



ADMINISTRATIVE RULES OF MONTANA



37.30.2520 EQUIPMENT, STOCKS AND INSURANCE

- (1) The department will provide each business enterprise facility with fixtures and equipment in such quantity and of such quality so as to give reasonable assurance of successful operation by the vendor. Funds for this purpose may be made available from federal and state allocations or appropriations, including set aside funds.
 - (a) The department shall retain the right, title, and interest to all facility equipment and leases. It shall have the authority to direct, control, transfer, and dispose of such equipment when necessary.
 - (b) The vendor will make no additions or reductions to the facility and its operation either in the form of equipment, fixtures, goods for resale, or facilities without first obtaining authorization from the appropriate agent of the department.
- (2) The department will maintain or cause to be maintained all equipment in a safe and satisfactory working condition subject to the following:
 - (a) Replacement in lieu of repair shall be a decision of the department.
 - (b) It is the vendor's responsibility to report at the first opportunity to the department any incident resulting in damage, breakage, theft, defacement or malfunction of equipment or fixtures provided for his use. The first \$400 of yearly maintenance and repairs will be paid by the vendor.
 - (c) The vendor is authorized to arrange for emergency repairs to avoid loss of perishable stocks, to avoid endangering life or property. The reporting requirement of (b) is to be followed in all cases.
 - (d) Each vendor shall take reasonable care of equipment in his facility and carry out routine, day to day maintenance procedures.
- (3) The department will provide to a blind vendor initial stock for resale and a "change fund" in the amount of \$50.00 for opening of the business enterprise facility. The blind vendor will maintain an inventory of stock and/or cash which may exceed the value of the initial stock and "change fund" but may not be less than 80% of the initial stock and "change fund". Merchandise considered unsalable by the blind vendor shall not be included in the value of any beginning inventory. The blind vendor will be assessed the value of the initial stock against the net profit of the facility upon his resignation from the blind vendors program with the following provisions:
 - (a) upon resignation or termination, an inventory, valued at wholesale, shall be taken;
 - (b) any amount in excess of the beginning inventory shall be due the blind vendor after any outstanding obligations to suppliers are met;

- (c) any amount less than the beginning inventory shall become an obligation of the blind vendor.
- (4) The department will obtain and maintain in force applicable public liability and products liability insurance with minimum limits of \$500,000 each occurrence, \$1,000 medical payments, \$25,000 each accident.
 - (a) such insurance shall name the vendor and the state of Montana as named insured;
 - (b) the department will provide each unit with a copy of insurance coverage.

Authorizing statute(s): Sec. 18-5-414, MCA

Implementing statute(s): Sec. 18-5-415, MCA

History: NEW, 1983 MAR p. 657, Eff. 6/17/83; TRANS, from SRS, 1998 MAR p. 2040.