

Vocational Rehabilitation Business Enterprise Program **FY2021 Request:** **\$632,396**
Facility Development and Equipment Replacement **Reference No:** **39067**

AP/AL: Appropriation **Project Type:** Renewal and Replacement
Category: General Government **Recipient:** Projects as Approved
Location: Statewide **House District:** Statewide (HD 1-40)
Impact House District: Statewide (HD 1-40) **Contact:** Hannah Lager
Estimated Project Dates: 07/01/2020 - 06/30/2025 **Contact Phone:** (907)465-5984

Brief Summary and Statement of Need:

The Business Enterprise Program (AS 23.15.100) provides employment opportunities for blind individuals through the establishment and operation of vending facilities on federal and state properties. This appropriation will pay for construction of new vending facilities, replacement or repair of existing facility equipment, and further development of Business Enterprise Program assets.

Funding:	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2026</u>	<u>Total</u>
1004 Gen Fund	\$447,396						\$447,396
1237 VocSmBus	\$185,000						\$185,000
Total:	\$632,396	\$0	\$0	\$0	\$0	\$0	\$632,396

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	559,396	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	<u>54,000</u>	
Totals:	613,396	0

Prior Funding History / Additional Information:

Project Description/Justification:

The Division of Vocational Rehabilitation administers the Business Enterprise Program (BEP) under the authority of AS 23.15.100. The BEP provides employment opportunities for blind and significantly disabled individuals through the establishment and operation of vending facilities on state and federal properties. Through AS 23.15.135 (b), the division coordinates vendor facility operations with the Committee of Blind Vendors.

Ensuring equipment is functional and modernized as appropriate will ensure that BEP revenues and revenues to BEP partnerships are sustainable, and in some cases may increase revenue to the vendors and to the program.

This capital appropriation will allow for the refurbishment of antiquated sites and replacement of irreparable and outdated equipment, modernize current facilities, and improve current operations. All equipment upgrades purchased will be modern, energy-efficient products. This increase in efficiency reduces costs to all state and federal government facilities that house Business Enterprise Program

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facilities.

These funds will also enable the program to keep pace with modern trends, increase the marketability of the facilities, and better serve their customers, the tenants and visitors of state facilities.

In addition, these upgrades will generate increased foot traffic immediately and increased profits in the long term, which will invigorate the program and strengthen blind & disabled vendors' ability to be self-employed and self-supporting.

Capital expenditures and ongoing operating costs for the program will come from the Business Enterprise Program Revolving Fund (AS 23.15.130), which is funded by receipts and chargebacks from businesses and vending managed through the program.

In sum, these funds will dramatically improve the program facilities and enable program participants to provide the best value to Alaskans while lowering the cost of program delivery.