



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 116 (as passed by the Senate)  
Sponsor: Senator Sarah Anthony  
Committee: Regulatory Affairs

Date Completed: 5-30-25

**RATIONALE**

According to the Business Enterprise Program (BEP) of the Michigan Bureau of Services for Blind Persons, the licensure requirements for blind individuals operating concession stands on State land are duplicative. The Food Law, enforced by the Michigan Department of Agriculture and Rural Development (MDARD), governs these types of concessions and requires inspections every 18 months; however, the Federal Randolph-Sheppard Act (see **BACKGROUND**) also governs these types of concessions and requires inspections performed by the BEP every 6 weeks. According to testimony before the Senate Committee on Regulatory Affairs, these inspections cover similar criteria, but the BEP also assists vendors in a more robust fashion, helping to improve their businesses as a whole and increase revenue. Given that the BEP inspects concession stands operated by legally blind individuals on State land more often than MDARD, exempting these types of concessions from licensure requirements under the Food Law has been suggested.

**CONTENT**

**The bill would amend the Food Law to exempt from the Law's licensure requirements an individual operating a concession stand under the requirements of Public Act (PA) 260 of 1978, which provides for assistance to blind and visually disabled individuals.**

The Food Law, among other things, prescribes requirements for the licensure and inspection of food service establishments and food establishments. Food service establishments include restaurants and similar places where food and beverages are served, as well as vending machine locations. Food establishments include grocery stores, food warehouses, food processors, and food service establishments. The Law requires the Director of the Department of Agriculture and Rural Development (MDARD) to enforce and administer it but also delegates to local health departments the enforcement of requirements pertaining to most food service establishments; MDARD retains responsibility to license and inspect food establishments.

Among other things, PA 260 of 1978 regulates concessions and concession licensure reserved for blind and visually impaired individuals. Concessions include equipment or locations being used to sell retail confections and items including coffee, soft drinks, wrapped sandwiches and baked goods, and similar food items in State buildings and vending facilities, excluding State-owned fairgrounds, educational and penal institutions, military establishments, and parks. Vending facilities include machines, cafeterias, snack bars, or counters, among other equipment. The Act requires the Commission for the Blind, under the Department of Labor and Economic Opportunity, to determine an applicant's qualifications to operate a concession.

The bill would exempt an individual who operated a location pursuant to PA 260 of 1978 from the Food Law's licensure requirements.

MCL 289.4105

## **PREVIOUS LEGISLATION**

*(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)*

The bill is a reintroduction of Senate Bill 986 from the 2023-2024 Legislative Session. Senate Bill 986 passed the Senate and was reported by the House Committee on Agriculture but received no further action.

## **BACKGROUND**

The Randolph-Sheppard Act is a Federal law passed in 1936 which gives priority to blind individuals to operate vending facilities on Federal and State property. The Act intended to enhance employment opportunities for trained, licensed blind individuals by operating vending facilities.<sup>1</sup> Federally, the Rehabilitation Services Administration operates the Randolph-Sheppard Vending Facility Program to enforce the Act's requirements. The Randolph-Sheppard Act was codified into State law by PA 260 of 1978. The Michigan Bureau of Services for Blind Persons operates the BEP to enforce PA 260's requirements.

## **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

### **Supporting Argument**

The cost of a duplicative license tends to be significant for licensees who are blind and operate concession stands on State land. According to testimony, the average income for licensees last fiscal year was \$102,000. The median income was \$56,000. The Michigan Department of Agriculture and Rural Development charges \$500 for licensure, which directly reduces licensees' earnings. Testimony indicates that the purpose of the program authorizing legally blind individuals to operate food services and concessions on State and Federal properties is to provide an opportunity for these individuals to earn a livelihood outside of public assistance. Passing the bill would reduce the financial burden of licensure for blind individuals operating a concession stand on State land and improve the Federal and State laws' purpose.

Legislative Analyst: Nathan Leaman

## **FISCAL IMPACT**

According to MDARD, it received only \$14,627 in payments from these fees, so the costs of the legislation certainly would be minimal to the State. The other piece of this, the local license from a county's health department, is set locally and can vary but also would likely be of minimal cost. In addition, according to the Department of Labor and Economic Opportunity, there are currently 40 legally blind individuals licensed to run small businesses that sell concessions on State and Federal properties across the State. Operators must comply with the Federal Randolph-Sheppard Act and Michigan's PA 260 of 1978 and are also regulated by PA 188 of 2016, which regulates the licensing of all food services and requires establishments to pay MDARD and/or a local health department a fee for licensing and inspections.

Fiscal Analyst: Bruce R. Baker

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<sup>1</sup> "Randolph-Sheppard Vending Facility Program", Rehabilitation Services Administration. Retrieved on 5-25-25