

(u) *State vocational rehabilitation agency* means that agency in the State providing vocational rehabilitation services to the blind as the sole State agency under a State plan for vocational rehabilitation services approved pursuant to the provisions of the Rehabilitation Act of 1973 (29 U.S.C., ch. 16).

(v) *State licensing agency* means the State agency designated by the Secretary under this part to issue licenses to blind persons for the operation of vending facilities on Federal and other property.

(w) *United States* includes the several States, territories, and possessions of the United States, Puerto Rico, and the District of Columbia.

(x) *Vending facility* means automatic vending machines, cafeterias, snack bars, cart service, shelters, counters, and such other appropriate auxiliary equipment which may be operated by blind licensees and which is necessary for the sale of newspapers, periodicals, confections, tobacco products, foods, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, and including the vending or exchange of changes for any lottery authorized by State law and conducted by an agency of a State within such State.

(y) *Vending machine*, for the purpose of assigning vending machine income under this part, means a coin or currency operated machine which dispenses articles or services, except that those machines operated by the United States Postal Service for the sale of postage stamps or other postal products and services, machines providing services of a recreational nature, and telephones shall not be considered to be vending machines.

(z) *Vending machine income* means receipts (other than those of a blind vendor) from vending machine operations on Federal property, after deducting the cost of goods sold (including reasonable service and maintenance costs in accordance with customary business practices of commercial vending concerns, where the machines are operated, serviced, or maintained by, or with the approval of, a department, agency, or instrumentality of the

United States, or commissions paid (other than to a blind vendor) by a commercial vending concern which operates, services, and maintains vending machines on Federal property for, or with the approval of, a department, agency, or instrumentality of the United States.

(aa) *Vendor* means a blind licensee who is operating a vending facility on Federal or other property.

(bb) *Vocational rehabilitation services* means those services as defined in § 1361.1(ee) (1) and (2) of this chapter.

### Subpart B—The State Licensing Agency

#### § 395.2 Application for designation as a State licensing agency; general.

(a) An application for designation as a State licensing agency may be submitted only by the State vocational rehabilitation agency providing vocational rehabilitation services to the blind under an approved State plan for vocational rehabilitation services under part 1361 of this chapter.

(b) Such application shall be:

- (1) Submitted in writing to the Secretary;
- (2) Approved by the chief executive of the State; and
- (3) Transmitted over the signature of the administrator of the State agency making application.

#### § 395.3 Application for designation as a State licensing agency; content.

(a) An application for designation as a State licensing agency under § 395.2 shall indicate:

- (1) The State licensing agency's legal authority to administer the program, including its authority to promulgate rules and regulations to govern the program;
- (2) The State licensing agency's organization for carrying out the program, including a description of the methods for coordinating the State's vending facility program and the State's vocational rehabilitation program, with special reference to the provision of such post-employment services necessary to assure that the maximum vocational potential of each blind vendor is achieved;