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For Immediate Release January 24, 2025

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## DBE Program Threatened By Lawsuit; Democracy Forward and MBELDEF Represent Groups in Legal Filing

Disadvantaged Business Enterprise Program Threatened By Lawsuit; Democracy Forward and Minority Business Enterprise Legal Defense and Education Fund Represent Groups in Legal Filing

**Washington D.C.** - As the Trump administration has already shown it will seek to shut people out of industries and government based on their backgrounds, a coalition of organizations dedicated to promoting opportunities for women and minority business owners in the transportation sector, as well as several such businesses themselves, are taking legal action to defend the Department of Transportation's Disadvantaged Business Enterprise Program from a challenge that threatens to gut the important program.

The filing, submitted today in the United States District Court for the Eastern District of Kentucky, seeks to allow the coalition of groups and businesses to formally intervene in Mid-America Milling Company v. the United States Department of Transportation (DOT).

The coalition working to defend the program includes the National Association of Minority Contractors (NAMC), <u>Women First National Legislative Committee</u>, <u>Airport Minority Advisory Council (AMAC)</u>, Women Construction Owners & Executives, Illinois Chapter (<u>WCOE Illinois</u>), <u>Atlantic Meridian Contracting Corporation</u>, and <u>Upstate Steel</u>. The groups are represented in the matter by Democracy Forward, the Minority Business Enterprise Legal Defense and Education Fund (<u>MBELDEF</u>), and Wyatt, Tarrant & Combs LLP.

The case in question concerns a challenge to DOT's Disadvantaged Business Enterprise Program, which serves as a lifeline for minority- and women-owned small businesses trying to break into a sector of the economy where a legacy of discrimination has often shut women and minorities out of the industry. The program helps to remedy discrimination, level the playing field, and provide minority- and women-owned small businesses with opportunities to get government contracts and access business networks. Without the DBE program, minority- and women-owned small businesses will be shut out entirely and forced to close.

"Especially in an industry as reliant on relationships as construction is, longstanding attempts to shut women and people of color out have persisted and can determine if a business thrives or is forced to shut down. Government has a very direct obligation to remedy this past and ongoing discrimination and this program is a lifeline that deserves defending," said **Skye Perryman, President and CEO of Democracy Forward**.

"This case is an attempt to devastate businesses owned by people of color and women across the nation and it is absolutely essential that the businesses that will be most harmed by the result of this case should be heard," said **Sarah von der Lippe, pro-bono counsel for MBELDEF**. "Minority-and women-owned businesses have been burdened by discrimination for centuries. It is both legally right, and morally necessary, for the government and the private sector to take action to remedy that discrimination. This motion is essential to allowing minority- and women-owned businesses to fight for themselves and their communities."

"These intervening parties want to ensure that Congress' laws creating and maintaining the longstanding 'Disadvantaged Business Enterprise' contracting program is preserved and they seek to be fully heard as to why the program is important and needed to help prevent discriminatory practices that are ongoing," said **Douglas L. McSwain of Wyatt, Tarrant, & Combs.** "The program does not require quotas or set asides, but is vital to women- and minority-owned businesses in starting to have a fair and equal opportunity to compete for government contracts – that is why Congress has long re-authorized the program over and over again."

"Gutting the DBE Program sends a disappointing message, especially to young girls," said **Mary Kay Minaghan, WCOE Illinois Chapter**. "Imagine telling your daughter, niece or granddaughter that she cannot be anything she wants to be. Today they're trying to prevent her from being a construction contractor, tomorrow it could be a lawyer, doctor or even a judge."

"The DBE Program has given women and people of color the opportunity to compete and do great work in an industry that has historically excluded them," said **Joann Payne of the Women First National Legislative Committee**. "The presumption that the DBE Program has harmed non-DBE companies when non-DBE companies receive 90% of all highway, airport, and transit's hundreds of billions of infrastructure dollars is simply not true. Without the continuation of the DBE program, 44,000 women-and-minority-owned small businesses may lose their businesses. Many of these companies are located in rural America and the impact of the loss of revenue will be devastating."

"Given the extent of virulent discrimination against minority-owned businesses, the federal government's response has generally been far too tepid," said **Wendell R. Stemley, National President, National Association of Minority Contractors** (NAMC). "The DBE program provides important opportunities for minority-owned businesses and it should be expanded to meet the demand of rebuilding our infrastructure, not gutted."

"The DBE Program is vital to addressing widespread injustices that have historically excluded minority- and women-owned businesses from accessing opportunities in industries dominated by entrenched interests. As we know, airports are dynamic hubs that provide essential transportation services, fuel economic growth, create employment opportunities, and contribute significantly to the prosperity of local communities and the broader national economy. Minority- and women-owned businesses are critical to our ecosystem, supporting infrastructure growth and accelerating regional economic development and America's global competitiveness. Without the DBE Program, we risk reducing the vibrancy of our nation's financial health by losing nearly 50,000 certified DBEs," said **Eboni Wimbush, AMAC President & CEO**.

Read the full motion to intervene <a href="here">here</a>.