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**PUBLIC TESTIMONY
ON AB 174
PRESENTED BY THE
URBAN CHAMBER OF COMMERCE
BEFORE THE
NEVADA STATE LEGISLATURE
COMMITTEE ON GOVERNMENT AFFAIRS**

**TUESDAY, MARCH 4, 2003
AT 8:00AM**

Good Morning Chairman Manendo and members of the Government Affairs Committee:

My name is Louie Overstreet. I am appearing before you this morning as a representative of the Urban Chamber of Commerce of Las Vegas to express our organization's support for the enactment of AB 174.

For the past several years, our organization has been gathering data on the issue of equitable participation of minority, female, and disadvantaged business utilization on publicly funded capital projects in our great state of Nevada and more particularly in Clark County.

During a time our state is experiencing unparalleled growth, becoming more diverse with each passing year, and with a record number of women who are entering the ranks of professional employment as well as starting their own businesses, our state has not experienced a corresponding increase in employment and contracting opportunities for the forgoing mentioned groups.

In fact, our research shows conditions have worsen since the release of a report commissioned by the General Services Department of Clark County Government back in July 1994 entitled, "*Regional Economic Disparity Study*."

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SUBMITTED BY: Louie Overstreet

As background, the study was commissioned to evaluate whether the County met the Croson v. City of Richmond U.S. Supreme Court decision standards of *strict judicial scrutiny and narrowly tailored remedies* for programs to assist minority and women-owned businesses in County procurement. The study concluded, "the combined quantitative and qualitative evidence of marketplace discrimination against minority and women-owned firms in the local construction, goods, professional services and other service sectors forms a sufficient factual predicate for remedial action by the County. Race and gender neutral remedies should be considered, but the study team concludes that this alone might not be sufficient to fully remedy the effects of past and present marketplace discrimination. Therefore, a legal basis exists for the County to consider narrowly tailored race and gender based remedies."

The study data from FY88-92 indicated that the average participation for minority businesses was 4.01%. In a report released last week by the Urban Chamber's *Blue Ribbon Committee on Race* the data revealed the FY00-01 average participation of these groups on County projects was 3.2%. This 20% decrease in participation $(4.01\% - 3.2\% / 4.01\%)$ is both amazing and alarming in light of past and present day demographics. The 1990 Census reported 179,685 persons of color living in Clark County. The 2000 Census counted 505,987 minorities. This represents a 280% increase, yet during a time our combined population has tripled, we are receiving considerably less economic benefit from our tax dollars than was the case over a decade ago.

In support of the legality of AB 174 we refer you to the recent ruling of the 10th Circuit of Appeals in the *Concrete Works of Colorado v. City and County of Denver* (D.C. No. 92-M-21).

Even if data documenting historic pattern and practice of discrimination and judicial precedent are sufficient to move our legislature to pass on to the governor AB 174 for adoption as law, we are not naive to the fact it will take a corresponding change in attitude of persons who will be charged with carrying out the law to make it work.

We can provide a no more graphic illustration of this fact than to point to the program under the management control of the Nevada Department of Transportation (NDOT). Under the federally mandated requirement to have participation goals established on federal aid to highway projects, NDOT's performance is highly suspect.

Our participation on these projects has been so dismal it does not even qualify as a matter of race but rather as a matter of simple fairness. In the fiscal years of 2001 and 2002, the State of Nevada received slightly more than \$493,000,000. Of this one-half billion dollars only one Nevada African-American business received two contracts totaling only \$327,000. As a percentage, this is less than 1/10 of 1%.

I proffer to you, it is the height of arrogance to suggest that "those people need to get off welfare and find a job" when persons of those people's cultural group who are working and paying taxes are not receiving a fair and equitable opportunity to benefit from their tax dollars being spent in ways that is supposed to be for the public good.

I will conclude my remarks with a statement issued sixty-three years ago in 1940 by President Roosevelt, "we are a nation of many nationalities, many races, many religions--bound together by a single unity, the unity of freedom and equality.

Whoever seeks to set one nationality against another, seeks to degrade all nationalities. Whoever seeks to set one race against another, seeks to enslave all races. Whoever seeks to set one religion against another, seeks to destroy all religion."

With the work of the Committee on Government Affairs and your colleagues, we are of the hope, that here in Nevada, it will not take another 63 years into the 21st Century for all of us to understand and accept the wisdom of the words that were spoken in the first half of the 20th Century.

I sincerely appreciate the opportunity of addressing you this morning and will attempt to honestly answer any questions you may have.

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