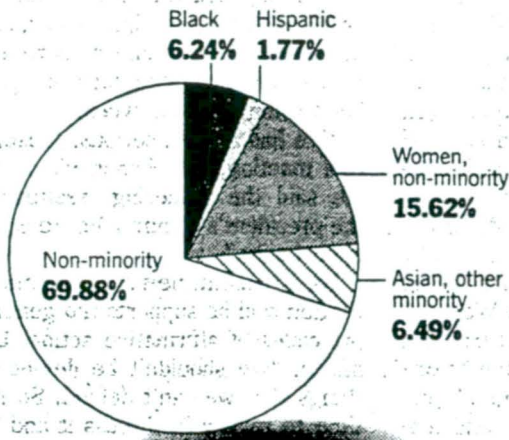


**WHAT'S AT STAKE**

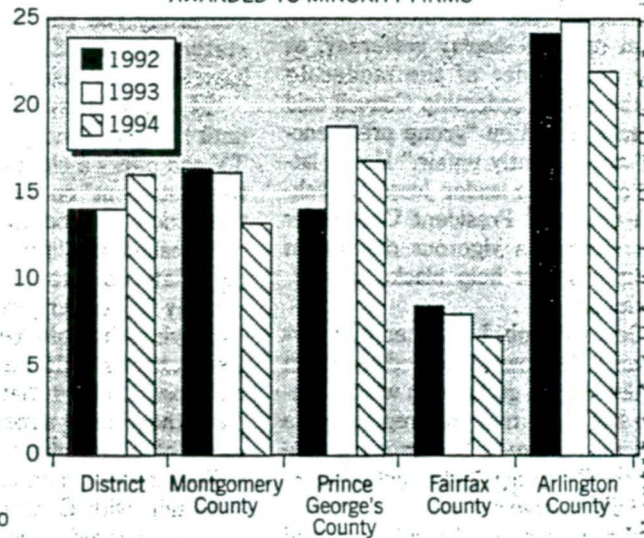
Minority-owned and women-owned businesses account for 30 percent of the region's small companies ...



\* Includes women-owned businesses, excludes contracts under \$25,000  
 SOURCES: Census Bureau, General Services Administration

... and many of them rely heavily on contracts from the federal government for a large chunk of their business.

PERCENTAGE OF FEDERAL CONTRACTS AWARDED TO MINORITY FIRMS\*



# In the Region, Performance Follows Goals

## Maryland Exceeds Virginia in Contracts for Minority Firms

On one point, advocates and critics of affirmative action policies agree: Goals make a difference.

In Maryland last year, officials had a target of awarding at least 10 percent of contracts to minority and female-owned firms. They exceeded it, disbursing \$249 million, or 14 percent of total state contracts. Gov. Parris N. Glendening has told legislators he wants to raise the target to 18 percent.

Virginia, with no explicit affirmative action goal for state contracting, awarded \$70 million to female- and minority-owned firms in the 1993 fiscal year, or 4.7 percent of the total, according to the most recent data.

For years, the District's goal has been the region's highest. But the city's set-aside program that reserved 35 percent of all contracts for minority-owned road construction firms was ruled unconstitutional in 1992 because it was not linked directly to evidence of discrimination against minority contractors.

The District replaced that policy with an interim one that seeks to award half of all city contracts to small, "dis-

advantaged" District-based companies. Last week the D.C. Council cast a preliminary vote to make the policy permanent.

While race-neutral in wording, the policy gives an edge to small minority firms in practice, city officials acknowledged. About \$200 million in contracts were awarded last year under the program.

"The businesses I know that have done well have been helped by the District's sheltered market program," said Ralph Turner, president of Trifax Corp., which supplies nurses and other health care professionals for District schools and drug treatment centers under minority preference contracts.

But the city's largess has suddenly become a burden to many firms like Turner's, which are having trouble collecting payments from a District government hit by a cash shortage.

"We've been very successful in competing for District business. That success is about to choke us," said Turner, who says D.C. owes his firm \$1 million. —Peter Behr