



# NATIONAL FEDERATION OF THE BLIND

NATIONAL ASSOCIATION OF  
BLIND MERCHANTS

*Live the life you want.*

## **NABM / NFBEI Annual Report**

### **2017**

#### ***A MESSAGE FROM THE PRESIDENT***

***By Nicky Gacos***

As the President of the National Association of Blind Merchants, a division of the National Federation of the Blind, I am so proud of what we were able to accomplish in 2017. Our organization remains committed to doing our part to protect and enhance entrepreneurial opportunities for the Blind in this country. That commitment is driven by a fundamental belief in the abilities of the Blind and the knowledge that blindness is not what stands between us and our dreams.

Six years ago, we created the National Federation of the Blind Entrepreneurs Initiative (NFBEI). It is not a stand-alone entity. It is part of NABM and is simply the name we gave to this unique initiative. As such, it is impossible to do an annual report for the NFBEI and separate its accomplishments from those of NABM. We are one and the same. Our goal when we created this initiative was to make a difference in what it means to be a blind entrepreneur in this country. That has and always will be the goal of NABM. The only difference is we now have a name for the initiative that helps us achieve that goal.

As NABM President, I am extremely proud of the successes we have achieved over the past 6 years and I am especially proud of all that we did in 2017. This annual report is a testament to that success. As we reflect on the past year, we owe a debt of gratitude to National Federation of the Blind President Mark Riccobono and our entire NFB family. Just like the NFBEI and NABM are one and the same so are the NFB and NABM. We could not do what we do without the support of President Riccobono and our National Office.

I also want to thank those of you who help us fund this special initiative. A total of 37 state licensing agencies paid an annual subscription fee to take advantage of the training and technical assistance services we offer through the NFBEI. Those subscription fees allow us to provide the type of services to the states they want and need. We also want to thank those who contribute to our cause on an annual basis. Those funds are used to help us offset the costs of much of our advocacy efforts in D.C. such as our annual fly-in. Without your financial support, we wouldn't be able to do much of what we do – at least not on the level we are able to do so now.

I invite you to read through this annual report and take it all in. I am confident that you will be impressed. Take note of what we accomplished in 2017 and where we are going in 2018. We can take pride in what we have achieved but we must look to the challenges of the New Year. 2018 will offer many opportunities for us to protect and enhance the Randolph-Sheppard Program. However, it will also offer an opportunity to focus on the future and on businesses other than those typically associated with blind vendors.

As we hit the ground running in 2018, I encourage you to get involved. Check out the Dates to Remember and attend as many of those events as you can. Everyone can't attend everything and we understand that but these are all important events for the future of our program.

In closing, let me say we look forward to an even bigger 2018. I want to extend a personal invitation to anyone reading this to attend our 2018 BLAST Conference which will be held November 13-16 at the Hyatt Regency Hill Country in San Antonio, Texas. I can't promise we will top last year's Music City BLAST but we are going to try. You will soon be able to start registering at [www.blindmerchants.org](http://www.blindmerchants.org).

## ***The NFBEI: Meeting the Challenge in 2017***

***By Terry C. Smith***

To be honest, things haven't slowed down enough to reflect on 2017. The World of Randolph-Sheppard never seems to stop spinning. However, as I sit in front of my computer writing this, I would characterize 2017 as the year that set up 2018. That may seem strange at first blush; however, so much of what happened will culminate in the New Year. Rest area commercialization was formally introduced to us in the form of HR 1990 and our fight against that will take center stage in 2018 as the President pushes for it as part of his infrastructure plan. We gained momentum on DOD issues as a result of our advocacy efforts in Congress and some favorable arbitration decisions. In 2018, we will build on that momentum and hopefully take a major step forward in our battle to protect opportunities for blind entrepreneurs on military bases. The American Heart Association all but declared war on Randolph-Sheppard in 2017 and more of those battles loom ahead. Several new states came on board to take advantage of the on-line entry-level training program we offer in conjunction with the Hadley Institute for the Blind and Visually Impaired and we expect more states will follow suit in 2018. We offered some

unique training opportunities in 2017 and have even bigger and better things planned for 2018. Yes, it's going to be an exciting year in our world.

I am truly honored and humbled to have this opportunity. I want to thank NABM President Nicky Gacos, National Federation of the Blind President Mark Riccobono, and the NABM Board of Directors for having the confidence in me to do what I do and allowing me to contribute in some small way. I will continue to work as hard as I can on your behalf. Here's to an Amazing 2018!

## ***Background***

The National Federation of the Blind and the National Association of Blind Merchants launched the NFBEI on January 1, 2012. Terry Smith was hired to lead the initiative and he hit the ground running. There were no clear plans in place for the NFBEI. The general consensus was that there was a void after the abolishment of the Blind Entrepreneurs Alliance in 2010 and the Randolph-Sheppard Program needed attention.

As the program has evolved, it now focuses its efforts on 3 distinct areas of importance:

- Training
- Technical Assistance
- Advocacy

As you read this Annual Report, you will note many activities and accomplishments in each of these areas.

## ***NFBEI Funding***

The NFBEI is required to generate its own funding. In 2017, it accomplished this through 2 primary sources of funding:

1. State Subscriptions
2. Donations

In 2017, 37 states took advantage of the subscription service. This covered the costs of providing training and technical assistance to the states and to blind entrepreneurs and Elected Committees. Donated dollars are used to cover our advocacy efforts in D.C. and around the country. The subscription service has been very popular with the states as evidenced by the number of states currently subscribing. Among other things, the subscription service entitles states to unlimited and free technical assistance; one on-site visit to the state to provide training to the blind entrepreneurs, Committees of Blind Vendors. and/or staff; mentoring, etc. Blind entrepreneurs and other Randolph-Sheppard stakeholders were generous in 2017 with their financial support as well, which enabled the NABM and the NFBEI to hold its Fly In and do other advocacy.

## ***Rest Area Commercialization Dominates 2017***

It wasn't the only issue but rest area commercialization certainly took center stage in 2017. We knew that it was coming down the pike and finally we were faced with our biggest fears when Congressman Banks of Indiana introduced HR 1990. This bill would allow states to create travel plazas at the interstate rest areas which are currently strictly prohibited. In is 2018 budget document, President Trump indicated support for commercialization through private / public partnerships. Vending machines operated by blind entrepreneurs or third party vendors authorized by state licensing agencies are the only commercial activities authorized by law at the rest areas. If states are allowed to build travel plazas, approximately 400 blind entrepreneurs could be displaced and sent to the unemployment lines. State agencies could lose millions of dollars in revenue that they use to fund their programs and to provide benefits to the blind entrepreneurs.

New York didn't wait for Congress to act. It installed manned commercial operations at several of its rest areas. The Governor of Arizona asked the Federal Highway Administration for a waiver so it could commercialize its rest areas. The Texas Department of Transportation went on record asking its Congressional delegation to work to change the law to allow commercialization. The concept is gaining momentum.

NABM President Gacos and Terry Smith met with key officials in the Federal Highway Administration about this issue. Gacos also authorized the creation of a website that made it easier for blind entrepreneurs to send letters to their members of Congress in regards to this issue. It was a major issue at the 2016 NABM Fly In.

NABM has joined a coalition in opposition to any such efforts. The National Association of Truck Stop Operators and National Association of Convenience Stores also belong to the coalition and the National Automatic Merchandising Association has also joined us in opposing rest area commercialization. It is expected that Congress will seriously take up the issue in 2018 and NABM is gearing up to make its case against commercialization. It will be an uphill fight as the idea has a lot of support from governors and state departments of transportation. It's an idea that some in the traveling public may even find attractive. So, we have a lot educating to do in the New Year.

## ***DOD Still Has Our Attention***

In some ways, the Randolph-Sheppard community caught a break when President Trump announced what amounts to a moratorium on new regulations. We had fully anticipated that DOD in 2017 would finalize its proposed regulations severely curtailing the Randolph-Sheppard priority for troop-dining contracts. NABM was prepared to sue the Department of Defense if it had done so. Instead, everything was more or less put on hold by DOD.

That gave us an opportunity to ramp up our efforts in Congress to educate members about the issue. One Congressman in particular has taken a keen interest.

He and others have written letters to both the Department of Education and the Department of Defense on our behalf. We have continued to press the Department of Education on this issue urging them to take a stand against the proposed DOD regulations.

In 2018, we will continue to cultivate our relationships with members of Congress and we will continue to advocate with Education. If this all fails and DOD proceeds with finalizing the proposed rules, we will see them in federal court. However, one way or the other, this issue will culminate in 2018.

### *Healthy Vending Challenges Remain*

In 2017, health advocates, most notably the American Heart Association, launched efforts in several states to eliminate the sell on most products currently sold by blind entrepreneurs in their vending machines. The AHA and others want 100% healthier options using very strict criteria as to what is healthy and what is not.

The best example of these efforts was in Louisiana where the AHA worked with the Governor who eventually issues an ill-advised executive order requiring that only healthy options be vended in any machines on state property. The SLA had no knowledge that such discussions were taking place and were completely blindsided when NABM learned of the order and shared it with them. NABM President Nicky Gacos sprang into action and rallied the support of NAMA and the state affiliate of NAMA in opposition to the initiative. Gacos traveled to Baton Rouge with NAMA representatives to meet with the Governor's Office. He invited the Chairman of the Committee of Blind Vendors to attend the meeting and he was successful in brokering a deal that would create a pilot project whereby blind vendors will ensure that 30% of the products they vend meet the Fit Pick Healthy Vending Guidelines. NABM got some very favorable national publicity from the vending industry publications.

### *2017 Accomplishments*

- Increased to thirty-seven (37) the number of states subscribing to training and technical assistance services provided by the National Federation of the Blind Entrepreneurs Initiative (NFBEI).
- In 2015, in cooperation with the Hadley Institute for the Blind and Visually Impaired, NABM and the NFBEI launched the first ever on-line entry-level training program for prospective Randolph-Sheppard entrepreneurs. In 2017, 32 individuals from 13 different states completed the training program. This represents approximately 30% of all blind vendors trained and licensed in the country. This number will increase significantly in 2018 as a couple of larger states have committed to start using the Hadley curriculum.
- Held one of our most successful BLAST Conferences ever in Nashville in September with approximately 500 people attending and the exhibit hall had

over 70 companies displaying their products and services at the trade show. The Vending Times was so impressed that it ran a featured article about BLAST.

- In May, 2017, NABM, with support from NFB's national office, sponsored a D.C. Fly In to educate members of Congress about four important issues related to Randolph-Sheppard. We had eighty (80) blind entrepreneurs and other interested stakeholders attend.
- Created a website that made it easy for over 2,000 Randolph-Sheppard stakeholders to send letters to members of Congress opposing rest area commercialization efforts.
- Sponsored and participated in the National Automated Merchandising Association's Day on the Hill in July.
- Implemented a new service providing assistance to blind entrepreneurs who are dealing with the Social Security Administration on SSDI issues.
- Joined over 2,500 other blind people at the annual convention of the National Federation of the Blind in Orlando. There were over 80 people in attendance at the meeting of the Merchant's Division.
- Facilitated discussions between 5 east coast states that led to the South Carolina SLA submitting a proposal on behalf of the states to manage the multi-state Marine Corps troop-dining contract. On the West Coast, California submitted a proposal to manage the food service contract that covers bases in California and Arizona.
- Sent a letter to the Secretary of the Navy urging that the Randolph-Sheppard priority be strictly adhered to in awarding the 2 multi-state contracts for the food service at the Marine bases.
- Sent a letter to the Secretary of Education expressing concern about the interpretation and enforcement of regulations that require SLA's to get prior approval from RSA on any purchases that exceed \$5,000.
- President Gacos along with NAMA representatives met with the Louisiana Governor's Office in regards to his healthy vending executive order and brokered an agreement that will require blind vendors to offer 30% healthier options in vending machines on state property.
- President Gacos completed his second full year on the NAMA Board of Directors and continues to strengthen the relationship between that organization and the Randolph-Sheppard community.
- Made on-site visits to 26 states presenting at annual blind vendor training conferences, conducting trainings for Elected Committees of Blind Vendors, providing training for business enterprises staff, and providing technical assistance.
- Assisted 4 states in revising their rules and program policies which seems to be a growing need for SLA's and an area where NABM and the NFBEI can assist.
- Submitted comments to the Department of Education in response to its regulatory review process mandated for all departments by the Trump Administration. Comments focused on Randolph-Sheppard regulations

- found at 34 C.F.R. 395 and how they could be improved to better support the Randolph-Sheppard Program.
- Submitted comments to the Department of Defense which sought public comments on how to improve contracting. NABM suggested consistent language regarding the Randolph-Sheppard priority in all RFP's for food service contracts.
  - Released and posted on its website a white paper regarding underfunding of business enterprises programs and the failure of SLA's to meet their mandated obligation under the law to adequately fund their programs.
  - President Gacos and Terry Smith along with John Pare and Gabe Cazares of the NFB National Office met with Acting Assistant Secretary of the Department of Education's Office of Special Education and Rehabilitation to discuss Randolph-Sheppard areas of concern including RSA's reluctance to intervene when it knows federal agencies are violating the Randolph-Sheppard Act; RSA's position on military dining; RSA's failure to provide guidance on critical issues; and the lack of staff support for Randolph-Sheppard.
  - Provided expert testimony in 2 federal arbitration cases.
  - Continued to support and promote the RSA Management Group which paid out approximately \$2 million in rebates to blind entrepreneurs in 2017.
  - Promoted and participated in the Randolph-Sheppard training presented by the RSA Management Group at the NAMA One Show in Las Vegas.
  - Presented at the state attorney CLE training sponsored by the Council of State Administrators for Vocational Rehabilitation in April in Bethesda, Maryland.
  - Submitted comments to the Federal Highway Administration regarding potential expanded commercialization of the interstate rest areas and led a successful effort to generate comments from as many rest area vendors from across the country as possible.
  - Submitted a Freedom of Information Request to the U.S. Postal Service to get a copy of the contract with National Vending.
  - Continued to advocate on behalf of Randolph-Sheppard with several federal agencies including the General Services Administration, Department of Veterans Affairs, U.S. Postal Service, National Park Service, Department of Education, and the Department of Defense.
  - Met with the Federal Highway Administration to discuss rest area commercialization.
  - Implemented a pilot project with a Social Security expert to help blind entrepreneurs who are experiencing problems with the SSA on SSDI matters.
  - NABM provided legal support and representation for multiple blind entrepreneurs with grievances against state licensing agencies.
  - Established a membership committee, which is being headed up by Debra Smith of Arizona, to try to increase the number of dues paying members.

### ***What's Coming in 2018?***

Here's a look at some of the major events coming up in 2018:

- January 29–31 – National Federation of the Blind Washington Seminar in Washington, D.C. (Merchants Meet on the 29<sup>th</sup>)
- March 20-23 – NAMA Show in Las Vegas (Randolph-Sheppard Training on March 20th)
- May 21-23 - NABM Emerging Leaders Training in Washington, D.C.
- May 22 – NABM Goes to the Hill in Washington D.C.
- July 3-9 – National Federation of the Blind Annual Convention in Orlando
- July 24-25 – NAMA Fly In in Washington, D.C.
- November 13-16 – BLAST Conference in San Antonio, Texas.

## ***Conclusion***

Yes, 2017 was quite a year and the stage is set for an even more eventful 2018. NABM and the NFBEI will be busy trying to make a difference in what it means to be a blind entrepreneur in this country. If you are impressed and want to support the continued efforts of NABM / NFBEI, you can do so by donating by going to our website at [www.blindmerchants.org](http://www.blindmerchants.org) or mailing a check to 7450 Chapman Highway, #319, Knoxville, TN 37920.

*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.*