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National Black Chamber of Commerce 17th Annual Convention



The National Black Chamber of Commerce held the 17th Annual Convention "Change Has Come" in Washington D.C at the Fairfax Hotel at Embassy Row. The business conference was headlined by Karen Mills, Administrator of the U.S Small Business Administration, Lisa Jackson, Head of the U.S. Environmental Protection Agency as well as many successful business leaders from business sectors accross the country and the globe.



The event was a major success for the Chamber as over 300 attendees came to network, learn best practices and gain a wealth of knowledge from many of the top managers in their respective professions.



Topics included: Section 3 HUD Act, Updates on Small Business Legislation, Broadband Deployment, Energy Policy Revitalizing the US Department of Transportation, and Healthcare Modernization and its impact on Small Business.



Washington, DC - July 22nd , 24th 2009



Title VI Complaint Against Caltrans to the Attorney General Eric Holder

**Re: Title VI Complaint Against Caltrans
(California Department of Transportation)**

Dear Attorney General Holder:

Please regard this communication as an official Title VI Complaint (Civil Rights Act of 1964) against the California agency known as Caltrans, a recipient of funding from the Federal Highway Administration.

The majority of states receiving funds from the Federal Highway Administration have strayed away from their Title VI obligations via the Disadvantaged Business Enterprise program (DBE) per 49 CFR Parts 21, 23 and 26 since the early 1990's. As we view the activity of each state there will be other Title VI complaints. As the state of California appears to be one of the most egregious we will start here and forward it to your attention and for dissemination to your Civil Rights Division.

The National Black Chamber of Commerce, Inc. was incorporated in Washington, DC in 1993 for the purpose of educating African American communities in entrepreneurship and promoting African American business growth. According to the US Census Bureau, when we started there were 300,000+ Black owned firms doing dollar sales of over \$33 billion. Today, that number exceeds 1 million such businesses doing over \$88 billion in sales.

California has been typical in that growth. In construction, according to the US Census Bureau in 1997 there were 3115 Black owned businesses in California doing \$404,890,000 in sales. By the end of 2002 there were more than 5021 Black owned construction firms in California doing over \$760,301,000 in sales. That is a fantastic growth of 61.2% in businesses and 87.8% in dollar sales. We expect this growth to continue at this rate when the 2007 figures are confirmed and published. Yet, despite this unprecedented growth in Black construction firms in California, Caltrans has systematically reduced the number and dollar volume of Black firms it does business with in the DBE program. Nationally, that number has dwindled from 4.3% in dollar sales to 1.1% per the official reports for Fiscal Year 2008 that were received from USDOT Secretary Ray LaHood (attached). California, with the more than \$2 billion in annual contracts it lets annually, did only 0.10% with Black firms (one tenth of one percent). The activity is worse than anemic and barely registers.

What further makes this reprehensible is that highway construction is the most simplistic form of construction. As our members build airline terminals, sports stadiums, hotels, hospitals, etc. less and less are afforded equal opportunity in the less expensive and less sophisticated flat construction industry. California's population is 7.9% Black and has the third highest Black population of any state in the nation (2,462,697). Despite the capacity and growth the trend is definitely disparate and we know it is not coincidental.

The corruption and discrimination within Caltrans is legendary. Let's just go back to the attached Title VI complaint of Alonzo D. Hall, a Caltrans employee. This was submitted in 1996 and never resolved. In fact, nothing changed except the arrogance of the management of Caltrans and its disregard for utilizing the DBE program as it was intended - a business development program to guarantee compliance with Title VI of the Civil Rights Act.

Besides the aforementioned and unresolved Title VI complaint, Caltrans is known for not adequately certifying DBE participants into the program. A key to the certification process is a formal site visit by the evaluator to the applicant's worksite. At one time during the 1990's it was revealed that California had over 4,000 participants in the program who received no site visit. This breeds corruption and renders the program inoperable per the intentions of Congress. I find no indication that California has corrected this major flaw. Please have this verified. Have those invalid participants continued in the program and have others entered into it without verified site visits also?



National
Black
Chamber of Commerce

Caltrans officials have repeatedly and publicly stated that it is in compliance with federal law. There is a common belief that if the total DBE goal is met then it doesn't matter if there is no utilization or underutilization of a particular group even if it is caused by discrimination. We totally disagree.

Caltrans has deliberately avoided race conscious DBE goals in many contracts even though the actual attainment levels of Blacks is damaging. It believes that state projects are exempt from federal law and regulation (for the DBE program) even though there is co-mingling of federal and state monies in its transportation projects. When the monies are mixed federal law and regulation should prevail. State law Proposition 209 should have no effect on projects involving federal funding and discrimination can certainly not be allowed.

The state of California has a minority population of 54%. Obviously, there are other groups such as Hispanic, Asian and Native Americans who also have a severe problem with the discriminatory processes of Caltrans. We expect their respective associations to step forward in a like fashion shortly. As minority populations in this state have a higher than average unemployment rate (Blacks almost double the average) we believe the discriminatory actions of Caltrans contributes to that fact. The employment demographics of a small business are directly correlated to the make up of the ownership of the company. With that in mind, we have a very strong concern for compliance with Executive Order 11246 also. With basically no Black business contracting taking place there is most likely little Black employment on these Caltrans projects.

Please provide this office with the latest gathered data on Caltrans highway projects and for Caltrans itself in regards to Executive Order 11246. Per a directive in February, 1999 (attached), the Federal Highway Administration toned down its monitoring of this important law. With the high construction union activity (construction unions discriminate against people of color and women) and almost total lack of Black business participation plus the lax monitoring we are extremely concerned that this too is also being ignored and fanning the flames of unemployment.

Obviously, until Executive Order 11246 is complied with and Title VI of the Civil Rights Act via the DBE program becomes a reality Caltrans should have its funding frozen. When nondiscrimination is finally realized by Caltrans there should be a special set-aside for Black firms to ensure that this "cancer" is finally eroded from the state contracting place and the past damage is offset.

It's been 49 years since the establishment of the Civil Rights Act. We feel it is better late than never and await your enforcement of the law. Thanks in advance for the monumental task laying before you - bringing civil rights to Caltrans.

Finally, we are rightfully dubious about the Recovery Act (AKA Stimulus) monies not being realized via transportation funding in our communities in California. One tenth of one percent doesn't make a difference.

Sincerely,
Harry C. Alford
President/CEO

Enclosures

Honorable Barack Obama, Honorable Arnold Schwarzenegger, Honorable Barbara Lee,
Honorable Pat Leahy, Honorable John Conyers, Honorable Edolphus Towns, Honorable Darrell E. Issa
Honorable Mary Landrieu, Honorable Nydia Velazquez, Honorable Olympia Snowe, Honorable Sam Graves
Honorable C. James Oberstar, Honorable John Mica

NBCC Delegation meets with Foreign Dignitaries in Paris, France



The National Black Chamber of Commerce sent a delegation to Paris, France to meet with our newly formed Paris Chapter and foreign dignitaries. These leaders included members of the French cabinet as well as ambassadors from Africa, Asia, Europe and South America.



The trip was groundbreaking because this was the first Black Chamber of Commerce to be established in France, although a large percentage of their urban population are of African descent.



The National Black Chamber of Commerce continues to work with our chapter in Paris as well as all our chapters in the United States and across the World.

Membership Opportunities

If you would like to become a member of the National Black Chamber of Commerce, view our membership levels and description below and contact: Charles DeBow at cdebow@nationalbcc.org

National Black Chamber of Commerce
1300 Connecticut Avenue NW #405, Washington, DC 20036
202-466-6888 202-466-4818 fax, info@nationalbcc.org

The purpose of being a member of the National Black Chamber of Commerce is to support the National Office in the fulfillment of its mission. That mission is "To economically empower and sustain African American communities through the entrepreneurship and capitalistic activity within the United States and via interaction with the Black Diaspora"

2009

Membership Application and Invoice

email to cdebow@nationalbcc.org or fax to 202-466-4818

Contact Name

Company Name

Address

Phone/Fax

Email/Web site

<u>Annual Sales</u>	<u>Dues (annual)</u>	
NBCC Chapter	\$300	---
Government Agency	\$400	---
Under \$2 million	\$500	---
\$2 million – \$4 million	\$1,000	---
\$4 million – \$10 million	\$2,500	---
\$10 million +	\$5,000	---
President's Club*	\$10,000	---
Public Policy Council**	\$30,000	---

*President's Club – For the small, well-established business desiring facilitation of introductions, high level networking and unique opportunities. Direct access to the NBCC President/CEO.

**Public Policy Council – Works with the NBCC to formulate positions on issues of commonality such as Global Warming Treaty, Tax Reform, Social Security, Tort Reform, National Air Ambient Quality, OSHA laws, procurement, telecommunications, diversity and regulatory affairs.