

## Congressional Black Caucus H2-344 House Annex #2 Washington, B.C. 20515

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July 24, 1986

Dear Colleague:

We are writing to request your support for an anti-apartheid provision in the Senate debt ceiling bill. It would permit local municipalities to implement anti-apartheid restrictions against local contracting bidders without fear of losing federal funds.

New York City recently passed a local ordinance, Local Law 19, which stipulated that a contractor's bid could be rejected if it did business with South Africa. This would be enforced even if the contractor offered the lowest bid on a particular project.

The U.S. Department of Transportation said that it would withhold up to \$138 million in highway construction funds if the City enforced Local Law 19. Present federal regulations require that contracts be awarded to the lowest bidder if federal money is involved.

Senators D'Amato and Moynihan have introduced legislation that will remove any possibility that federal funds would be withheld if similar local laws are enacted. This law would apply to all municipalities. No additional federal funds would be needed, since the municipality would pay the difference between a low bid and a high bid that was finally accepted.

The right of localities to choose which company will receive a construction contract is a local prerogrtive. When placed within the context of severing ties with South Africa, this policy becomes more urgent. Let us permit localities to choose how they wish to express their opposition to apartheid.

We urge your support for this provision, and ask that you cast a favorable vote.

CHARLES B. RANG

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