



MICHIGAN CIVIL RIGHTS COMMISSION

RESOLUTION**IN SUPPORT OF MORE PUBLIC CONTRACTING
OPPORTUNITIES FOR DISADVANTAGED
BUSINESS ENTERPRISES (DBES)**

WHEREAS, United States Department of Transportation Disadvantaged Business Enterprises (“DBEs”) are for-profit, small business concerns where social and economically disadvantaged individuals own at least 51% interest, and also control management and daily operations;

WHEREAS, As Michigan continues to become more diverse, the support of DBEs is an increasingly important part of an economic development strategy. These businesses are a crucial part of the state’s economy, both in terms of economic impact and job creation;

WHEREAS, As the number of small, women- and minority-owned businesses grows, the success of these businesses translates to more jobs, increased wealth and long-term prosperity for the state’s residents, and more must be done to ensure that these entrepreneurs have the tools, resources and access they need to be successful;

WHEREAS, In 2006, Michigan voters adopted Proposal 2, which amended Article I, Section 26 of the Michigan Constitution, and prohibits affirmative action programs that give preferential treatment to groups or individuals based on their race, sex, color, ethnicity, or national origin. Proposal 2 applies to public employment, public education, or public contracting.

WHEREAS, The amendment “does not prohibit action that must be taken to establish or maintain eligibility for any federal program, if ineligibility would result in a loss of federal funds to the state;”

WHEREAS, U.S. Presidential Executive Order 11246 prohibits federal contractors and federally-assisted construction contractors and subcontractors, who do over \$10,000 in government business in one year, from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identity or national origin, and Executive Order 11375 banned discrimination on the basis of sex in hiring and employment in both the United States federal workforce and on the part of government contractors;

WHEREAS, Transportation and public works agencies spend hundreds of millions of dollars annually on infrastructure, much of it in urban environments and within communities of color and areas of economic challenge;

WHEREAS, Citizens in these communities want to enjoy their equitable share of the economic opportunity these construction and service contracts present, especially in the area of DBE business growth and development;

WHEREAS, According to a 2020 study conducted by the Tax Foundation, federal grants-in-aid to Michigan comprise 33.1 percent of the state’s general fund budget, the 23rd highest rate among the 50 states;

WHEREAS, Governor Gretchen Whitmer has issued Executive Directive 2019-9, which provides for “Equal Opportunities in State Contracting and Loan Programs”, and requires the Executive Branch to include in all contracts a provision that prohibits contractors and subcontractors from discriminating against an employee or an applicant for employment on the basis of religion, race, color, national origin, age, sex, height, weight, marital status, partisan considerations or a disability or genetic information that is unrelated to the person’s ability to perform the duties of a particular job or position;

WHEREAS, This prohibition against discrimination on the basis of religion, race, color, national origin, age, sex, height, weight, marital status, partisan considerations or a disability or genetic information that is unrelated to the person’s ability to perform the duties of a particular job or position applies “without limitation, to the exercise of procurement authority by the Department of Technology Management and Budget...and to contracts entered into by departments or agencies exercising procurement authority delegated by the Department of Technology Management and Budget”;

WHEREAS, The Michigan Department of Transportation (“MDOT”) receives about \$1.1 billion annually in Federal road dollars, of which 75 percent is used to fund state projects, with the remaining 25 percent divided between counties and cities;

WHEREAS, MDOT has formed the Partnership for Diversity and Opportunity in Transportation (“Partnership”), which includes 33 partners working in tandem to provide equal opportunities for DBEs;

WHEREAS, The Partnership’s successes include:

- The establishment of an I-94 Small Business Initiative, which includes “mentor-protégé” strategies by which small business consultants work with prime consultants to learn MDOT’s quality expectations, but have direct contracts with MDOT so they also learn MDOT administrative procedures;
- Specific technical and business training programs for DBEs;
- The creation of a Bonding Education Program, which assists DBEs to be better prepared to secure bonding and working capital in order to participate in federal transportation programs that are paid on a reimbursement basis, and has helped DBEs secure more than \$5 million in bonding capacity;

WHEREAS, The Michigan Civil Rights Commission (“MCRC”) nonetheless, sees a continued need to provide enhanced business and equal contracting opportunities for DBEs;

Be it resolved, by MCRC That we applaud and support Governor Gretchen Whitmer’s Executive Directive 2019-9;

Be it further resolved, by MCRC That we confirm our staunch commitment to the support of DBEs and MDOT’s Partnership for Diversity and Opportunity in Transportation;

Be it finally resolved, by MCRC That we support the goal of the equitable utilization of women-owned and minority-owned businesses, and the provision of maximum, practicable opportunities for increased participation in public contracting and purchasing.



Passed unanimously on the 24th day of May 2021, by the
MICHIGAN CIVIL RIGHTS COMMISSION

Stacie Clayton, Chair

Zenna Faraj Elhasan, Vice Chair

Ira Combs, Secretary

Richard Corriveau

Regina Gasco-Bentley

Gloria E. Lara

Anupama Kosaraju

Portia L. Roberson