### THE POWER OF AFFILIATES



Uniting for Diversity, Equity, and Inclusion: An Urgent Call to Action

## FOR IMMEDIATE RELEASE

# NMSDC Affiliate Council Presidents and Stakeholders Unite for Urgent Congressional Action

WASHINGTON, DC. November 7, 2023 -- In a resounding call to action, nearly 70 individuals, representing the National Minority Supplier Development Council (NMSDC) network, including regional affiliate council presidents, minority business enterprises, and major corporations, came together in the nation's capital after the NMSDC National Conference in Baltimore, MD. These leaders, dedicated to advancing Diversity, Equity, and Inclusion (DEI) in business, held discussions with 60 congressional members to address pressing issues impacting minority-owned businesses nationwide.

"In light of the recent Supreme Court decision and the surge of lawsuits challenging minority business programs, we initiated a grassroots campaign effort to ensure our voices were heard," stated Sharon R. Pinder, President/CEO of the Capital Region Minority Supplier Development Council and leader of the Affiliate Council's Legislative Advocacy. "Our journey began in our local districts this summer, and the Day on Capitol Hill reinforced the urgency of our cause."

The recent Supreme Court decision regarding affirmative action in higher education has sparked a concerning surge of attacks on minority business programs at the local, state, and federal levels. Notably, the court case (Ultima v. U.S. Department of Agriculture) in the Eastern District of Tennessee Court led to the suspension of the race-conscious "rebuttable presumption" for the 8(a) program nationwide, effectively eradicating race as a basis of disadvantaged in 8(a) set-asides.

Furthermore, activists and 13 state attorneys general have cautioned CEOs of the largest U.S. Fortune 100 companies about potential litigation related to their corporate DEI practices and supplier diversity programs.

These ongoing attacks and others on minority business programs have created confusion, uncertainty, and doubt among public and private sector contracting officers, causing a detrimental impact on minority-owned businesses. While the full extent of this impact is yet to be fully assessed, it is evident that immediate action is required.

The regional affiliate council presidents assert that Congress must now take responsibility. Courts have made it clear that Congress must establish a "compelling government interest" in addressing the "discriminatory barriers that racial minorities and women face, hindering their participation in government contracting."

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The Group's three-pronged strategy and messages included:

- 1. Educate Congress on Affirmative Action Concerns: The growing number of lawsuits nationwide, notably in Texas, obstructing local U.S. Department of Commerce Minority Business Development Agency (MBDA) offices and affecting organizations like the Fearless Fund, calls for urgent attention.
- 2. **Highlight Economic Impact:** Recognizing the substantial economic impact minority businesses have in their respective regions and across the country is crucial. The 23 regional affiliates of the NMSDC, with 16,000 certified minority-owned businesses, 1,500 corporations, \$482.1 billion in minority spending, \$136.4 billion in total wages, and 1.8 million jobs, play a pivotal role in driving growth and promoting innovation.
- 3. Collect and Share Data: The Regional Affiliate Councils urged Congressional Members to collect data points from businesses in their districts and bring these findings to Washington for formal Congressional Record placement, fostering understanding and action.

In addition to the meetings that have taken place nationwide, on that day the group had informational sessions with presentations by Ying McGuire, CEO and President of NMSDC, Nigel Stephens, Principal, Phoenix Strategies, Inc., and key figures, including Stephen Benjamin, Director of the Office of Public Engagement, Diedre Henry Spires, Special Advisor to the Small Business Administration (SBA) Administrator, Congressman Glenn Ivey, Sarah von der Lippe, Pro Bono Attorney for the Minority Business Enterprise Legal Defense and Education Fund, Dr. Winslow Sargeant, former Chief Advocacy Officer at the SBA, and policy panels representing the House and Senate Small Business Committees.

#### **ABOUT THE REGIONAL AFFILIATES**

The 23 regional affiliates of the National Minority Supplier Development Council (NMSDC) form a dynamic nationwide network dedicated to fostering diversity, equity, and inclusion within corporate ecosystems. Comprising a diverse array of industries and sectors, these affiliates serve as integral connectors between Minority Business Enterprises (MBEs) and corporations committed to supplier diversity. With a steadfast commitment to promoting economic growth, innovation, and community empowerment, NMSDC's regional affiliates facilitate meaningful partnerships that drive business success while advancing social progress. Collectively, the MBEs certified through the regional affiliates drive more than \$482 billion in economic impact.

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