

# Federal agency must serve all races, judge says

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A government agency created five decades ago to boost the fortunes of minority-owned businesses discriminated against white people and must now serve all business owners, regardless of race, a federal judge in Texas ruled Tuesday.

Siding with white business owners who sued the Minority Business Development Agency for discrimination, Judge Mark T. Pittman of the U.S. District Court for the Northern District of Texas said the agency's mission to help disadvantaged businesses owned by Black, Hispanic and other racial and ethnic groups gain access to capital and contracts violates the rights of all Americans to receive equal protection under the constitution.

"If courts mean what they say when they ascribe supreme importance to constitutional rights, the federal government may not flagrantly violate such rights with impunity.

The MBDA has done so for years. Time's up," Pittman, who was named to the federal bench by former President Donald Trump, wrote in a 93-page decision.

Pittman directed the Nixon-era agency to overhaul its programs in a potential blow to other government efforts that cater to historically disadvantaged racial and ethnic groups.

The ruling marks a major development in the broader legal skirmish over diversity, equity and inclusion that is likely to fuel a reenergized conservative movement intent on abolishing affirmative action in the public and private sectors.

Last summer's Supreme Court decision on race-conscious college admissions has increased scrutiny of government programs that operate based on a presumption of social or economic disadvantage.

Conservative activists have peppered organizations with lawsuits claiming that programs to help Black Americans and other marginalized groups discriminate against white people. In a statement proclaiming "DEI's days are numbered," Dan Lennington, an attorney with Wisconsin Institute for Law & Liberty, the public interest law firm that sued the Minority Business Development Agency, hailed the decision as a "historic victory for equality in America."

"No longer can a federal agency cater only to certain races and not others," Lennington said. "The MBDA is now open to all Americans."

The Minority Business Development Agency, which is part of the Commerce Department, could not be immediately reached for comment. Justice Department lawyers who represented the agency declined to comment. They argued in court filings that the agency's services are available to any socially or economically disadvantaged business owner. They also pointed to decades of evidence showing that certain groups suffered – and continue to suffer – social and economic disadvantages that stunt "their ability to participate in America's free enterprise system."

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