



**For Immediate Release**  
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## Casey Introduces Bill to Help Minority and Women-Owned Businesses

WASHINGTON, DC— U.S. Senator Bob Casey (D-PA) today introduced a bill aimed at protecting minority and women-owned businesses. The bill will prevent contractors from fraudulently adding minority and women-owned businesses to bids without the intention of following through to deliver work to listed sub-contractors. In Pennsylvania alone, there are over 80,000 minority business enterprises (MBE) employing more than 87,000 workers and over 327,000 women business enterprises (WBE) employing about 470,000 workers.

“Especially in the current economic climate, supporting small businesses is vital to our economic recovery,” said Senator Casey. “This piece of legislation will help women and minority-owned businesses by protecting them from fraud and providing support for them to grow and create jobs.”

“We applaud Senator Casey for his efforts in righting wrongs. Our MSDC certified-MBEs provide innovation, cost savings, and timely delivery and should be afforded every opportunity to fully serve its customers. Ultimately, this bill levels the playing field for certified-MBEs, spurs business growth and puts Americans back to work,” said Alex Nichols and Wade Colclough, both president and chief executive officers representing Eastern and Western PA Minority Supplier Development Councils - a corporate members purchasing council and affiliate of the National Minority Supplier Development Council.

In some cases, prime contractors have reportedly listed MBEs or WBEs as sub-contractors on their bids in order to strengthen their applications. This sometimes occurs without the knowledge of the MBE or WBE. When a contract is awarded, the MBE or WBE are sometimes unaware of their inclusion in the contract and sometimes do not receive the business from that contract. This bill would:

- Require subcontractors identified on a solicitation for a competitive proposal made by an executive agency be notified by the prime contractor before the application is submitted. A written agreement between the prime contractor and the subcontractor must be submitted to the contracting officer that includes the identity of the

subcontractor, the scope of the work to be performed under the subcontract and the dollar amount of the subcontract.

- Failure to notify subcontractors of their inclusion on proposals will result in the following: First time offense: fine of 20 percent of the overall contract; second time offense: fine of fifty percent and prohibited from seeking federal contracts for one year; third time offense: permanently prohibited from seeking federal contracts.
- Establish a reporting mechanism that allows a subcontractor to report fraudulent activity by a contractor.

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