



NEW YORK STATE SENATOR

James Sanders Jr.

Sanders Testifies at City Council MWBE Hearing

[JAMES SANDERS JR.](#) December 14, 2015

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State Senator James Sanders Jr. (D-Rochdale Village), the father of the City's MWBE laws expressed disappointment in the small amount of city contracts that are awarded to Minority and Women-Owned Business Enterprises, while speaking at a December 14th press conference on the subject at City Hall. It preceded a City Council MWBE oversight hearing, where Sanders also provided testimony.

In New York City, where 65 percent of the population is made up of people of color, only 5.3 percent of the \$13.8 billion spent in city contracts went to MWBEs in Fiscal Year 2015, according to the Mayor's Office of Contract Services. In his annual "Making the Grade" agency report card on MWBEs, Comptroller Scott Stringer gave the city an overall grade of "D+," a slight improvement from the "D," it received last year.

"It's like a sign was put on City Hall that said "No Blacks, No Dogs, No Latinos, No Women Need Apply," Sanders said at the press conference. "I have said in days gone by that you would do better in Selma, Alabama, than you would in New York City. I am hoping that this new administration will hear what we are saying today. I also hope that our governor will hear what we are saying. We will keep knocking at this door of justice."

During his time in the City Council, Sanders authored Local Law 129 (2005), and Local Law 1 (2013), a type of affirmative action, designed to enhance the ability of Minority and Women-Owned Business Enterprises to compete for city contracts, with the goal of essentially leveling the playing field. However, these laws never realized their full potential.

"I told the city to let women and people of color share in its immense wealth," Sanders said. "I will fight for justice with laws, protests, petitions, and organizing from New York City to Albany to Washington, D.C."

Senator Sanders has introduced MWBE legislation on the state level (S5924A), with a companion bill being sponsored by Assembly Member Rodneyse Bichotte, which will increase opportunities for Minority and Women-Owned Business Enterprises and spur the creation of sustainable small businesses and jobs. The legislation expands the State's General Municipal Law and thus creates additional procurement opportunities for MWBE by doing the following:

- Increases the City's MWBE discretionary spending of small-purchase threshold from \$100,000 up to \$200,000.
- Allows MWBE status to be a factor in "best value" awards.
- Establishes capacity building programs for the benefit of State or Local MWBE Certified firms doing business in New York City.
- Permits pre-qualified lists for purchase contracts in addition to public works contracts.

The bill will amend the New York City Charter to authorize the City's Procurement Policy Board to provide by rule the above enhancement.

Senator Sanders has also been assigned to Mayor de Blasio's newly formed, 17-member, advisory council, which has been tasked with increasing MWBE participation in city contracting and helping the city achieve its goal of awarding more than \$16 billion in city contracts to MWBEs over the next 10 years.

At the City Council MWBE hearing, which was held jointly by the Committees on Contracts, Small Business and Women's Issues, Senator Sanders told the panel that among their top priorities must be holding agency chief contracting officers (ACCOs), those who buy the goods and services on behalf of the city, accountable through a transparent tallying system.

"I would propose that we include this in their job description, that way you would have a chance to grade them," Sanders said. "Are they upholding the views of the city? If they are, then they should get some extra points in their job performance. Aiding is better than punishing in this instance. By doing this, you may change the culture."

Although the city holds monthly meetings where they have conversations with ACCOs and their progress, the figures show that it has not been effective.

“Behind these figures are misery on the streets,” Sanders said. “People who should have work are not working. You are also going to have to deal with the issue of prime contracts. Contracts of \$1 million or more should be subject to greater transparency.”

“You are dealing with the chicken and the egg,” Sanders continued. “You can’t get the contract because you don’t have the capacity, and you’ll never get the capacity, because you won’t get the contract. We have to deal with real money that we can lend to these MWBE corporations.”