

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND**  
(Northern Division)

**MELBA TAYLOR** \*  
5110 Cornelias Prospect Drive \*  
Bowie, Maryland 20720 \*  
(County of Residence: Prince George's County) \*

**ENCORE ASSOCIATES, LLC** \*      Case No.  
8502 Simmonds Street \*  
Fort George G. Meade Army Base \*  
Fort Meade, Maryland 20755 \*  
(County of Residence: Anne Arundel County) \*

**DAVID CARROLL** \*  
3163 De Forest Road \*  
Marina, California 93933 \*

**JIM HOWARD** \*  
602 Darien Drive \*  
Evans, Georgia 30809 \*

**TIMOTHY JONES** \*  
400 Lakeside Lane \*  
Sanford, NC 27322 \*

**NATIONAL ASSOCIATION OF BLIND  
MERCHANTS** \*  
7450 Chapman Highway # 319 \*  
Knoxville, Tennessee 37920 \*

**THE NATIONAL FEDERATION OF  
THE BLIND, INC.** \*  
200 East Wells Street at Jernigan Place \*  
Baltimore, Maryland 21230 \*  
(County of Residence: Baltimore City) \*

Plaintiffs, \*

v. \*

**UNITED STATES DEPARTMENT OF  
EDUCATION** \*  
400 Maryland Avenue, SW \*  
Washington, DC 20202 \*

Also serve on:

Kelly O. Hayes \*  
U.S. Attorney for the District of Maryland \*  
36 S. Charles Street, 4th Floor \*  
Baltimore, MD 21201 \*

The Hon. Pamela Bondi \*  
Attorney General \*  
United States Department of Justice \*  
950 Pennsylvania Avenue, NW \*  
Washington, DC 20530 \*

**LINDA MCMAHON,** \*  
*in her official capacity as Secretary* \*  
Department of Education \*  
400 Maryland Avenue, SW \*  
Washington, DC 20202 \*

Defendants. \*

\* \* \* \* \*

**COMPLAINT**

Plaintiffs Melba Taylor, David Carroll, Jim Howard, Timothy Jones, Encore Associates, LLC, the National Association of Blind Merchants, and the National Federation of the Blind, Inc. hereby seek judicial review under the Administrative Procedure Act of a decision of the Secretary of Education, issued and published in the Federal Register on December 23, 2025, [34 CFR Part 395 Limitation of the Randolph-Sheppard Vending Facility Program Priority for the Department of the Army](#). 90 Fed. Reg. 60078 (Dec. 23, 2025). In the agency action at issue, the Secretary has granted to the Department of the Army, as a purported “limitation” on the “placement or operation of a vending facility” operated by a blind vendor under the provisions of the Randolph-Sheppard Act (“the Act”), *see* 20 U.S.C. § 107(b), a sweeping, Army-wide waiver of the Act’s requirements with respect to contracts for food services at all of its dining facilities.

Because the Secretary does not have the authority claimed in the decision to override Congress’s policy judgment to prioritize economic opportunities for blind entrepreneurs, because the Secretary did not observe the Act’s procedural requirements, and because, in any event, the Secretary’s policy judgments and factual findings are not supported by the scant, anecdotal information referenced in her decision, the Secretary’s decision should be set aside.

## **INTRODUCTION**

1. Originally enacted in 1936, the Randolph-Sheppard Act requires federal agencies to give “priority” to “blind persons licensed by a State agency” in “the operation of vending facilities on Federal property.” 20 U.S.C. § 107(b). The Act has been described by the Senate Committee on Labor and Public Welfare as “one of the most practical and effective employment opportunity programs ever enacted by Congress.” S. Rep. 93-937 at 13.

2. As of 2023, 1,428 blind vendors operated 1,780 vending facilities under the Randolph-Sheppard Act, generating nearly \$750 million in annual gross sales and nearly \$150 million in vendor income. 90 Fed. Reg. 2550, 2553 (Jan. 10, 2025). Military dining facilities are

the most significant of the “vending facilities on Federal property” operated pursuant to the Act. In 2024, the military had approximately 50 dining facility contracts under the Randolph-Sheppard Act worth more than \$500 million annually, with Army facilities accounting for more than \$400 million of that total. For more than thirty years, blind vendors have provided high-quality, efficient food service at Army garrisons and other military installations across the country and have done so with great pride. Moreover, the Army and other branches of the military have often recognized their Randolph-Sheppard vendors, including the individual plaintiffs in this case, for the exceptional service that they provide.

3. Notwithstanding the Randolph-Sheppard program’s success over many decades both in serving the military and in advancing economic opportunity for blind entrepreneurs, there has long been a current of hostility toward the program within some quarters of the armed services. When Congress amended the Act in 1974, the Senate Committee on Labor and Public Welfare noted with particular concern that “[v]ery few blind vendors are to be found at military installations” and that, “for the most part, commanders are either hostile or indifferent to the Randolph-Sheppard program.” S. Rep. 93-937 at 17. Through the Randolph-Sheppard Act Amendments of 1974, Congress sought to remedy this “record of abuses and neglect.” *Id.* at 16.

4. As a result of the 1974 amendments, the Randolph-Sheppard Act mandates that, “wherever feasible,” federal agencies should establish vending facilities “on all Federal property to the extent that any such facility or facilities would not adversely affect the interests of the United States.” 20 U.S.C. § 107(b)(2). To ensure adherence to this mandate, Congress centralized responsibility for the Act’s implementation in the Department of Education. *Id.* § 107a(a). The Act authorizes the Secretary of Education to grant to a federal agency a “limitation on the placement or operation of a vending facility,” but only “based on a finding that such placement or operation would adversely affect the interests of the United States,” and only when the

Secretary determines that the agency’s request for such a “limitation” has been “fully justified.”  
*Id.* § 107(b).

5. On December 23, 2025, Secretary of Education Linda McMahon, in a purported exercise of this authority, approved “a limitation of the Randolph-Sheppard priority for the Department of the Army.” Specifically, the Secretary determined that, going forward, the Army need not comply with the Randolph-Sheppard Act in any of its contracts for any of its dining facilities, or “DFACs,” nationwide. In her decision, the Secretary determined that, in the context of such contracts, the Act’s “priority” for blind vendors is a “barrier[] that prevent[s] the Department of the Army from being in the best position possible to conduct its procurements.” The Secretary made three purported factual findings in support of this policy determination: (1) contracts under the Randolph-Sheppard Act sometimes entail “higher costs”; (2) contracting under the Act is sometimes delayed by the arbitration process that Congress established for resolution of disputes under the Act and that the Department of Education itself administers; and (3) some blind vendors operating DFACs have had “performance issues.”

6. The Department of Education has not made public any written request by the Army for such a “limitation,” nor has the Department published any information that the Army may have supplied in support of such a request, though the Secretary of Education’s findings are based on a few vaguely-referenced “examples” purportedly drawn from the Army’s experience working with blind vendors through the Randolph-Sheppard program.

7. The Secretary’s action is “in excess of statutory . . . authority” and “not in accordance with law” and should therefore be set aside under the Administrative Procedure Act. 5 U.S.C. § 706(2)(A), (C). In at least three fundamental respects, the Secretary’s decision significantly oversteps the authority conferred in the Randolph-Sheppard Act to grant a “limitation on the placement or operation of a vending facility.” 20 U.S.C. § 107(b).

- First, the Act does not grant authority to the Secretary to grant a blanket waiver to an entire federal agency or class of contracts. Rather, the Secretary has authority under the “limitation” provision only to determine that the placement or operation of “a vending facility” (*i.e.*, a particular facility) should be “limit[ed].” *Id.*
- Second, the Secretary has erroneously asserted authority to approve “a limitation of the Randolph-Sheppard priority.” 90 Fed. Reg. at 60078 (emphasis added). In effect, the Secretary has repealed, in the context of Army dining facilities, Congress’s decision to give priority to blind vendors in the operation of vending facilities on all federal properties. The Act confers no such authority. Instead, the Act authorizes the Secretary only to grant a “limitation on the placement or operation of a vending facility.” 20 U.S.C. § 107(b) (emphasis added)—for example, to determine that a vending facility operated by a blind vendor should not be placed in a particular location, sell particular items, or operate at particular times.
- Third, the Secretary failed to ensure that the Army’s request for the “limitation” at issue was “fully justified.” *Id.* The selective “examples” that the Army seems to have given the Secretary do not provide adequate support for her factual findings, and, even if those findings had been supported by evidence, they would not amount to a cogent “justification” for the overbroad “limitation” the Secretary granted—a limitation that eliminates the Act’s priority for all of the largest contracts to which it applies.

8. The Secretary’s action should be set aside under the APA for the additional reason that it was taken “without observance of procedure required by law.” 5 U.S.C. § 706(2)(D). The Secretary failed to “publish” the “supporting documentation” for her decision, as the Randolph-Sheppard Act expressly requires as a prerequisite to the granting of a “limitation.” 20 U.S.C. § 107(b). As a result of this procedural deficiency, there is no evidence to support even the anecdotal claims that the Army seems to have made in support of its request to the Secretary.

9. The Secretary’s action should also be set aside because, in multiple respects, it is arbitrary and capricious. 5 U.S.C. § 706(2)(A). Under the Randolph-Sheppard Act, the grounds on which a “limitation on the placement or operation of vending facility” may be granted are restricted to the functional considerations relevant to a vending facility’s “placement” or “operation.” 20 U.S.C. § 107(b). Here, however, the Secretary purported to approve such a “limitation” based not on statutorily relevant factors, but rather based on her view that the Act is itself a “barrier” and that the fundamental policy tradeoffs that Congress made in the Act should

for some reason not apply in the context of any of the Army’s dining facility contracts. Moreover, the Secretary’s factual findings are based on claims by the Army about “cost,” “delays,” and “performance issues” that the Secretary appears to have taken at face value, or, at most, on anecdotes chosen by the Army. Over the past three decades, blind vendors have operated dozens of Army dining facilities under scores or hundreds of contracts, and the Secretary appears to have ignored an extensive, readily available record of information refuting her factual findings. Beyond these deficiencies, the Secretary failed to draw a rational connection between the facts she purported to find and the decision she made, because her decision makes no meaningful attempt to compare the Army’s experience working with blind vendors under Randolph-Sheppard contracts with the Army’s experience working with other contractors.

10. The Secretary’s unlawful and arbitrary decision will have devastating consequences for dozens of blind vendors around the country, who have dedicated themselves to serving our nation’s soldiers high-quality food at reasonable prices through the dining facility contracts at issue; for the vendors’ employees, who may well be displaced; for state licensing agencies, whose programs for blind and disabled entrepreneurs are substantially funded by fees generated through these contracts; and for the Randolph-Sheppard program as a whole, which is now entering its ninetieth year of service to the federal government and the blind community.

### **JURISDICTION & VENUE**

11. Plaintiffs bring this action under the Administrative Procedure Act, 5 U.S.C. § 551 *et seq.*, and the Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*

12. This Court has subject matter jurisdiction under 28 U.S.C. § 1331 (federal question jurisdiction) and 28 U.S.C. § 1346 (action asserted against United States).

13. Venue is proper in this judicial district under 28 U.S.C. § 1391(b)(2) and (e)(1). Defendants are United States agencies or officers sued in their official capacities. Plaintiffs

Melba Taylor, Encore Associates, LLC, and the National Federation of the Blind, Inc. are residents of the district, and a substantial part of the events or omissions giving rise to the claims asserted in this action occurred within this district in Anne Arundel County.

### **PARTIES**

14. Plaintiff Melba Taylor is a blind vendor licensed by the Maryland Business Enterprise Program for the Blind, which is administered by the Maryland State Department of Education's Division of Rehabilitation Services. Ms. Taylor operates the dining facility at Fort Meade, an Army installation located in Anne Arundel County, Maryland.

15. Plaintiff Encore Associates, LLC is a Maryland limited liability company through which Ms. Taylor operates the dining facility at Fort Meade.

16. Plaintiff David Carroll is a blind vendor licensed by the California Department of Rehabilitation. Mr. Carroll operates the dining facility at the U.S. Army Garrison, Presidio of Monterey in California.

17. Plaintiff Jim Howard is a blind vendor licensed by the Georgia Vocational Rehabilitation Agency. Mr. Howard operates the dining facilities at Fort Gordon near Augusta, Georgia.

18. Plaintiff Timothy Jones is a blind vendor licensed by the North Carolina Business Enterprises Program, a component of the North Carolina Division of Services for the Blind. Mr. Jones operates the dining facility at Fort Bragg, a large permanent installation near Fayetteville, North Carolina.

19. Plaintiff National Association of Blind Merchants ("NABM") is a 501(c)(3) membership organization based in Knoxville, Tennessee. NABM's members include approximately 1,550 blind vendors licensed under the Randolph-Sheppard Act. Several of NABM's members operate dining facilities at Army garrisons. The purpose of the NABM is to

function as a mechanism through which blind entrepreneurs and interested sighted persons can come together in local, state and national meetings to plan and carry out programs to improve business opportunities and quality of life for the blind; to provide a means of collective action for blind business people; to promote the vocational, economic, business, cultural, and social advancement of the blind; to maximize opportunities under the Randolph-Sheppard Act; to strengthen and enhance state business enterprise programs; and to take such other action as will improve the overall condition and standard of living of the blind.

20. Plaintiff National Federation of the Blind, Inc. (“NFB”), the oldest and largest national membership organization of blind persons, is a 501(c)(3) non-profit corporation duly organized under the laws of the District of Columbia and headquartered in Baltimore, Maryland. It has affiliates in all 50 states, Washington, D.C., and Puerto Rico. The NFB and its affiliates are widely recognized by the public, Congress, executive agencies of state and federal governments, and the courts as a collective and representative voice on behalf of blind Americans and their families. The organization promotes the general welfare of the blind by assisting the blind in their efforts to integrate themselves into society on terms of equality and by removing barriers that result in the denial of opportunity to blind persons in virtually every sphere of life, including education, employment, family and community life, transportation, and recreation.

21. The blind vendors who are members of NABM and NFB would have standing to bring this suit; the interests that plaintiffs seek to protect in this action are germane to NABM’s and NFB’s organizational purposes; and neither the claims asserted in this suit nor the relief requested requires the participation of individual members of either organization.

22. Defendant United States Department of Education is a cabinet agency within the executive branch of the United States government. 20 U.S.C. § 3411.

23. Defendant Linda McMahon is the Secretary of the United States Department of Education and that agency's highest ranking official. She is charged with the supervision and management of all decisions and actions of that agency. She is sued in her official capacity. 20 U.S.C. § 3412.

## **LEGAL BACKGROUND & FACTUAL ALLEGATIONS**

### **I. The Randolph-Sheppard Act – Generally**

24. Congress enacted the Randolph-Sheppard Act in 1936 for the purposes of “providing blind persons with remunerative employment, enlarging the economic opportunities of the blind, and stimulating the blind to greater efforts in striving to make themselves self-supporting.” 20 U.S.C. § 107(a). To further these goals, Congress has mandated that federal agencies afford blind vendors a “priority” in authorizing the operation of vending facilities on federal property. *Id.* § 107(b) (“priority *shall* be given to blind persons licensed by a State agency”) (emphasis added). The Act further requires that, “wherever feasible,” one or more vending facilities are to be established on “all Federal property.” *Id.* § 107(b)(2).

25. The Secretary of Education is charged with implementing the Randolph-Sheppard Act. *See* 20 U.S.C. § 107a(a). The Secretary's responsibilities include the designation of an agency in each state to serve as the State Licensing Agency (or “SLA”). The SLAs license blind vendors and manage the Randolph-Sheppard vending facility program in their respective states. 20 U.S.C. § 107b.

26. The Randolph-Sheppard Act broadly defines “vending facility” to include, among other types of facilities, “automatic vending machines, cafeterias, snack bars, [and] cart services.” 20 U.S.C. § 107e(7). Non-cafeteria vending facilities are governed by indefinite permits issued to the SLA by the federal agency that manages the federal property. 34 C.F.R. § 395.16. Cafeterias (a category that includes military dining facilities) are typically awarded

through a competitive bidding process and governed by contracts between the federal agency and the SLA. *Id.* § 395.33.

27. Since passage of the Randolph-Sheppard Act in 1936, licensed blind vendors have successfully operated a range of facilities across the country, from mini-marts and cafés at post offices and federal courthouses to tourist gift shops and large-scale cafeterias at the Hoover Dam and on military installations. In connection with the enactment of the 1974 amendments to the Act (the most-recent amendments), the Senate Committee on Labor and Public Welfare described the Randolph-Sheppard program as “one of the most practical and effective employment opportunity programs ever enacted by Congress.” S. Rep. No. 93-937 (1974), at 13. In 2012, in a memorandum to federal agencies marking the Randolph-Sheppard Act’s 75th anniversary, President Obama recognized that, over the Act’s long history, it had enabled thousands of blind Americans to “embrace the entrepreneurial spirit that helps define our Nation,” “provide[] exceptional customer service to Federal and State employees, the Armed Forces, and the general public,” and “challenge[] preconceived notions about disability.” 77 Fed. Reg. 3917 (Jan. 20, 2012). Almost immediately upon taking office, President Trump took steps to clarify that the Randolph-Sheppard program is consistent with the current Administration’s approach to the advancement of civil rights. Executive Order 14173 of January 21, 2025, § 7(a) (published at 90 Fed. Reg. 8663, 8635 (Jan. 31, 2025)).

## **II. The Randolph-Sheppard Act’s Cafeteria Regulation**

28. Congress charged the Secretary of Health, Education, and Welfare (now Education) with prescribing regulations to implement the Randolph-Sheppard Act as amended. 20 U.S.C. § 107(b). In 1977, pursuant to that statutory mandate, the Department of Education adopted a regulation governing the operation of cafeterias by blind vendors (“the Cafeteria Regulation”), 34 C.F.R. § 395.33. The Cafeteria Regulation has not been amended since.

29. Consistent with the text of the Act, the Cafeteria Regulation establishes a priority for State Licensing Agencies and their licensed blind vendors for all cafeteria contracts on all federal properties so long as the Secretary determines, “on an individual basis,” that the SLA can operate the cafeteria “at a reasonable cost, with food of a high quality comparable to that currently provided employees.” 34 C.F.R. § 395.33(a). The regulation also requires that the operation of cafeterias on federal property “shall be expected to provide maximum employment opportunities to blind vendors to the greatest extent possible.” *Id.*

30. Cafeteria contracts are awarded either through competitive solicitation or through direct negotiation. When issuing a solicitation, federal agencies are required to invite the appropriate SLA to submit a bid. 34 C.F.R. § 395.33(b). Alternatively, the Act and its regulations permit a federal agency to enter into direct negotiations with an SLA—and an SLA alone—for the award of a contract, as an exception to the normal contracting process. *Id.* § 395.33(d).

31. Under the Cafeteria Regulation, a contracting agency must award the SLA the contract for the operation of a cafeteria when the SLA’s bid falls within a “competitive range.” 34 C.F.R. § 395.33(b). The sole exception is when the contracting agency consults with the Secretary of Education and the Secretary determines on an individual basis that the SLA is not fit to fulfill the contract. *See id.* The SLA in turn selects one of its licensed blind vendors to operate the facility. 34 C.F.R. § 395.33(a).

### **III. The Randolph-Sheppard Act’s Limitation Provision**

32. Central to this case is the Randolph-Sheppard Act’s “limitation provision.” Again, the Act directs the Secretary of Education to ensure that, “wherever feasible,” federal agencies establish vending facilities on federal property, operated as a matter of “priority” by blind vendors. 20 U.S.C. § 107(b). The Act’s “limitation provision” states that:

Any limitation on the *placement or operation of a vending facility* based on a finding that such placement or operation would adversely affect the interests of the United States shall

be *fully justified* in writing to the Secretary, who shall determine whether such limitation is justified. A determination made by the Secretary pursuant to this provision shall be binding on any department, agency, or instrumentality of the United States affected by such determination. The Secretary shall publish such determination, along with supporting documentation, in the Federal Register.

*Id.* (emphasis added).

33. As further discussed below, the “limitation provision” authorizes the Secretary to grant a “limitation” with respect to “a vending facility,” not with respect to an entire federal agency or class of contracts. Furthermore, the Secretary may limit the “placement or operation” of a facility based on functional considerations relevant to the location or operation of that facility. The Act does not confer authority on the Secretary to limit the Act’s basic “priority” for blind vendors or grant a blanket waiver of the Act’s requirements because of disagreement with the policy choices that Congress made in establishing the “priority.”

34. Further, the Secretary may approve a limitation on the “placement or operation of a vending facility” only when the agency’s request for the limitation is “fully justified.” Any decision granting a limitation and must be published in the Federal Register, along with all “supporting documentation” for the decision.

35. Congress added the limitation provision to the Randolph-Sheppard Act to prevent federal agencies from evading the Act. When amending the law, Congress found “certain Federal agencies were charged with imposing arbitrary and harmful limitations on blind vendor operations.” S. Rep. No. 93-937 (1974), at 15. These included limitations “with respect to the kinds of merchandise a blind vendor was permitted to sell, with respect to the location of [the] blind stand, or with respect to the amount of income permitted to accrue to a vendor.” *Id.* at 16. To address federal agencies’ “record of abuses and neglect of the Randolph-Sheppard program,” *id.* at 16, Congress conferred authority on the Secretary of Education to approve or disapprove such “limitations.”

36. On information and belief, the decision at issue in this case is the first time the Department of Education has ever found a federal agency's request for a limitation to be justified.

#### **IV. Blind Vendors' Successful Operations of Military Dining Facilities**

37. Despite significant resistance from the military in general and the Army in particular (*see infra* Sec. V.), Randolph-Sheppard vendors have operated military dining facilities with distinction for more than three decades.

38. On information and belief, the first Randolph-Sheppard vendor to operate a military cafeteria was a Louisiana vendor in 1994.

39. Currently, blind vendors operate cafeteria contracts across approximately two dozen Army installations. These installations range from large bases for active-duty soldiers to smaller locations dedicated to educating and training new soldiers, Army Reserves, special forces, and civilian personnel. Blind vendors also manage numerous dining facilities at installations maintained by other branches of the military.

40. Military dining facility contracts are the most complex and significant contracts operated by Randolph-Sheppard vendors. While the size varies depending on the specific installation, several Army DFAC contracts are valued in the tens of millions of dollars over a five-year performance period.

41. For full food services contracts, vendors are responsible for supplying and supervising personnel and managing the complex logistics needed to serve thousands of soldiers multiple meals per day. The core responsibilities include storing, cooking, and serving food; conducting and coordinating required trainings; cleaning the dining facilities; submitting reports to the Army in a timely manner; and ensuring the safety of employees and soldiers.

42. The Army sources and purchases the food used in the dining facilities and contractors are required to follow the Army's recipes when preparing the food.

43. Plaintiffs Melba Taylor, David Carroll, Jim Howard, and Timothy Jones exemplify blind vendors' decades-long record of successful service to the Army in operating dining facilities under the Randolph-Sheppard Act.

**Melba Taylor and Encore Associates**

44. Plaintiff Melba Taylor has successfully operated dining facilities at Fort Meade in Maryland, since 2003.

45. Ms. Taylor was born with retinitis pigmentosa, a hereditary eye condition that causes progressive vision loss.

46. Ms. Taylor became a licensed blind vendor in Maryland's Randolph-Sheppard program in 1998. That year, she founded Encore Associates, which specializes in complex food service operations at civilian government agencies and military installations. Ms. Taylor, through Encore Associates, first began operating a café that served breakfast and lunch to employees at the United States Census Bureau. Over the years, Ms. Taylor and Encore Associates have also managed cafeterias at an Internal Revenue Service office building and the Walter Reed Army Medical Center.

47. At present, she manages a team of roughly 40 employees that serves approximately 1,200 meals per day, 365 days a year, to military personnel at Fort Meade.

48. In her two-plus decades operating dining facilities at Fort Meade, Ms. Taylor has earned numerous accolades from the Army for her operation. For example, during the period when civilian operators were eligible to receive the Army's Phillip A. Connelly Award Program for excellence in food service, Ms. Taylor's dining facilities were recognized as the winner or runner-up for the award on three occasions. In 2011, Freedom Inn, Ms. Taylor's current facility,

was honored as the Army's best dining facility located at a large garrison, following a year-long competition that evaluated the overall operation and effectiveness of Army dining facilities around the world.



Melba Taylor (first row, second from left) and her team with the 2011 Connelly Award For Food Service Excellence

49. The Army has continued to rely on Ms. Taylor and her team to operate the Fort Meade dining facility and continued to rate her team's performance favorably. For instance, in a recent evaluation, the Army's contracting officer representative recognized the exceptional job that Ms. Taylor and her team did in placing work orders in timely fashion and communicating with the Army.

50. Typically, the Army re-solicits its dining facility contracts every five years. Over the last two decades, the Army has continually praised Ms. Taylor's performance, re-awarded the contract to the Maryland SLA, and recommended Ms. Taylor for future contracts. These actions reflect the Army's judgment that Ms. Taylor provides quality service at a reasonable price.

51. In addition to her role as the operator of the dining facility at Fort Meade, Ms. Taylor has assumed a number of leadership roles in the blind community, including as the head of the Women's Initiative through the National Association of Blind Merchant's and as President of the National Federation of Maryland's Blind Merchants Division.

## **David Carroll**

52. Plaintiff David Carroll, the operator of two dining facilities at the Presidio of Monterey in California, became legally blind in his 30s following a diagnosis of diabetic retinopathy, a complication of diabetes that damages retina blood vessels, causing them to leak fluid or grow abnormal new vessels, and that leads to vision loss, often with no early symptoms. Mr. Carroll progressively lost a significant portion of his vision over a six-year period that included numerous surgeries.

53. Prior to losing his vision, Mr. Carroll had a successful career in the food services industry. At just 27 years old, he served as a restaurant manager at a popular restaurant in Beverly Hills.

54. Like others who lose their vision in adulthood, Mr. Carroll had to learn a new set of skills. He underwent intensive training at the Braille Institute.

55. Several years after becoming legally blind, Mr. Carroll learned of the Randolph-Sheppard program and, in November 2019, he became a licensed vendor in California.

56. The California Department of Rehabilitation, the State Licensing Agency for California, had long held the dining facility contract at the Presidio of Monterey and, upon the passing of the blind vendor who previously operated the site, the Department selected Mr. Carroll and his business, Carroll Hospitality Services, LLC, to operate the Presidio's dining facilities, in view of his extensive experience in the food services industry.

57. The Presidio of Monterey, managed by the Army, is the home of the Defense Language Institute Foreign Language Center, the military's premier school for culturally based foreign language education and training, and it serves as a campus for military personnel from all branches of the armed services who are engaged in this language learning.

58. On March 16, 2020, Mr. Carroll began operating Presidio's two dining facilities, the Chay Dining Facility and the Belas Dining Facility. The Army found that Mr. Carroll and his team excelled at navigating the challenges of the COVID-19 pandemic.

59. At present, Mr. Carroll and his roughly 90-person team operate the two cafeterias, where on average they serve between 4,400 and 4,800 meals per day.

60. As reflected in its evaluations of the Chay and Belas dining facilities, the Army has consistently rated Mr. Carroll's performance favorably and recommended that he continue operating dining facilities at the Presidio of Monterey.

### **Jim Howard**

61. Plaintiff Jim Howard has Stargardt's disease, which from early childhood has caused progressive loss of his central vision. He was unable to join the military due to his disability but developed a strong affinity for the armed services owing to his stepfather's service in the Army. From ages twelve to sixteen, Mr. Howard and his family lived on base at Fort Benning, Georgia.

62. Mr. Howard learned of the Randolph-Sheppard program during his senior year of high school. He became licensed by the Georgia SLA shortly thereafter, and this year marks his fortieth in the program. He is the founder and owner of Garden City Food Services.

63. Over the last four decades, Mr. Howard has expanded his work under the program. He started by running snack shops in small towns and, in 1998, became the first Georgia vendor to provide vending services to motorists at interstate rest stops. In 2007, he began operating the dining contract at Robins Air Force Base, where he remained for fourteen years. During his tenure at Robins AFB, Mr. Howard twice received the runner-up prize for the John L. Hennessey Award for the best dining facility in the Air Force.

64. In 2021, Mr. Howard transferred his operations to Fort Gordon, a military installation best known for its cybersecurity training and as the home for the United States Army Signal Corps. There, Mr. Howard and his team operate five dining facilities, serving approximately 9,000 meals per day. At Fort Gordon, Mr. Howard has continued to excel in his service to military personnel, with the Army praising his performance.

65. The Army has rated Mr. Howard as exceeding his contractual requirements and commended his team's attention to detail, communication with the Army, and ability to adapt. As an example of the latter, in September 2024, Hurricane Helene caused Fort Gordon to lose power and water for close to a week. In response, Mr. Howard and his team immediately executed their Emergency Action Plan and kept the military personnel and their families fed. Mr. Howard also ensured continuity of operations at the dining facilities during power outages and ice storms. In 2024, Army inspectors gave the Fort Gordon Warrior Restaurants the highest scores for an Army dining facility during that fiscal year. This past week, the Army conducted another inspection of Fort Gordon dining facilities and again deemed Mr. Howard's operation exceptional.

### **Timothy Jones**

66. Plaintiff Timothy Jones has operated dining facilities at Fort Bragg in North Carolina for more than fifteen years. Based on Mr. Jones' good performance at a reasonable cost, the Army has re-awarded and extended its contract with the North Carolina SLA multiple times. Mr. Jones now operates six dining facilities at Fort Bragg.

67. Mr. Jones was hit by a truck when he was five or six years old, resulting in optic nerve damage in both eyes and the loss of his vision.

68. Mr. Jones has deep family ties to the military and wanted to enlist when he was younger. He was drafted to serve in the Vietnam War but was unable to serve due to his vision. Mr. Jones then sought to follow in his father's footsteps and become a sailor in the Navy, but his

enlistment was again rejected due to his blindness. Like his fellow Randolph-Sheppard vendors throughout the country, Mr. Jones is proud to support and serve our nation's military personnel.

69. Mr. Jones has been a vendor in North Carolina's Randolph-Sheppard program for more than forty years. During this time, he has operated numerous vending facilities, including cafeterias for the United States Postal Service at a major distribution center in Charlotte that operated 24 hours a day. He has also been a leader in the Randolph-Sheppard community, serving as the chair of the North Carolina Elected Committee of Blind Vendors and mentoring blind vendors who are new to the program.

70. In his current role at Fort Bragg, which is one of the largest military installations in the world, Mr. Jones oversees roughly 210 employees. The largest of Mr. Jones' dining facilities at Fort Bragg is known as SWCS, a specialized dining facility tied to the Special Warfare Center and School. On an average day, Mr. Jones and his team serve multiple meals to 3,000 soldiers across his six cafeterias.

71. In 2009, the Army recognized Mr. Jones and his team with the Connelly Award for the best dining facility in the small garrison category.

72. Over the years, the Army has consistently found that Mr. Jones and his team have satisfied and, in many cases, exceeded the requirements of the dining facilities contract. One of the Army's Food Management Assistance Teams ("FMAT") recently completed an intensive evaluation that included 157 measures of Mr. Jones' team covering everything from food preparation and nutrition standards to maintenance of the facility exterior and energy conservation measures. Mr. Jones' team earned a 92%.

**National Association of Blind Merchants and National Federation of the Blind**

73. Plaintiff NABM provides critical support to its numerous members who operate Army dining facilities. NABM offers training and resources on business management, financial

literacy, and accessible technology, among several other areas. Furthermore, NABM educates its members about their rights under the Randolph-Sheppard Act, connects blind merchants across various states, and advocates for the protection and expansion of economic opportunities for blind vendors. In part due to the support of NABM, Randolph-Sheppard vendors have emerged as respected business professionals and leaders.

74. Plaintiff NFB pursues advocacy and provides training to blind vendors across the country to ensure realization of the full promise of the Randolph-Sheppard Act. The NFB play a key role in the passage of the 1974 amendments to the Act, including by advocating to change the Act's former "preference" for blind vendors to the current, stronger "priority." The NFB has long advocated against attempts to limit economic opportunities for blind entrepreneurs. NFB also itself provides training and supports its affiliates and NABM in providing training and educational opportunities for blind vendors nationwide.

75. The Army has recognized and praised numerous blind vendors in addition to Plaintiffs Taylor, Carroll, Howard, and Jones for their operation of its dining facilities. Randolph-Sheppard vendors operating dining facilities at Schofield Barracks in Hawaii, Fort Carson in Colorado, Fort Huachuca in Arizona, Fort Bliss in Texas, Fort Benning in Georgia, and Fort Lee in Virginia, among others, have all received Army-wide recognition for excellence.

76. The blind vendors who operate Army dining facilities, many of whom are members of NABM and NFB, are consistently responsive to the needs of the military. Vendors have frequently been forced to react to challenging circumstances with little time to prepare. For instance, the blind vendor that formerly operated the Fort Huachuca contract during the height of the COVID-19 pandemic earned praise for having to transition nearly overnight from a dining-in facility to 100% takeout operation for every meal. Vendors also frequently have to adjust to fluctuating headcounts, including recently, in early 2025, when the current blind vendor at Fort

Huachuca dramatically scaled up his operation in a period of just two months to account for the deployment of large numbers of soldiers to the southern border to support operations of the U.S. Customs and Border Patrol.

77. As with their counterparts at Army dining facilities, Randolph-Sheppard vendors who operate dining facilities for the other military branches have done so admirably and have often been recognized for excellent performance.

**V. The Army has long been hostile to the Randolph-Sheppard Act.**

78. Though blind vendors have successfully served federal agencies and personnel, military and civilian, for nearly a century, the Army has never fully embraced the Randolph-Sheppard program.

79. When Congress amended and strengthened the Randolph-Sheppard Act in 1974, it did so in significant part because the military had, until that time, largely disregarded the Act. The Senate Committee on Labor and Public Welfare described military commanders as being “hostile or indifferent” to the Act, and as “singularly insensitive to the need to develop the program,” while observing that “[v]ery few blind vendors are to be found on military installations.” The Committee expressed deep concern that the “attitude” of military commanders had “severely curtailed the growth of the program within the Defense Department.”

80. Though the 1974 amendments effectively opened the armed services’ doors to blind vendors, the Army in particular has continued to violate the Randolph-Sheppard Act in a variety of ways, including by failing to incorporate the priority for blind vendors into its solicitations, failing to fairly evaluate bids submitted by SLAs and their blind vendors, and failing to award contracts to SLAs even after finding their bids to be in the “competitive range.”

81. The Randolph–Sheppard Act establishes an arbitration process for the resolution of disputes between a State Licensing Agency and a federal agency. 20 U.S.C. § 107d-2. The

SLA submits a request for arbitration to the Secretary of Education, who then convenes a three-member arbitration panel to resolve the dispute after an evidentiary hearing. *Id.* § 107d-2(a)-(b).

82. In disputes between SLAs and the Army, arbitrations panels convened by the Department of Education have often found the Army to have violated the Randolph-Sheppard Act, and the record in those proceedings has sometimes revealed the persistence—in pockets of the Army, at least—of the attitude of “singular[] insensitiv[ity]” toward the Act described by the Senate Committee on Labor and Public Welfare in 1974.

83. The Army has repeatedly claimed, for example, that the Randolph-Sheppard Act priority does not apply to dining facility attendant contracts, which concern the janitorial and custodial duties within dining facilities. This view has consistently been rejected by arbitration panels and federal courts alike. For instance, in 2016, an arbitration panel found the Army violated the Act by soliciting a cafeteria contract at Fort Sill, Oklahoma, without including the Randolph-Sheppard priority for SLAs. That same year, a different panel reached the same conclusion with respect to a cafeteria contract at Fort Stewart, Georgia.

84. In connection with the dispute at Fort Stewart, a high-ranking official at Army Sustainment Command sent an e-mail candidly acknowledging the separate solicitation of dining facility attendant services as a device to circumvent the Act, explaining: “With Food Prep included we by definition fall under RSA [Randolph-Sheppard Act] and I don’t want to be within 20 feet of that, if at all possible.”

85. Despite courts and arbitration panels repeatedly finding that the Randolph-Sheppard priority applies to dining facility attendant contracts, the Army continues to solicit such contracts without recognition of the priority. The only recourse for SLAs and blind vendors who wish to provide services under these contracts is to initiate the Act’s arbitration process.

86. In 2019, an arbitration panel determined the Army violated the Act by excluding the Missouri SLA's bid for the cafeteria contract at Fort Leonard Wood. The panel observed that "in finding [the Missouri SLA's proposal] unacceptable with respect" to its staffing plan, the Army "ignored facts known to it and in plain sight[.]"

87. In 2020, an arbitration panel determined that the Army again violated the Randolph-Sheppard Act at Fort Sill. This time, the violations identified by the panel included the Army's failure to place the Oklahoma SLA's bid in the competitive range.

88. The Army has, on several occasions, failed to award contracts to incumbent blind vendors who had performed exceptionally according to the Army's own evaluations. For instance, in 2023, the Army excluded the Arizona SLA's bid from the "competitive range" for the Fort Huachuca cafeterias contract. The Army asserted that the Arizona SLA had proposed too few staff (and, therefore, too low a price), even though the Arizona SLA had successfully operated those very cafeterias for nearly two decades, during which time the Army itself consistently evaluated the Arizona SLA's performance and its staffing levels positively.

89. In 2024, an arbitration panel determined the Army violated the Act by excluding the Arizona SLA's bid from the "competitive range" for the Fort Huachuca cafeterias contract.

90. As the convening authority, the Department of Education is aware of these arbitration decisions and, in fact, publishes the decisions on its website.

**VI. The Secretary of Education granted to the Army, as a purported "limitation" under the Randolph-Sheppard Act, an Army-wide waiver of the Act's requirements for all of the Army's dining facilities.**

91. On July 11, 2025, Secretary of Defense Pete Hegseth sent a one-page letter to Secretary of Education Linda McMahon requesting that Secretary McMahon approve a "limitation exempting DoD [the Department of Defense] from the requirements of the R-SA [Randolph-Sheppard Act]." Secretary Hegseth asserted that "application of the R-SA to the DoD

is not in the best interest of our national security and the operational readiness of our Armed Forces.” Secretary Hegseth suggested without explanation that, if the military were exempted from the Randolph-Sheppard Act, revenue generated by military vending facilities could be used to support recreational and welfare activities for military personnel and their families. Secretary Hegseth then claimed that the “arbitration process established in the R-SA” “delay[s] contract awards,” impedes “entrepreneurship and innovation,” leads to “costly, lower-quality food service contracts,” diminishes the military’s “warrior ethos,” and reduces the “lethality” of the military’s warfighters. Secretary Hegseth’s brief letter does not explain these claims, nor does the letter refer to any specific information or evidence that might support them.

92. On August 8, 2025, a Department of Education representative responded to Secretary Hegseth, stating that DOE was “open to considering DoD’s limitation request” and asking for, among other information, the number of Defense Department dining facility contracts and the gross sales associated with those contracts.

93. While Plaintiffs do not know whether the Department of Defense or any of its constituent departments provided the information that the Department of Education requested, it appears likely, based on the Secretary of Education’s subsequent action, that the Department of the Army followed up in some fashion and conveyed some information.

94. On December 23, 2025, the Secretary of Education issued a decision approving a purported “limitation” of the Randolph-Sheppard Act’s “priority” for blind vendors as applied to the Department of the Army’s dining facility contracts. 90 Fed. Reg. 60078 (Dec. 23, 2025). The Secretary “found that the placement and operation of dining facilities (DFACs), through the Randolph-Sheppard priority, on Department of the Army installations adversely affects the interests of the United States.” *Id.* In accordance with this finding, the Secretary “approved a limitation of the Randolph-Sheppard Act priority,” determining that the priority does not apply

“prospectively to DFAC contracts entered into by [the] Department of the Army after the date of publication of this notice.” *Id.*

95. In granting to the Army a sweeping waiver from the Randolph-Sheppard Act for all of its dining facility contracts nationwide, the Secretary’s decision rests largely on broad rhetorical claims that the Act is not good for the Army. The principal “justification” offered by the Secretary is that “the Department of the Army’s critical role in national security and the paramount importance of maintaining operational mission readiness of its service members necessitates removal of barriers that prevent the Department of the Army from being in the best position to conduct its procurements,” and that “the Randolph-Sheppard priority hinders the Department of the Army’s ability to act swiftly, efficiently, and cost-effectively in procuring and managing DFAC contracts.” *Id.*

96. The Secretary’s decision purports to make three factual findings in support of these broad policy claims: (1) that some Randolph-Sheppard contracts entail “higher costs”; (2) that the arbitration process that Congress established for resolution of the disputes under the Randolph-Sheppard Act sometimes causes “significant delays”; and (3) that some blind vendors have had “performance issues.” But these assertions, like the rhetorical claims they are intended to support, ultimately have no substance. The Secretary states that these findings are based on “the Department of the Army’s representations” and “consultation with the Department of the Army,” but the decision does not refer to any concrete evidence or data in support of its findings, and the Department of Education did not publish any supporting documentation. The decision seems to refer to a few anecdotal examples, but without sufficient detail to identify the particular Army dining facilities or contracts being referenced. In any event, those anecdotes, even if true, are far from sufficient to support the Secretary’s sweeping conclusions.

97. In numerous respects, the Secretary’s action, purporting to waive the requirements of the Randolph-Sheppard Act with respect to all of the Army’s dining facility contracts nationwide, significantly oversteps the authority conferred in the Act to approve a “limitation on the placement or operation of a vending facility.” 20 U.S.C. § 107(b).

98. The Act’s “limitation provision” authorizes the Secretary to grant a “limitation” with respect to “a vending facility.” The Act does not permit the Secretary to waive its requirements with respect to an entire federal agency or class of contracts, as the Secretary unlawfully purported to do here.

99. Furthermore, the Act authorizes the Secretary to approve a “limitation” on the “placement or operation” of a vending facility, not a waiver of the Act’s “priority” for blind vendors. Thus, for example, the Secretary is authorized to permit a federal agency, under appropriate circumstances, to limit the type of items that a blind vendor might be permitted to sell in a particular facility or the vendor’s hours of operation, to impose restrictions on the location of a facility within a particular property managed by the agency, or to allocate the income generated by a particular facility. Here, the Secretary asserted far more expansive authority, with no basis in the Act. A “limitation *on the placement or operation*” of a facility, the type of action actually authorized in the Randolph-Sheppard Act, 20 U.S.C. § 107(b) (emphasis added), differs fundamentally from a “limitation *of the Randolph-Sheppard priority*,” which the Secretary purported to approve here, 90 Fed Reg. at 60078 (emphasis added). In granting what is in effect a blanket waiver of the Act’s requirements, the Secretary’s action stretches the statutory terms “limitation” and “placement or operation” well past their breaking point.

100. Relatedly, the grounds on which the Secretary may approve a limitation on the “placement or operation of a vending facility” are necessarily the types of functional or practical considerations relevant to the “placement or operation” of a particular facility.

101. Here, without statutory authority, the Secretary has engaged in a quite different inquiry, evaluating whether the basic policy choices made by Congress when it enacted and amended the Randolph-Sheppard Act should for some reason not apply to the Army. The Secretary has no authority to grant a “limitation” under the Randolph-Sheppard Act based on a determination that the Act’s priority for blind vendors is a “barrier[] that prevent[s] the Department of the Army from being in the best position possible to conducts its procurements,” or that prioritizing economic opportunity for blind vendors “hinders the Department of the Army’s ability to act swiftly, efficiently, and cost-effectively in procuring and managing DFAC contracts.” 90 Fed Reg. at 60079. In enacting the Randolph-Sheppard Act, Congress itself reached contrary conclusions, and it directed the Secretary of Education to implement those policy judgments and ensure the establishment “wherever feasible” of vending facilities operated by blind vendors. 20 U.S.C. § 107(b)(2).

102. Indeed, Congress amended the Randolph-Sheppard Act in 1974 after learning that military installation commanders in particular had been disregarding the Act because they regarded it as a hindrance in procuring and managing contracts for their installations. The Act’s “limitation provision” is not an invitation to the Secretary of Education to override the policy judgments embodied in the Act and allow agency officials who dislike the Act, or who view it as a “barrier,” to ignore it. Rather, it confers much more limited authority on the Secretary, allowing for the possibility that functional or practical considerations at a particular site might justify a “limitation on the placement or operation of a vending facility” at that site. *Id.* § 107(b).

103. Even if the Randolph-Sheppard Act conferred on the Secretary the expansive policymaking authority that the Secretary purported to exercise here, the Secretary’s action would nonetheless be unlawful under the plain text of the Act because the Army did not “fully justify” its request for a waiver of the Act. *Id.* The Secretary’s decision wholly fails to identify

concrete evidence or data sufficient to support any of the three factual findings made in support of her decision—that Randolph-Sheppard dining facility contracts entail “higher costs,” that the Act’s arbitration process causes “delays,” and that blind vendors have “performance issues.” Rather, with respect to each finding, the Secretary appears to have relied exclusively “on the Department of the Army’s representations.” 90 Fed. Reg. at 60079. Moreover, those findings would not logically or rationally support the Secretary’s overall policy judgment even if they were true, both because the findings are anecdotal in nature and because they do not even attempt to compare the Army’s experience working with blind vendors under Randolph-Sheppard contracts with the Army’s experience working with non-Randolph-Sheppard vendors under other contracts.

104. In finding that Randolph-Sheppard contracts entail “higher costs,” the Secretary relies *entirely* on the following: “the Department of the Army reported an instance where a DFAC contract had a 33 percent higher price differential and a cumulative difference of \$164 million more when comparing lowest price technically acceptable proposals with some proposals made by SLAs over a five-year period.” 90 Fed. Reg. at 60079. The “instance” referenced here is not identifiable, the nature of the “compar[ison]” that Army claims to have made is not at all clear (what was being compared with what?), and the Secretary seems to have simply transcribed the Army’s representations. Beyond these deficiencies, the Army has described only a single contract, one of dozens or hundreds of Randolph-Sheppard dining facility contracts into which the Army has entered over the past three decades. That one contract cannot by itself support a conclusion that Randolph-Sheppard dining facility contracts entail “higher costs” overall.

105. Moreover, the Secretary’s finding on “higher cost” makes little sense even with respect to the one instance on which that finding is based. On one hand, the Department of Education’s own Cafeteria Regulation mandates application of the Randolph-Sheppard “priority”

only when an SLA's proposal is within a "competitive range" 34 C.F.R. § 395.33(b). Thus, when an SLA's proposal costs significantly more than an otherwise appropriate proposal from a private contractor, the Army is not required to contract with the SLA. On the other hand, even in the one instance of "higher cost" referenced in the Secretary's decision, the Army does not seem to have claimed that, but for the Randolph-Sheppard Act, it would have selected any of the "lowest price technically acceptable proposals." The "33 percent higher price differential" that the Army described to the Secretary is therefore not even the difference between the price that the Army paid and the price that it would have paid, but rather, at best, only the difference between the price that the Army *might have paid* to the SLA (if the cited price differential did not keep the SLA out of the competitive range) and the price it *might have paid* to a private contractor (if it had chosen the lowest-cost proposal). Thus, there was no basis for the Secretary to find that the Randolph-Sheppard Act entailed "higher costs" even in the one instance mentioned in her decision, let alone to find that the Act causes the Army to pay "higher costs" for its dining facility contracts in general.

106. The Secretary also failed to consider the relationship between low cost and poor quality. As the Army very well knows, price differences in dining facility contracts largely turn on differences in the offerors' staffing plans. Employees who work in the military cafeterias are paid pre-determined wages under a collective bargaining agreement, and the proposed price for a contract is a function of staffing; the more staff, the higher the price. In the past, the Army has awarded contracts based on lowball bids from non-Randolph-Sheppard vendors, with disastrous results. At Fort Lee, Virginia, for example, the Army awarded a DFAC contract to a non-Randolph-Sheppard contractor that proposed staffing the cafeterias with 30% fewer staff than required, resulting in the closure of dining facilities, extended wait times of an hour or more, and significant health and safety violations. The Army's contracting officer subsequently

recommended that the vendor not be awarded future contracts, and the Army had to go through the time and expense of re-soliciting the contract.

107. In any event, and perhaps most fundamentally, the Secretary's narrow focus on cost also misunderstands or disregards the purpose of the Randolph-Sheppard Act, as expressly stated by Congress, which is to provide for employment and economic opportunities for the blind. 20 U.S.C. § 107(a). The Act states that blind vendors should be given priority in the operating cafeterias whenever they can do so at "reasonable cost," 20 U.S.C. § 107d-3(e), a policy determination that forecloses the Secretary's apparent view that differences in cost can by themselves justify waiver of the Act's requirements.

108. With respect to "delays" assertedly caused by the arbitration process that Congress established for resolution of disputes under the Randolph-Sheppard Act, the Secretary's decision states that "[o]n average, the Department of the Army has faced arbitrations that last 801 days resulting in significant delays in awarding DFAC contracts." This finding, too, is less than clear. The Secretary does not specify what time period or which arbitrations were used for that calculation.

109. The Secretary's finding is extraordinary, too, in what it omits. Though the Army currently has in place about two dozen dining facility contracts under the Randolph-Sheppard Act and has historically entered into many dozens or hundreds of such contracts, the Secretary fails to acknowledge that in the past eight years the Army has been a party only to five Randolph-Sheppard arbitration proceedings that resulted in a decision, and none in the last year. Those proceedings, many of which occurred during the COVID-19 pandemic, are neither sufficient in number nor sufficiently representative to support the Army's broad-brush claims about arbitration-caused "delays." The most recent arbitration, involving a dining facility

contract at Fort Huachuca in Arizona, took roughly a year from start to finish. The five recent proceedings all ultimately resolved in favor of the SLA and against the Army.

110. The Secretary’s decision also ignores the fact that it is the Department of Education that administers the Randolph-Sheppard Act arbitration process and that, on more than one occasion, the Department has itself taken more than a year to convene an arbitration panel. In 2019, the Department’s failure to convene arbitration panels in a timely manner came to the attention of the House Appropriations Committee, which directed the Department to begin reporting to it annually on the status of all pending arbitrations. H.R. Rep. 116-62, at 217 (2019). These delays are not attributable to the Randolph-Sheppard Act itself, but rather, of course, to the Department’s sometimes inattentive implementation of the Act. Meanwhile, the Secretary has not even attempted to compare delays associated with the Randolph-Sheppard Act’s arbitration process with delays associated with the resolution of disputes under contracts outside the Act.

111. With respect to blind vendors’ supposed “performance issues,” the Secretary’s decision states that “[t]he Department of the Army conveyed various examples.” 90 Fed. Reg. at 60079. As described by the Secretary, these “examples” are meaningless. The decision refers to four types of citations that a blind vendor has supposedly received in operating an Army dining facility—“nutrition,” “sanitation,” “food safety,” and “lack of documented employee training”—while giving “examples” of the types of violations that might give rise to a citation in each of those categories, but that do not seem to describe any particular citation that a blind vendor actually received. The decision is otherwise devoid of information. It would arguably give too much credit to describe this portion of the Secretary’s decision as “anecdotal,” because the decision does not even provide the anecdotes that the Army supposedly “conveyed” or describe with specificity the nature of the citations issued.

112. Again, dozens of blind vendors currently operate dining facilities for the Army. Those facilities are all subject to regular inspections. The fact that four types of citations have been issued to one or more of those vendors says nothing about the quality of blind vendors' performance nationwide. Meanwhile, information readily available to the Secretary and the Army, including the Army's own favorable reviews of blind vendors' performance over many decades, wholly refutes any general claim of blind vendor "performance issues."

113. The Secretary's decision here also fails the test of basic logic, because neither the Army nor the Secretary has even attempted to grapple with whether blind vendors' supposed "performance issues" are any more serious or widespread than those associated with the performance of other contractors. As reflected in decisions issued by arbitration panels that the Department of Education itself convened, non-Randolph-Sheppard contractors have received citations and, in some cases, have been rated as having poor "past performance" when bidding for new contracts. At Fort Bragg, for example, where Mr. Jones operates six dining facilities, Army inspectors recently gave an "F" rating for sanitation to another dining facility, which he does not operate.

114. With respect to all three of the Secretary's factual findings, the Secretary had decades of experience and data from which to draw. She ignored that wealth of information and instead relied on the Army's representations about the cost of one contract, the length of one arbitration, and its issuance of four types of food service citations.

115. Had the Secretary considered information readily available to the Department of Education and the Army, she would have found that, on dozens or hundreds of occasions, the Army has contracted with blind vendors at a reasonable cost and without undue delay, and that Randolph-Sheppard vendors have consistently provided high-quality food service at Army dining facilities across the country—service at least as good as that provided by other contractors.

116. In addition to being substantively unlawful and arbitrary, the Secretary's decision is also procedurally defective. The Department did not observe the Randolph-Sheppard Act's requirement that it publish "supporting documentation" for any decision approving a "limitation." 20 U.S.C. § 107(b). In fact, the Department failed to publish any documentation for the Secretary's decision. As a result of this statutory violation, there is no evidence to support the Secretary's sweeping policy claims and purported factual findings.

**VII. The Secretary's determination will cause profound harm.**

117. If left in place, the Secretary's decision will have devastating consequences for blind vendors, their employees, State Licensing Agencies, and the Randolph-Sheppard program.

118. The Secretary's action means that, going forward, the Army will decline to extend existing contracts and solicit proposals without inclusion of the Randolph-Sheppard priority. Several of the Army's dining facility contracts are set to expire at the end of next month, and the Army has already signaled its intent to re-solicit those contracts as soon as practicable.

119. As a result, blind vendors who currently serve the military will likely lose their contracts to operate on Army bases and face the dramatic reduction or loss of their incomes. Given the societal stigma attached to blindness, the vendors will likely face significant barriers in seeking to restore their businesses or find comparable employment. The cancellation of existing contracts will likely cause the vendors' employees to lose their jobs as well.

120. The Secretary's decision will have a further, profound impact on State Licensing Agencies and the Randolph-Sheppard program. Most SLAs derive a significant proportion of their budget from "set aside" funds collected as a percentage of the net proceeds from vending facilities in the Randolph-Sheppard program. Military dining facility contracts are the largest and most important Randolph-Sheppard contracts and supply the majority of set-aside funds in most states. SLAs often use the money generated from set-aside fees to provide health and retirement

benefits, among other forms of support, for all of the blind vendors participating in their programs. 20 U.S.C. § 107b(3).

121. In addition to tangible monetary losses, the Secretary's action will have other profound negative effects. Losing Army dining facility contracts would significantly reduce the scope of the Randolph-Sheppard program and generally reduce employment and entrepreneurial opportunities for blind people. It is likely that current vendors will leave or be forced to leave the Randolph-Sheppard program, and other blind people seeking entrepreneurial opportunity will be dissuaded from joining or unable to join. This is the opposite of what the Randolph-Sheppard Act envisions and mandates.

### **CLAIMS FOR RELIEF**

#### **Count I – Administrative Procedure Act and Declaratory Judgment Act Agency Action in Excess of Statutory Authority – The Randolph-Sheppard Act**

122. Each foregoing paragraph is incorporated as if restated fully herein.

123. Under the APA, any person adversely affected or aggrieved by final agency action is entitled to judicial review of that action. 5 U.S.C. §§ 702, 704. The APA provides that a reviewing court shall “hold unlawful and set aside agency action . . . found to be . . . not in accordance with law” or “in excess of statutory . . . authority.” *Id.* § 706(2)(A)&(C).

124. On December 23, 2025, in a purported exercise of authority under the Randolph-Sheppard Act to approve a “limitation on the placement or operation of a vending facility,” 20 U.S.C. § 107(b), the Secretary of Education approved a “limitation of the Randolph-Sheppard Act priority” for all of the Department of the Army's dining facility contracts. 90 Fed. Reg. 60078 (Dec. 23, 2025).

125. The Secretary's decision to approve the Department of the Army's request for a limitation under the Randolph-Sheppard Act is a final “agency action” for purposes of the APA. *See* 5 U.S.C. § 551(13).

126. The Secretary exceeded her statutory authority and did not act in accordance with law in granting the Army's requested "limitation."

127. The Secretary exceeded her authority under the Randolph-Sheppard Act by purporting to grant a "limitation" of the Act with respect to all Army DFAC contracts. The Act authorizes the Secretary to approve a "limitation" on the placement or operation of "a vending facility," not a limitation with respect to an entire class of contracts nationwide.

128. The Secretary also exceeded her authority under the Act by purporting to grant a "limitation of the Randolph-Sheppard Act priority" and thereby waive all of the Act's requirements as they apply to the Army's dining facility contracts. The Act authorizes the Secretary to grant a limitation only on the "placement or operation" of a vending facility, by, for example, limiting the type of items that a blind vendor might be permitted to sell in a particular facility or a facility's hours of operation, restricting the location of a facility within a particular property managed by the agency, or allocating the income generated by a particular facility. There is no authority in the Act for the Secretary to grant the type of blanket waiver that the Secretary purported to grant here, based on disagreement with the fundamental policy choices embodied in the Act.

129. The Secretary's action was not in accordance with law, because the Secretary did not and could not find that the Army's request for a "limitation" was "fully justified." 20 U.S.C. § 107(b). In requesting the limitation at issue, the information that the Army conveyed to the Secretary was mostly meaningless and was anecdotal at best. That information did not provide even minimal support for the factual findings and policy judgments the Secretary made, let alone "fully justif[y]" those findings and judgments.

130. As a result of the unlawful actions of the Secretary, Plaintiffs have suffered legal wrong, *see* 5 U.S.C. § 702, and will suffer irreparable injury.

131. Plaintiffs are entitled to preliminary and permanent relief under the APA, *see* 5 U.S.C. §§ 705, 706, including an order holding unlawful and setting aside the Secretary’s December 23, 2025, decision to grant the “limitation” at issue.

132. Under the Declaratory Judgment Act, Plaintiff are entitled to a declaration that the Secretary exceed her statutory authority and did not act in accordance with law in granting a limitation to the Army for all of its dining facilities nationwide, in granting a limitation that purports to waive the Randolph-Sheppard priority, and in granting a request for a limitation that was not “fully justified.” Plaintiffs are further entitled to an injunction prohibiting the Secretary from waiving the Randolph-Sheppard Act priority, or granting a request from the Army to waive the priority, on a nationwide basis. 28 U.S.C. §§ 2201, 2202.

**Count II – Administrative Procedure Act and Declaratory Judgment Act  
Agency Action Taken Without Observance of Procedure Required by Law**

133. Each foregoing paragraph is incorporated as if restated fully herein.

134. The APA provides that a reviewing court shall “hold unlawful and set aside agency action . . . found to be . . . without observance of procedure required by law.” 5 U.S.C. § 706(2)(D).

135. The Randolph-Sheppard Act provides that, when granting a limitation on the placement or operation of a vending facility, “[t]he Secretary shall publish such determination, along with supporting documentation, in the Federal Register.” 20 U.S.C. § 107(b).

136. Although the Department of Education published the Secretary’s determination in the Federal Register on December 23, 2025, it failed to publish any “supporting documentation” for her determination. As a result of this failure, it is not possible to verify even the basic veracity of the anecdotal claims made in the decision.

137. The Secretary therefore acted without observing a procedure required by law, in violation of the APA.

138. As a result, Plaintiffs have suffered legal wrong, *see* 5 U.S.C. § 702, and will suffer irreparable injury.

139. Plaintiffs are entitled to preliminary and permanent relief under the APA, *see* 5 U.S.C. §§ 705, 706, including an order holding unlawful and setting aside the Secretary’s December 23, 2025, decision to grant the “limitation” at issue.

140. Under the Declaratory Judgment Act, Plaintiffs are entitled to a declaration that the Secretary failed to observe procedure required by law when the Department of Education did not publish “supporting documentation” for the Secretary’s decision to approve the limitation. Plaintiffs are further entitled to an injunction prohibiting the Secretary from granting any Randolph-Sheppard Act limitation to the Army without publication of supporting documentation. 28 U.S.C. §§ 2201, 2202.

**Count III – Administrative Procedure Act  
Arbitrary and Capricious Agency Action**

141. Each foregoing paragraph is incorporated as if restated fully herein.

142. The APA provides that a reviewing court shall “hold unlawful and set aside agency action . . . found to be . . . arbitrary and capricious.” 5 U.S.C. § 706(2)(A).

143. Through its requirement that “arbitrary and capricious” agency action be set aside on judicial review, the APA establishes a fundamental requirement that agencies engage in “reasoned decisionmaking.” *See, e.g., Dep’t of Homeland Sec. v. Regents of the Univ. of Cal.*, 591 U.S. 1, 16 (2020). The APA requires an agency, when exercising granted by Congress, to “examine the relevant data and articulate a satisfactory explanation for its action including a ‘rational connection between the facts found and the choice made.’” *Motor Vehicle Mfrs. Ass’n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983) (quoting *Burlington Truck Lines, Inc. v. United States*, 371 U.S. 156, 168 (1962)). An agency’s action is arbitrary and capricious “if the agency has relied on factors which Congress has not intended it to consider, entirely failed to

consider an important aspect of the problem, [or] offered an explanation for its decision that runs counter to the evidence before the agency.” *Id.*

144. The action at issue here was arbitrary and capricious, in multiple respects. The Secretary granted a “limitation” under the Act based on policy considerations that Congress did not intend for her to consider. A decision to grant a “limitation on the placement or operation of a vending facility,” 20 U.S.C. § 107(b), must be based on functional or practical considerations relevant to the “placement” or “operation” of a facility, not on a judgment, like the one made by the Secretary here, that the Act itself is a “barrier” to an agency being “in the best position possible to conduct its procurements,” or that the Act itself “hinders [an agency’s] ability to act swiftly, efficiently, and cost-effectively in procurement and managing [its] contracts.” 90 Fed. Reg. at 60079.

145. Furthermore, the Secretary made factual findings based on information supplied by the Army that was mostly meaningless and at best anecdotal. There was no meaningful basis, for example, for the Secretary’s finding that blind vendors have “performance issues.” Finally, and apart from those other fundamental deficiencies, the Secretary failed to establish a rational connection between the facts purportedly found and the choice made. Even had the Secretary included evidence to support the anecdotes referenced in her determination, those limited examples would not justify eliminating the Randolph-Sheppard priority for every Army dining facility contract across the country. The Secretary’s broad policy judgments are not supported by any rational analysis, because, with respect to each of her factual findings, the Secretary fails to compare the Army’s experience contracting with blind vendors under the Randolph-Sheppard Act with its experience contracting outside of the Act.

146. As a result of the Secretary’s arbitrary and capricious action, Plaintiffs have suffered legal wrong, *see* 5 U.S.C. § 702, and will suffer irreparable injury.

147. Plaintiffs are entitled to preliminary and permanent relief under the APA, *see* 5 U.S.C. §§ 705, 706, including an order holding unlawful and setting aside the Secretary’s December 23, 2025, decision to grant the “limitation” at issue.

### **PRAYER FOR RELIEF**

Plaintiffs request that the Court:

A. Pursuant to the Administrative Procedure Act, 5 U.S.C. § 706, hold unlawful and set aside the Secretary of Education’s December 23, 2025, decision to approve, as a purported “limitation” under the Randolph-Sheppard Act, a blanket waiver of all the Act’s requirements with respect to all Department of the Army dining facilities nationwide;

B. Pursuant to the Declaratory Judgment Act, 28 U.S.C. § 2201, declare that the Secretary’s action was not in accordance with law and was in excess of statutory authority, without observance of procedure required by law, and arbitrary and capricious;

C. Grant preliminary and permanent injunctive relief prohibiting the Secretary from granting as a purported limitation on the placement or operation of a vending facility under the Randolph-Sheppard Act, a waiver of all the Act’s requirements for any group of federal properties; and

D. Grant such other relief as the Court deems just and proper.

Respectfully submitted,



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Andrew D. Freeman (Fed. Bar #03867)  
Joshua N. Auerbach (Fed. Bar #26108)  
Neel K. Lalchandani (Fed. Bar #20291)  
Brown, Goldstein & Levy LLP  
120 E. Baltimore Street, Suite 2500  
Baltimore, Maryland 21202  
Telephone: (410) 962-1030  
Fax: (410) 385-0869  
adf@browngold.com  
jauerbach@browngold.com  
nkl@browngold.com

*Attorneys for Plaintiffs*

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