

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control No. 795 Department or Agency Alabama Board and Dept. of Rehabilitation Services.

RuleNo. 795-7-7-.02

Rule Title: Purpose Of Funds

 New; X Amend; Repeal; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? N/A

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama, 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama, 1975, and that it conforms to all applicable filing requirements of the Alabama Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer Stephan K. King

Date 12-16-16

(DATE FILED)
(STAMP)

ALABAMA BOARD OF REHABILITATION SERVICES

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Board of Rehabilitation Services

RULE NO. & TITLE: Amend Rule No. 795-7-7-.02 Purpose Of Funds.

INTENDED ACTION: The ALABAMA BOARD OF REHABILITATION SERVICES proposes to amend rules and regulations.

SUBSTANCE OF PROPOSED ACTION: The amendment of this rule is authorized under the authority of ALA. CODE 1975 §21-9-1 *et seq.*, and the Alabama Board of Rehabilitation Services wishes to amend this rule so as to come in compliance with requirements for the program. This amended rule and regulation is issued under the authority of ALA.CODE 1975 §21-9-1 *et seq.* This rule covers specific requirements and procedures necessary for the proper administration of Alabama law. The amendment reformats the subparagraphs of the rule, clarifies that vacation pay is based upon federal minimum wage, and adds liability insurance currency to the requirements to qualify for vacation pay.

Copies of the proposed amended rule are available for inspection in the offices of the Board, 602 South Lawrence Street, Montgomery, Alabama 36104. Upon reasonable notice, persons requiring accommodation may obtain copies in large print, Braille or other media.

TIME, PLACE, MANNER OF PRESENTING VIEWS: All interested persons may submit written comments, and if requested in advance may personally appear before the Alabama Board of Rehabilitation Services by submitting a request to appear, to:

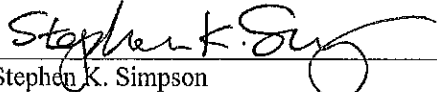
Stephen K. Simpson
602 South Lawrence Street
Montgomery, Alabama 36104
Telephone: (334) 293-7187

To be considered by the Board, written comments must be received in the office of the Board no later than two days before the next regularly scheduled Board meeting on March 3, 2017, to wit: not later than March 1, 2017. Persons desiring to orally express their views before the Board must first submit their comments in writing as stated above, and shall be limited to ten minutes per person.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: March 1, 2017.

CONTACT PERSON AT AGENCY:

Stephen K. Simpson
602 South Lawrence Street
Montgomery, Alabama 36104
Telephone: (334) 293-7187



Stephen K. Simpson
Alabama Board of Rehabilitation Services

**ALABAMA DEPARTMENT OF REHABILITATION SERVICES
BUSINESS ENTERPRISE PROGRAM**

**CHAPTER 795-7-7
SET-ASIDE FUNDS**

TABLE OF CONTENTS

- 795-7-7-.01 Method Of Determination**
795-7-7-.02 Purpose Of Funds
795-7-7-.03 Records - Financial Reports And Set-Aside Assessments

795-7-7-.02 Purpose Of Funds. The primary purpose of set-aside funds is to provide for ongoing BEP administration, technical services, program development, and certain items that impact the well-being of each vendor participating in the program.

(a) The following are authorized uses of set-aside funds:

1. Maintenance and replacement of equipment;
2. Purchase of new equipment;
3. Management services; and
4. Assuring a fair minimum return to vendors.

(b) Set-aside funds may be utilized for the establishment and maintenance of a retirement program, health insurance contributions, and provisions for paid sick leave. The SLA shall provide information on all matters related to proposed set-aside purposes to the elected committee, vendors, and temporary operators. The use of set-aside funds for the purposes of this paragraph shall be determined by a majority vote of licensed vendors and licensed temporary operators managing a BEP facility at the time of the vote. The use of set-aside funds for these items shall be contingent upon the availability of funds and SLA approval.

~~(e) — The use of set-aside funds for the items listed in (b) above shall be contingent upon the availability of funds and SLA approval.~~

(d c) The SLA shall make provisions for a vacation payment annually on July 15 of each year. Vacation payments shall be made to licensed vendors and licensed temporary operators meeting the eligibility criteria for vacation pay. Vacation pay will be equal to the current federal minimum wage for one 40-hour week.

(e d) Eligibility for vacation pay includes all licensed vendors and licensed

temporary operators with 12 months of continuous operation of a BEP facility prior to July 1 of each year. Licensed vendors and licensed temporary operators shall be current with their set-aside, ~~and~~ escrow payments and liability insurance and be in compliance with all other requirements of BEP. Any vendor in arrears to the set-aside, ~~or~~ escrow fund or liability insurance on July 1 of each year shall not be eligible to receive vacation pay for that year.

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

Statutory Authority: Alabama Code 1975 §§ 21-1-40 and 21-9-9; 20 U. S. C. § 107 et. seq.

History: New Rule: Filed January 19, 2000; effective February 23, 2000;

Amendment: Filed December 16, 2016.