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DE BLASIO ADMINISTRATION TO SEEK AMENDMENTS TO STATE LAW TO HELP INCREASE CONTRACTING TO MINORITY AND WOMEN-OWNED BUSINESSES

NEW YORK—The de Blasio administration is calling for changes in state law to increase contracting opportunities for Minority and Women-Owned Business Enterprises (M/WBEs). The City has already increased contract awards to M/WBE by 57 percent over the previous fiscal year, bringing total awards in the last fiscal year to \$690 million, and recently announced a commitment to award more than \$16 billion to M/WBE businesses over the next 10 years. To achieve this goal, the City is seeking changes in State law to spur more opportunities for M/WBEs, including giving the City many of the tools the State already has to boost these businesses. The changes the City is seeking include:

Parity with the State to Raise Thresholds for Discretionary Spending

- **Current Law:** The State is permitted to engage in small-purchase discretionary spending with M/WBEs up to \$200,000, while the City is only allowed moderate discretion to do so for purchases up to \$100,000.
- **Proposal:** Provide the City the same authority as the State – allowing the City to engage in small-purchase discretionary spending to M/WBEs up to the \$200,000 threshold.

Expansion of ‘Best Value’ Procurement

- **Current Law:** The City can only factor M/WBE status in “best value” procurements (only applicable to purchase contracts) when the M/WBE is certified by the State – putting the thousands of M/WBEs certified by the City at a disadvantage.
- **Proposal:** The City seeks to amend the State law to allow the City to factor M/WBE status for M/WBEs certified by City or State – adding the thousands of M/WBEs certified by the City to the pipeline. Additionally, the City seeks to allow “best value” awards to factor in vendors’ records of complying with existing labor standards, maintaining harmonious labor relations, protecting the health and safety of workers and paying wages above any locally defined living wage.

Authority for City Agencies to Establish M/WBE-related Pre-Qualified Lists in All Industries

- **Current Law:** Only authorizes M/WBE prequalification lists for public works (i.e., construction) contracts and does not authorize prequalified lists for purchase contracts.
- **Proposal:** Expand law to permit prequalified lists for purchase contracts – expanding opportunities for prequalified M/WBEs.

Capacity Building Program

- **Current Law:** Current law does not explicitly provide strong authority for the City to create mentorship programs and meaningful opportunities for participants in those programs.
- **Proposal:** Amend State law to allow the City to establish capacity building programs for the benefit of State or local M/WBE-certified firms.

“We are committed to expanding economic opportunity to New Yorkers in every community, and we have diligently worked to increase awards to our City’s Minority and Women-Owned Businesses,” said **Mayor de Blasio**. “There is still more work to be done to expand opportunities for all our city’s entrepreneurs, and we will use every tool possible to ensure our City’s M/WBEs flourish and thrive.”

“M/WBEs are important to producing economic growth, including jobs. By expanding the City’s ability to ensure M/WBEs get the contracts they deserve, this legislation will strengthen our local economy to support one city rising together,” said **Maya Wiley, Counsel to the Mayor and M/WBE Director for New York City**.

“We intend to pull every lever we have to ensure that our contracting reflects the great diversity of New York City’s business owners,” said **Maria Torres-Springer, Commissioner of the NYC Department of Small Business Services**. “We are asking our colleagues in Albany to work with us to allow the City to use many of the tools the State is already using to open more opportunities for minority and women-owned businesses.”

“M/WBEs are a vital source of jobs for our communities and in order to effectively level the playing field for them in City procurement, we need to give agencies as many tools as possible to help in that aim. This legislative package does just that. We need our State partners to help the City obtain the same ability it gives itself to support M/WBEs,” said **Lisette Camilo, Director of the Mayor’s Office of Contract Services**.

“For too long, minority and women owned businesses have struggled against discrimination, exclusion, an opaque process, and insufficient access to capital and legal guidance. I am heartened that the administration is taking these steps to reform the contracting process and increase opportunities for minority vendors to do business with the City, but there is still more to be done. When we uplift women and communities of color, we uplift our entire City,” said **Public Advocate Letitia James**.

“The Assembly Majority has been a longstanding advocate for programs and policies that expand opportunities for minority and women-owned businesses entities. Small businesses are the driving forces of our state and local economies and it is critical that we pursue every avenue to ensure diversity in this arena. I commend Mayor de Blasio and the City of New York for their efforts to promote participation and strengthen the M/WBE community,” said **Assembly Speaker Carl Heastie**.

“The success of minority and women owned businesses is critical to New York's long term economic health and prosperity. For our state to succeed in the new economy we need to unleash the potential of all of our state's residents and diverse communities,” said **Senate Democratic Conference Leader Andrea Stewart-Cousins**. “I applaud Mayor de Blasio for his leadership on this issue and look forward to working with my colleagues in State government to increase opportunities for M/WBEs throughout New York.”

State Senator Brad Hoylman said, “I applaud Mayor de Blasio for seeking these changes in the law. It makes sense that New York City should have the same ability as the State to increase opportunities for Minority and Women-Owned Business Enterprises and allow these businesses to compete on a level playing field and have a fair shot at success.”

“I began my career in politics with the goal of strengthening opportunities for minority and women owned businesses. While in the City Council, I introduced Local Law 129, which was aimed at enhancing the ability of M/WBEs to compete for city contracts. Today, I am especially pleased to see that we are taking another significant step forward to help these businesses. They have long struggled to achieve economic justice. These

new amendments will help grow businesses, create jobs, spur economic growth and diversify New York's economy," said **State Senator James Sanders Jr.**

"I look forward to working with Mayor de Blasio and his administration on increasing MWBE participation in government contracting," said **Assembly Member Rodneyse Bichotte, Chair of MWBE Oversight Subcommittee.** "In particular I support the goal of creating mentorship opportunities for capacity building and increasing discretionary small purchases to 200,000 while lifting unnecessary financial barriers to this participation. Our state is increasingly diversifying in our communities and our workplace. Increasing contracting opportunities for minorities and women, will directly impact the economic flow in underserved communities as well as increase job opportunities among New Yorkers who continue to have unemployment rates that are in some cases twice that of the national and state average. I strongly support Mayor de Blasio's MWBE plan and urge my fellow legislators in Albany to step express their support as well. In doing so, we will create greater job opportunities, expand the middle class and put more entrepreneurs on the road to wealth creation."

"Minority and Women Owned Business Enterprises are ready to go to the next level of greatness if we create the conditions for their success, which these recommendations would do for our MWBEs. I applaud the Mayor's commitment to increase access to capital, contracting, and opportunities for MWBEs. It's on us to create the state laws to improve the climate for more jobs and opportunities. Then, it's on the city to provide that chance for our people of color and women to realize their economic dreams," said **Assembly Member Michael Blake.**

"New York City's MWBE's deserve the same opportunities in local contracting that such businesses enjoy with the state. By raising MWBE spending by nearly 60 percent and making an ambitious plan to increase contracting and MWBE supports to unprecedented levels over the next decade, the de Blasio administration has evidenced its commitment to helping this huge segment of the small business community thrive. As the Chair of the City Council's Committee on Small Business, I join the Mayor in calling on the state legislature to give NYC the tools it needs to achieve these goals," said **Council Member Robert Cornegy, Chair of the Committee on Small Business.**

"Minority and women-owned businesses play a major role in our city's economic growth by employing a significant portion of our workforce; creating new jobs and implementing new ideas in the marketplace. It is vital that we provide M/WBEs with more opportunities to compete in contracting through the proper procurement stages that also puts a stop to abuses by contractors that are awarded contracts as M/WBEs but are not truly M/WBEs," said **Council Member Andy King, Co-Chair of the Black, Latino & Asian Caucus.**

"As a woman-owned construction firm, we faced challenges other firms didn't have to face. But once we were given a fair chance to compete through programs like M/WBE, we thrived. This legislation will help give other deserving firms that opportunity," said **Sandra Wilkin, Founder and President of Bradford Companies.**

"We look forward to working with the Administration to make the City's M/WBE Program a model program. This legislation is a good step towards that direction," said **Bonnie Wong, President, Asian Women in Business.**

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