

NCMSDC President, Dr. Scott A. Vowels, Vehemently Opposes AB 366

OAKLAND, Calif. – In a statement issued Tuesday, Dr. Scott A. Vowels, President of the Northern California Minority Supplier Development Council, took a public stand against Assemblymember Chris Holden’s Assembly Bill 366. AB 366 would drastically change the criteria that a publicly traded business must meet in order to qualify as a Minority-owned, Woman-owned, and Disabled Veteran-owned Business Enterprise (MWDVBE) under the Public Utility Commission’s Supplier Diversity Program. Under AB 366, firms would no longer be required to be 51% minority-, woman-, or disabled veteran-owned, managed, and operated to qualify under GO 156 contracting goals. Instead, publicly owned corporations could qualify as MWDVBES simply by having boards of directors that are 51% comprised of minorities, women, or disabled veterans and by placing representatives of these groups in 51% of their executive leadership positions.

“AB 366 threatens the existence of MWDVBES throughout California, as well as their access to business opportunities,” Dr. Vowels said. “The problem I have with AB 366 is threefold. First is the implication that it’s impossible for a publicly traded company to remain 51% minority-owned because owners cannot possibly know who their stockholders are. This is untrue, as some MWDVBES are publicly traded. Second, Supplier Diversity programs (CPUC, Federal & State government, Fortune 500) were designed to level the playing field. If a company is publicly traded, it could be argued that it has overcome any impediments to its growth and should instead consider creating its own Supplier Diversity initiative. Last, this is a slippery slope: if we start relaxing the MWDVBE criteria for publicly traded companies, can the requirements for privately held companies be far behind?”

In Tuesday’s statement, “[AB 366 Will Gut California Supplier Diversity](#),” Dr. Vowels urged the public to take a stand against the bill. “I am hereby calling upon MWDVBES, Supplier Diversity advocates, and members of the public and diverse communities to join me in opposing AB 366 and its watering down of MWDVBE ownership. Please help protect the welfare, integrity, and ownership rights of MWDVBES by [contacting Assemblymember Holden’s office](#) and state senators to let them know that you strongly oppose AB 366.”

About NCMSDC

Founded in 1978, NCMSDC is a non-profit dedicated to promoting minority participation in the procurement process to create economic wealth in minority business communities in Northern California, Hawaii, and the nation. Visit us online at www.ncmsdc.org.

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