

syracuse.com

The Post-Standard

State takes closer look at contract procedures

\$10M spent in '06 for legal work. Zero went to women- or minority-owned firms.

Thursday, November 08, 2007

By Delen Goldberg
Staff writer

Last year, New York state contracted out nearly \$10 million in legal work.

Not a single penny went to law firms owned by women or minorities.

"It's sickening news," said Yolanda Coly, managing director of the National Association of Minority and Women Owned Law Firms. "New York is known as one of the most diverse states in the United States. How could not one minority- or woman-owned law firm have been chosen?"

Public agencies in the state including the Port Authority, Thruway Authority and Energy Research and Development Authority spent almost \$9.6 million on outside legal services in 2006.

Former Gov. George Pataki had no commitment to bolstering minority- and women-owned enterprises, so none got contracts, said Michael Jones-Bey, executive director of the state's Division of Minority and Women's Business Development. In fact, Jones-Bey said, Pataki in his first months in office, fired three-quarters of the state's work force aimed at developing economic opportunities for women and minorities.

"We're still feeling the effects of decades of neglect," Jones-Bey said. "We inherited a mess, but we have a commitment to turn this around."

Gov. Eliot Spitzer has promised to diversify the firms that receive state contracts. In February, he issued an executive order pledging to promote minority- and women-owned businesses. The executive order creates a leadership council comprised of top-ranking state officials and a corporate round table made up of business executives who have shown a strong commitment to diversity.

Assemblyman William Scarborough, D-Queens, wants to take the pledge even further. He plans to introduce legislation in the coming weeks that would make Spitzer's executive order law.

"We feel the executive order is a good starting point," Scarborough said. "But the whole idea is to have it in a statute, to have a law. Administrations change, and we want to make sure that even when the Spitzer administration leaves, as it eventually will, these initiatives will remain."

Women- and minority-owned enterprises account for nearly one-third of all small businesses in the state, Jones-Bey said. During the 2005-06 fiscal year, 23 percent of the state's small businesses were owned by minorities and 26 percent were owned by women, but those

companies received only 3 percent of the state's contracts.

Jones-Bey said the current administration's push for diversity is not a social movement, but an economic development program.

"When you support small businesses, there is an economic multiplier effect on the jobs they create and a positive effect on local communities," he said. "There are companies that are ready, willing and able to compete now."

Even so, the Spitzer administration plans to work with NAMWOLF to identify more minority- and women-owned businesses to ensure they get a fair stab at state bids.

"There is a rainbow that's about to come about," Coly said.

Delen Goldberg can be reached at dgoldberg@syracuse.com or 470-2274.

© 2007 The Post-Standard. Used with permission.

Copyright 2007 syracuse.com. All Rights Reserved.