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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON 28

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B-120257

JUN 29 1954

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Honorable John E. Moss, Jr. House of Representatives

Dear Mr. Moss:

Reference is made to your letter dated May 31, 1954, transmitting a letter dated May 18, with enclosures, addressed to you by Mr. A. B. Septinelli, Supervisor of Services for the Blind, State of California, Department of Education, Bureau of Vocational Rehabilitation, and requesting to be advised with respect to certain matters set out in Mr. Septinelli's letter concerning the operation of vending machines in post effice buildings.

It appears that by letter dated March 16, 1954, the Post Office Department advised the Department of Health, Education, and Welfare, Office of Vocational Rehabilitation, with respect to the disposition of proceeds from the operation of vending machines installed in buildings under its jurisdiction. The effect of such action apparently was to determine the area of authority and responsibility for operating such machines and the use of procesds derived therefrom as between blind persons and postal employees welfare groups.

In Mr. Septimelli's letter to you, he expresses the view that the action of the Post Office Department in the matter supersedes the Office decision reported at 32 Comp. Gen. 282 in that the decision states "that not only vending machines set in juxtaposition to vending stands, but all vending machines throughout the building should be assigned to the licensed blind person licensed by the state agency."

The referred-to decision to the Postmaster General considered, among other things, the legal propriety of administratively authorising blird persons who operate vending stands in post office buildings under authority of the act of June 20, 1936, h9 Stat. 1559, 20 U.S.C. 107-107f, also to operate soft drink vending machines and to retain the proceeds derived therefrom when such machines are located either adjacent to the vending stand or in some other part of the building. As stated in the decision, the question presented for determination arose by reason of the practice, in pursuance of the provisions of section 2 (a)(h) of the act of June 20, 1936, of limiting sales at such vending stands to goods of a "dry"

nature. The decision concluded that, in the light of the provisions of the act of June 20, 1936, and having regard for the nature and purpose of that statute, if it be administratively determined desirable for blind persons to operate such vending machines as a part of, or in conjunction with the operation of a vending stand, it is immaterial whether the machines are situated adjacent to a vending stand or located in some other part of the building, and that such persons may retain the proceeds derived therefrom.

It is quite obvious from the holding in said decision that it did not state, as suggested by Mr. Septinelli, that all vending machines throughout a post office building should be assigned to the blind person operating a vending stand therein. On the contrary and as stated in the decision, the installation and operation of soft drink vending machines by blind persons in conjunction with the operation of vending stands in post office buildings primarily is a matter for determination by the Post Office Department under the provisions of the act of June 20, 1936. Accordingly, the conclusion is required that there is no justification for the view that the action taken by the Post Office Department in the cited letter of March 16, 1954, supersedes or otherwise conflicts with the decision of this Office in the matter.

It may be pointed out here that the provisions of the 1936 act with respect to the operation of vending stands by bl/ind persons are not mandatory. Rather, the authority to so operate is to be granted "where, in the discretion of the head of the department or agency in charge of the maintenance of the building, such vending stands may be properly and satisfactorily operated by blind persons." Furthermore, the above referred-to decision of this Office recognised that postal employee groups, in some instances with administrative approval, enter into contractual arrangements for the purchase and operation of vending machines and apply the proceeds therefrom to employee general welfare activities. Under the circumstances, the question of allocation of areas of operation in Covernment-owned and leased buildings under the jurisdiction of the Post Office Department between blind persons and postal employee groups is not one for consideration by this Office but would seem to present a purely administrative problem to be resolved by the Postmaster General.

The enclosures forwarded with your letter are returned herewith, as requested.

Sincerely,

FRANK H. WEITZEL

Acting Comptreller General of the United States