CBC Hosts TARP/TALF Access Summit

Members push for inclusion in contracts, program management

by Joyce Jones   Posted: March 31, 2009

Congressional Black Caucus (CBC) members are pushing for minority vendor inclusion as the federal government hands out billions of dollars in stimulus funds. (Source: Getty Images)

Federal Reserve Chairman Ben Bernanke participated in a closed-door meeting yesterday with members of the Congressional Black Caucus (CBC) and more than 300 minority and women entrepreneurs who'd eagerly accepted a last-minute invitation to attend the CBC's TARP/TALF Access Summit.

The purpose of the event was to examine why these entrepreneurs, many of whom provide asset management, accounting and legal services, have not been allowed to help manage the federal government's bailout programs, and to explore future contracting opportunities across a broad range of industries as part of the nation's economic recovery process.

Representatives from the Treasury Department, the Federal Deposit Insurance Corp., and the Federal Housing Finance Agency also addressed the group.

According to Democratic Reps. Maxine Waters and Gregory Meeks, who co-chair the CBC's Economic Security Taskforce, the summit was just the opening move in what will be an ongoing push to ensure that women- and minority-owned businesses participate fully in federal financial and economic recovery programs. Invitation-only requests for proposals and high asset thresholds that have kept them locked out of the process will no longer be tolerated they say. In addition, they believe that it is both unfair and unwise to rely on the same companies that destroyed the economy to now repair it.

Waters said Bernanke was very receptive to their ideas. He said that not all of the recovery planning and decision-making had been finalized and that he welcomed the opportunity to get input from minority professionals. While Waters found his attitude to be a "refreshing" contrast to the Bush administration's, she also acknowledged that even with a Democratic administration, the CBC will still have to fight for minority inclusion.

CBC members also indicated that in this matter the group would be using its influence more than ever. "We will be responsible for public policy in ways that have not been seen before. We are 43 members strong and about to exercise some direct and aggressive influence on these financial agencies and our government," said Waters. "We're tired of the exclusion historically, tired of being overlooked, and absolutely tired of people not asking for our involvement in ways that will influence how all of this is organized. It simply is a new day."

"The policies are there but it's the implementation of that policy that's the issue," said Robert Wallace, president and CEO of Bithgroup Technologies. "We stressed to Bernanke that that's where the weakness is and we need to see some better results in that capacity. He promised to listen, to have an open-door policy and that he's committed to diversity in the procurement of services and work. We need work, contracts, and dollars to flow, and he did not promise that."

Rep. Sheila Jackson Lee also noted that many of the CBC members chair powerful committees and subcommittees whose oversight is intertwined, making it easy for them to oversee and track the government's progress. "We won't allow small businesses to be left out," she said.

PAGES: 1 2

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The group will look to t[...] ess to ensure minority participation, including lowering the $10 billion asset thr[...] the public-private partnership Obama announced last week or allowing smalle[...] e partnerships that would enable some businesses to reach that threshold. G[...] etary for fiscal operations and policy at Treasury, said he would share the group's ideas with Treasury Secretary Timothy Geithner and Obama.

The CBC plans to put together a more detailed proposal for administration officials that it will prepare with the help of minority trade associations.

"This is not going to be a one-day meeting. We are not going to sit back and allow billions of dollars to be dumped into this economy and watch the same old players be advantaged by it," Waters said "We're not going to sit back and watch some of the players who are responsible for the economic mess we're in today be the recipients of these taxpayer dollars that provide services and make even more money despite the fact they've mismanaged their own businesses."