act applies to VA properties. We were pleased that Education wrote a very strong response leaving no doubt that the priority applies to VA properties and that the VA is not in compliance. The Congressman then added report language to the VA Appropriations Bill directing the VA to report to Congress on its efforts to comply with the Act. In the meantime, Minnesota has filed for arbitration against the VA and Florida may be following soon. With the strong letter from Education now in hand, every single state should prepare to pursue VA hospital sites. It’s a simple process: 1. Do a survey; 2. File for a permit; 3. Get denied or be ignored; and, 4. File for arbitration. We can’t understand why every SLA wouldn’t be doing this. The Committees of Blind Vendors need to put pressure on the SLA’s to pursue these opportunities for blind entrepreneurs.

Become an Emerging Leader – NABM will be conducting its second Emerging Leaders Training Program September 8-10 in Nashville, Tennessee. The training is intended to develop the leadership skills of blind entrepreneurs who want to be leaders on the state or national level for the next decade and beyond. The goal is to have 10 trainees and we have more applications than that already in hand. However, we would still encourage any blind entrepreneur who is interested to apply. The deadline for applying is July 15th. They can do so by completing the on-line application at <http://blindmerchants.org/emerging-leaders-application/>

Saying Yes to Direct Negotiations – Congratulations to the Colorado SLA, Kevan Worley, and Blackstone Consulting for successfully negotiating a contract to manage and operate the dining services at the Air Force Academy. The Air Force chose not to competitively bid the contract and directly negotiated with the SLA. Good job all getting that contract.

Georgia Serious About Getting Into the Private Sector – For years you’ve heard it said that the future of Randolph-Sheppard must be in the private sector. Governments are downsizing and telecommuting is reeking havoc on blind entrepreneurs’ businesses. We must find new opportunities. The Georgia SLA is getting serious about it. In a unique move, the VR Agency Director and others entertained presentations by Randolph-Sheppard blind entrepreneurs about potential opportunities in the private sector. Terry Smith, who was in the state providing technical assistance and participating in discussions with the Department of Corrections, was there to observe. He was impressed by the

quality of the ideas and the research that had been done. Proposals included food franchises, a laundry mat, a drycleaners, and an emissions testing center. It was encouraging to have an SLA seriously looking at such options. It remains to be seen which if any of the proposals will be funded but at least serious dialogue is taking place. We will be watching with great interest.

NABM / Hadley Conduct Webinar on Calorie Disclosure – As you no doubt know, effective December 1st of this year, most blind entrepreneurs who service vending machines will have to start disclosing the caloric content of all products sold. The requirement will apply to any vendor who operates 20 or more vending machines. To help prepare our blind entrepreneurs and SLA partners to comply with this requirement, we arranged to have the FDA conduct our last “Randolph-Sheppard on the Web” webinar. The webinar was held on June 23rd and we had a record number of participants register. It is clearly an issue of importance to blind entrepreneurs and SLA’s. We did experience some technical difficulties; however, the webinar has been archived and you can listen by going to: <http://www.hadley.edu/FCE-BizTalk.asp>

NAMA Fly In – The National Automatic Merchandising Association (NAMA) will be holding its second annual D.C. Fly-In on July 12-13. Approximately 300 people have registered to attend. NABM and the NFBEI will be well represented. The key issue to be discussed with members of Congress is the upcoming calorie disclosure requirements.

It Will Be a Star Spangled 4th in Orlando – The National Federation of the Blind National Convention will be held June 30 – July 5 in Orlando. 3,000 blind people will gather in the Sunshine State and NABM members will be there in force. The Merchants will be meeting on Saturday, July 2nd and President Gacos has an exciting agenda planned. Last year there was a record number of blind entrepreneurs at the convention and we are hoping for a great turnout again this year.

Chuck Young Says Goodbye - Chuck Young retired as the Executive Director of the Hadley Institute for the Blind and Visually Impaired in May. He was recognized at BLAST for his contribution to the Hadley / NABM partnership that has resulted in the Business Enterprises Program Licensing Training, the Entrepreneur of Excellence Program, and the Randolph-Sheppard on the Web webinars. Chuck deserves much credit for helping NABM and the NFBEI address a huge training void in our community. But Chuck will still be very busy this summer. He will be working at Wrigley Field as an usher at Cubs games. What a year to take on that gig as the Cubbies are generally considered to be the best team in baseball. There are some Cardinals, Mets, and White Sox fans within the NABM ranks who might disagree with that statement. Nonetheless, good luck Chuck and have fun. You deserve it. We will miss you.

Oops! We erred! Correcting the Record – In the last issue of The Blitz and on our website, we listed the graduates of our first Emerging Leaders Training Program that was conducted in December in New Orleans. We inadvertently left off Mark Dolzadelli of Kentucky. It was an error we regret because Mark was a very important part of the inaugural class. Our apologies to Mark.

New Face on \$20 Bill – The Treasury Department recently announced that Harriet Tubman will replace Andrew Jackson on the U.S. \$20 bill. Tubman escaped slavery in the 1820's and then devoted her life to helping others find their way to the North where freedom awaited. She created what was known as the underground railroad which was a network of safe houses runaway slaves used during their escape. Others considered were Rosa Parks and Eleanor Roosevelt.

Not So Sweet: Sugary Tax Approved by Philadelphia: In several past issues of The Blitz, we have talked about efforts to tax sugary drinks. Well, Philadelphia did more than talk about it. The city passed the Sweetened Beverage Tax which will impose a 1.5-cent per ounce tax on all sugary and diet drinks. You do the math. That is a \$.30 increase in the cost of a 20-ounce drink. This could be potentially devastating to Randolph-Sheppard entrepreneurs in the City of Brotherly Love. Interestingly, the tax was motivated by the desire to raise revenue and not any interest in good health. The tax may be reconsidered but if it isn't repealed, it will go into effect in January and is expected to raise almost \$100 Million in new taxes. The bad news is former New York City Mayor Bloomberg wants to immolate the Philly initiative in other cities and he plans to help fund such efforts. It is going to be a challenge for all blind entrepreneurs and the vending industry at large.

Saying Goodbye to a Georgia Peach – Raj Gandy, the longtime BEP Director in Georgia, has moved on to bigger and better things. She has been promoted in the agency to be the newly created Director of Strategic Initiatives position. It is a great opportunity for Raj and we wish her well but she will be missed by her Randolph-Sheppard family. Good luck Raj. Georgia has named Teresa Eggleston and Charlie Garrett have been named Co-Directors replacing Raj.

The NFBEI on the Road – It will come as no surprise that Terry Smith and Nicky Gacos were out in the states over the last 3 months. Nicky spoke at the annual vendor training conferences in Virginia and Ohio and also was in Chicago for the NAMA One Show. Terry provided staff training in Louisiana and Pennsylvania, assisted Nevada with its strategic plan, spoke

at the Maryland Biannual Training Conference, was in Georgia providing technical assistance and attended the NCSAB Spring meeting in Bethesda and the NAMA One Show in Chicago. And they were both of course back in Chicago for BLAST.

Tidbits –

- SourceAmerica spent \$650,000 last year on lobbying. They definitely have an advantage in that area. Randolph-Sheppard can never match such spending but we do need a strategy to counter their message in Congress.
- NABM and the NFBEI were proud to promote and participate in the RSA Management Group's second annual Randolph-Sheppard Training at the NAMA One Show in Chicago in April.
- Terry Smith presented to state attorneys who participated in training in April sponsored by the Council of State Administrators of Vocational Rehabilitation.
- In the last issue of The Blitz, we reported that Mike Barclay of Southern Foodservice Management had won the Silver Plate Award at the annual National Restaurant Association conference in May. Here is the link to the video: <http://videos.ifmaworld.com/product-category/channel/gold-silver-plate-awards>
- According to The Vending Market Watch, 2 out of 5 U.S. Consumers are replacing breakfast with nutritional and performance drinks.
- Barry Shaw, a blind entrepreneur in Tennessee, recently published his autobiography entitled "*How Sweet the Sound: My Journey Through a Sighted World.*" You can check it out at <https://slate.adobe.com/cp/ZzvfF/>

You Can Still Help – Do you like what the NFBEI is doing to advocate for the program on a national level and to assist individual state programs? Do you enjoy reading The Blitz and being kept informed about what is going on in the Randolph-Sheppard community? If so, we can use your financial support. Over half of our support comes from the NFBEI subscriptions but we count on donations to make up the rest. If you would like to contribute to the cause, we would welcome your donation. You can donate by sending a check to:

National Association of Blind Merchants
7450 Chapman Highway, #319
Knoxville, TN 37920

Make the check payable to NABM and write "NFBEI" in the memo portion of the check. Your support is greatly appreciated.

You can also donate by going to our website at www.blindmerchants.org and we have a new way you can contribute. We can do bank drafts if you want to sign up for monthly giving. Contact Terry Smith if you are interested in setting up bank draft donations

Share Your News with Everyone- Help us keep everyone informed about what is happening around the country. Let us hear from you. Tell us what is going on in your state. What is happening in one state affects what is going on in another, and the NFBEI is the vehicle to keep everyone updated on what is going on out there.

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WANT ALL BLIND ENTREPRENEURS, BEP
ADMINISTRATORS, and OTHER STAKEHOLDERS TO
KNOW WHAT THE NFBEI IS DOING**

The National Federation of the Blind knows that blindness is not the characteristic that defines you or your future. Every day we raise the expectations of blind people, because low expectations create obstacles between blind people and our dreams. You can live the life you want; blindness is not what holds you back.