Department of the Treasury — Internal Revenue Service

Form **13909** (August 2007)

Tax-Exempt Organization Complaint (Referral) Form

1.	NAME OF REFERRED ORGANIZATION:
	Street Address:
	City/State/Zip Code:
	Date of Referral:
2.	ORGANIZATION'S EMPLOYER IDENTIFICATION NUMBER (EIN):
3.	NATURE OF VIOLATION: Directors/officers/persons are using income/assets for personal gain Organization is engaged in commercial, for-profit business activities Income/assets are being used to support illegal or terrorist activities Organization is involved in a political campaign Organization is engaged in excessive lobbying activities Organization refused to disclose or provide a copy of Form 990 Organization failed to report employment, income, or excise tax liability properly Organization failed to file required federal tax returns and forms Organization engaged in deceptive or improper fundraising practices Other (describe):
4.	DETAILS OF VIOLATION: Name(s) of Person(s) Involved: Organizational Title(s): Date(s): Dollar Amount(s) (if known): Description of activities:
5.	SUBMITTER INFORMATION: Name: Occupation or Business: Street Address: City/State/Zip Code: Telephone: I am concerned that I might face retaliation or retribution if my identity is disclosed.
6.	SUBMISSION AND DOCUMENTATION: The completed form, along with any supporting documentation, may be mailed to IRS EO Classification, Mail Code 4910DAL, 1100 Commerce Street Dallas, TX 75242-1198, faxed to

214-413-5415 or emailed to eoclass@irs.gov.

TAX EXEMPT ORGANIZATION COMPLAINT (REFERRAL) INSTRUCTIONS

General Information

The information provided on this form will help the Internal Revenue Service (IRS) determine if there has been a violation of federal tax law. Submission of this form is voluntary.

Upon receipt of this form, the IRS will send you a letter acknowledging receipt of the information you submitted. If at a later date you wish to submit additional information regarding the organization, please attach a copy of the form initially submitted, and send it to the address shown above.

Specific Instructions

- **1. ORGANIZATION NAME AND ADDRESS:** Provide the current name and address of the organization. If the organization has used prior or multiple name(s) or address(es), also provide that information.
- 2. EMPLOYER IDENTIFICATION NUMBER: Provide the organization's employer identification number (EIN). The EIN is a nine-digit number, issued by the IRS, that the organization uses for tax purposes (like a Social Security Number (SSN) for an individual). If the EIN is unavailable, include a state nonprofit corporation registration number, if available.
- **3. NATURE OF VIOLATION:** Mark the description that describes the organization's alleged violation. More than one line may apply. If none of the descriptions appear to apply, briefly state the issue on the Other line.
- **4. DETAILS OF THE VIOLATION:** Provide specific details of the alleged violation including names, actions, places, amounts, dates, and the nature of any evidence or documentation (who, what, where, when, how). Include the names of other organizations, entities, or persons that may be involved with the organization, providing EINs or SSNs, if available.
- **5. YOUR INFORMATION:** Provide your name, address, and business or occupation. Include your daytime telephone number, in case we wish to contact you. The acknowledgement letter will be sent to the address you provide.
 - If you are concerned that you may face retribution if your identity is disclosed, check the appropriate box. You may enter "Anonymous" for Submitter's Name if you do not want to be identified.
- 6. SUBMISSION AND DOCUMENTATION: Mail the completed form, including any supporting documentation that you would like for us to review, to the address provided on the form. You may also fax or email the completed form and any supporting documentation to the fax number and email address provided on the form. Include a cover letter describing the documentation or evidence you are providing. If you have already received an acknowledgment letter, include a copy of that letter. If possible, please try to submit all documentation at the same time.
 - If your referral relates to a church please be aware that Congress has imposed special limitations, found in IRC section 7611, on how and when the IRS may conduct civil tax inquiries and examinations of churches. You can find out more about these special limitations in Pub. 1828, Tax Guide for Churches and Religious Organizations, in the section on Special Rules Limiting IRS Authority to Audit a Church.
- **7. CLAIM FOR REWARD:** To claim a reward for providing this information to the IRS, file Form 211, Application for Reward for Original Information.
- **8. NOTE:** Federal law prohibits the IRS from providing you with status updates or information about specific actions taken in response to the information you submit.



Evlondo Cooper Checks and Balances Project 1820 N. Fort Myer Drive, Suite 510 Arlington, VA 22209

VIA EMAIL

May 9, 2016

IRS EO Referrals Mail Code 4910DAL 1100 Commerce St. Dallas, TX 75242-1198 eoclass@irs.gov

To Whom It May Concern:

My name is Evlondo Cooper, and I am a Senior Fellow with Checks and Balances Project. I'm submitting this supporting documentation for my complaint to the Internal Revenue Service regarding the activities of the National Black Chamber of Commerce, a tax-exempt organization.

Form 13909 is enclosed with this letter.

Summary

The National Black Chamber of Commerce (NBCC) received official 501(c)(3) status on September 24, 1993. Founded by Harry C. Alford for educational, scientific, charitable and religious purposes, this referral alleges that NBCC has abused its tax-exempt status in numerous ways, which are summarized below.

Alleged Violations: Officers Are Using Income/Assets For Personal Gain;

Officer Compensation and Conflicts of Interest Are Not

Properly Disclosed.

On its most recently available Form 990 (for 2013), the NBCC listed Harry C. Alford as CEO and Kay Debow as Executive Vice President. Both worked an average of 40 hours per week without drawing an income, while the organization states on the form that it paid \$405,438 to unnamed and unlisted consultants. Checks and Balances Project believes these consultants are related to Mr. Alford and Ms. Debow, and they received compensation through this consulting arrangement.

If our belief is true, the NBCC did not truthfully answer Line 5, Part VII of the Form 990, which (in 2013) claimed that neither Mr. Alford nor Ms. Debow received compensation from another organization (including consulting) for their work for the NBCC. NBCC also would not have answered Part IV, Line 28 correctly, as Schedule L disclosures would have been required for any business transactions involving Mr. Alford or Ms. Debow or entities related to them.

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If our belief is true, NBCC has deprived both the public and the IRS of compensation information and information on related party transactions that should have appeared on Schedules J and L (which NBCC did not file, but we believe they should have filed with the Form 990).

This pattern is generally repeated on the NBCC's tax filings going back to 1999.

Alleged Violations: Organization is Engaged in Excessive Lobbying Activities/Improper Tax-Exempt Status

Rather than conduct educational, charitable, scientific or religious activities designed to benefit its threadbare membership, the NBCC's primary activity appears to have been direct and grassroots lobbying to advance the agenda of its various corporate sponsors.

Although the NBCC claims to be a trade association, it is exempt under section 501(c)(3) and not section 501(c)(6). Unlike traditional section 501(c)(6) trade associations, as a section 501(c)(3), NBCC's lobbying activities must be limited and insubstantial.

We believe that NBCC has exceeding the allowed lobbying limit for section 501(c)(3) organizations. Furthermore, the NBCC has deprived the IRS and the public of any information about its lobbying activities, because the organization has claimed that it undertakes *no* lobbying activities (see Part IV, Line 4) and does not submit Schedule C with its return.

NBCC President Harry Alford has played a major role in determining legislative outcomes over the last 18 years.

Below are only a few examples of legislators who cited the NBCC's position to justify their votes and support for federal legislation in areas ranging from energy policy to healthcare legislation.

Examples:

- Senator James Inhofe (OK) cited NBCC's research in his vote against the Climate Stewardship Act in 2003 and again in November 2015 to justify his vote against the Clean Power Plan.
- In 2002, Senator George Allen (VA) cited the NBCC's positive stance on drilling in the Arctic National Wildlife Refuge as a rationale for his support.
- Democratic Senator John Breaux (LA) cited the NBCC's support for the prescription drug benefit as important the legislation passage in 2003.

Harry Alford has also played a far more direct role on policy and legislative matters before Congress. He has testified before Congress at least 15 times over the last 18 years and has published dozens of op-eds, seven in 2015 alone. Mr. Alford has promoted the NBCC's positions during several national television appearances, from Fox News to C-SPAN to MSNBC. In

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addition, he sits on the U.S. Chamber of Commerce's board and speaks extensively at pro-utility industry events.

Most recently, Mr. Alford has established himself as the leading voice of the utility industry's argument that minority communities specifically will be hurt by the Environmental Protection Agency's (EPA) Clean Power Plan standards.

Through dozens of op-eds in major newspapers and numerous national television appearances, Harry Alford has aggressively attacked the EPA's clean energy policies on behalf of his allegedly large membership.

Central to Mr. Alford's position as a credible authority, and effective lobbyist, are his repeated claims to represent huge numbers of black-owned businesses. Over the years, he has used the terms "reach," "represent" and "members" interchangeably when referring to these "large" numbers of businesses, especially when testifying before Congress.

NBCC's own membership form claims that dues paid to NBCC will support "Advocacy for tax reform . . ." which certainly sounds like lobbying.

The dues form and Mr. Alford's numerous Congressional appearances, media appearances, and op-eds, most of which identify him in connection with NBCC and promote NBCC positions, all indicate that NBCC has exceeded the lobbying limitations for a section 501(c)(3) organization, even though *none* of these activities were disclosed to the IRS on Form 990, Schedule C.

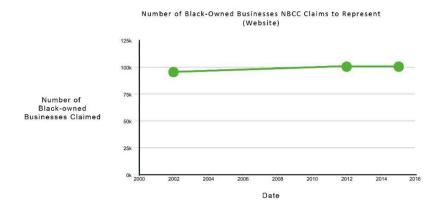
Alleged Violation: Organization Has Not Been Truthful About its Membership

The NBCC's membership claims vary wildly on its Form 990 versus public statements by Mr. Alford. On a review of Mr. Alford's sworn Congressional testimony and cached pages of NBCC's website, along with a membership rate structure document that was obtained by us, we noted significant discrepancies in reported membership numbers by NBCC.

Notably, NBCC's Form 990 reports no voting members on Part VI, Lines 6 and 7. But in public, NBCC claims to represent the interests of thousands and thousands of members. NBCC also lists membership dues on Part VIII, Line 1b.

1. Website Claims

Based on a review of NBCC's current and archived web pages, the organization has claimed to represent roughly 100,000 businesses over the past 13 years (See Figure 1, which shows the number of black-owned business NBCC has claimed to represent over time.)



2. Even Higher Claims Made in Sworn Testimony Before Congress

Starting in 1997, NBCC President Alford claimed that, "through **direct membership**, and via our affiliated chapters, NBCC speaks directly on behalf of 60,000 black-owned businesses."

In 2009, he stated, "The thing that **concerns me and many of the 95,000 business members of the National Black Chamber** is that any legislation Congress enacts must consider the impact that costs will have on small and minorityowned businesses, their ability to create jobs and the impact on the communities that they serve."

As recently as October 6, 2015, Mr. Alford testified before a Senate Judiciary Subcommittee, telling Senators that he "represent[ed]" 2.4 million black-owned businesses.

The rise from 60,000 to 2.4 million represents a roughly 400% increase in his representation base over 18 years.

For the most recent membership claim to be true, NBCC would have to represent *every one* of the 1.9 million black-owned businesses in the last Census Bureau count.

The membership claims over the last 18 years of Congressional testimony are as follows (Figure 2):

TIMELINE OF MEMBERSHIP CLAIMS (VIA CONGRESSIONAL TESTIMONY)

<u>April 29, 1997</u>	"The NBCC is made up of 155 affiliated chapters located in 43 states . We have three (3) divisions - Eastern, Central, Western; nine (9) regions and 43 district offices. Through direct membership and via our affiliated chapters, the NBCC directly speaks on behalf of 60,000 black-owned businesses and represents the total populace of black-owned firms which, according to the US Census Bureau of Statistics, is over 620,000."
March 4, 1999	"The NBCC is a non-profit trade association with affiliated chapters in over 35 states and a membership base of approximately 64,000 Black owned businesses, which is 10% of the total according to the US Department of Commerce.:
May 10, 1999	"The NBCC has over 160 affiliated offices in 35 states and two countries and we represent approximately 64,000 Black owned businesses ."
June 7, 2000	"Today, we have established an infrastructure of 185 affiliated chapters located in 36 states and 6 nations. We have direct reach to 64,000+ business owners and are the largest Black business association in the world."
December 19, 2001	"The NBCC represents more than 64,000 Black-owned businesses with 201 affiliated chapters located in 40 states, and eight countries."
March 5, 2003	"As President and CEO I am proudly representing the 1 million businesses in this Nation that are owned and operated by African Americans."
July 13, 2006	"The NBCC represents 95,000 black-owned businesses and provides education/advocacy that reaches all 1 million Black-owned businesses across the Nation."
July 16, 2009	The thing that concerns me and many of the 95,000 business members of the National Black Chamber is that any legislation Congress enacts must consider the impact that costs will have on small and minority-owned businesses, their ability to create jobs and the impact on the communities that they serve.
<u>September 23, 2009</u>	"As you know we are the largest Black business association in the world."

July 8, 2011	"My name is Harry Alford, and I am the President of the National Black Chamber of Commerce. The Black Chamber serves 100,000 black-owned businesses. There are 1.9 million Black owned businesses in the United States."
September 17, 2014	"This fantastic growth has swelled our membership and has made us the largest Black business association in the world. We have over 170 local chapters of which 70% are located throughout the United States. Our database of Black owned firms exceeds 60,000 within the United States."
March 17, 2015	"The National Black Chamber of Commerce represents 2.1 million Black owned businesse s within the United States."
June 23, 2015	"My name is Harry C. Alford and I am the President of the National Black Chamber of Commerce. The National Black Chamber of Commerce represents 2.1 million Black-owned businesses within the United States."
October 6, 2015	"The National Black Chamber of Commerce represents 2.4 million Black-owned businesses within the United States."

3. Tax Filings and Membership Application Show Very Different Picture

The NBCC's tax filings between 2007 and 2012 sharply contradict Mr. Alford's membership claims – even if he is given the most favorable assumptions.

As a tax-exempt nonprofit 501(c)3, the NBCC must report its general sources of income on Form 990. This amount includes membership dues and donations of various types. According to NBCC Form 990s, the organization listed the following amounts (See Figure 3):

YEAR	DUES COLLECTED
2007	\$901,576
2008	\$389,990
2009	\$805,941
2010	\$219,028
2011	\$587,540
2012	\$350,000

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As you can see in Figure 4, the membership application for NBCC shows the organization charges a minimum dues level of \$500 for members, which it implies are tax deductible (even though dues allocable to lobbying activities are *not* tax-deductible.)

Figure 4:

4400 Jenif	er St NW Suite 33	mber of Commerce® 51, Washington, DC 20015 8fax, info@nationalbec.org
National Office in the fulfillment	of its mission. Th unities through the	lack Chamber of Commerce is to support the nat mission is "To economically empower and e entrepreneurship and capitalistic activity within k Diaspora"
		cation and Invoice c.org or fax to 202-466-4918
Contact Name		
Company Name		
Address		
Phone/Fax		
Email/web site		
Annual Sales D	ues (annual)	
Under \$2 million	\$500	_
\$2 million – \$4 million	\$1,000	
\$4 million – \$10 million	\$2,500	_
\$10 million - \$15 million	\$5,000	_
\$15 million - \$25 million	\$7,500	_
\$25 million - \$30 million	\$10,000	_
\$30 million - \$50 million	\$15,000	_
President's Club*	\$10,000	
Public Policy Council**	\$35,000	=
		hed business desiring facilitation of e opportunities. Direct access to the NBCC
commonality such as Global W	Varming Treaty,	CC to formulate positions on issues of Tax Reform, Social Security, Tort Reform, ocurement, telecommunications, diversity and

Credit Card #	Expiration Date:
Billing Address for Credit Card	
Signature	
Please forward check or credit car fax/cmail above.	d and your company's brochure to the address or
The National Black Chamber of C deductible. Federal Tax ID #35-	Commerce, Inc. is a 501©3 Corporation. Donations are ta 1889294.
This contribution will be devoted	to:
*Procurement opportunities for s	mall business at the private, public and international arenas
*Advocacy for tax reform including the IRS tax codes	ng the elimination of the Death Tax and reorganization of
*Networking our constituents and	communication throughout the federation of the NBCC
*Annual Convention, Fall Policy	Summit, three Board Meetings and trade missions to Africa
*Administrative and technical sup	port from the national office to all local chamber offices
*Expanding the database and pote	ential within the NBCC federation
*Deployment of Broadband and a of US businesses	all other technologies that will improve the competitiveness
*Building Wealth Seminars to be	given in 15 markets throughout the US
*Weekly newsletter reporting on o	current developments pertinent to businesses
*Free website service for those sn	nall businesses in need
*Membership certificate suitable f	or framing
*Policy formation and education of	on issues to the public and our constituents

To afford the NBCC the most generous interpretation of the data, we assumed:

- Each annual income amount in the above table was only from dues paying members, not major sponsors or high-level donors who wanted the NBCC to speak on their behalf.
 - o Note that NBCC offers special categories of "membership," which include the "Presidents Club" for \$10,000 a year and the "Public Policy Group" for \$35,000 a year.
- Each of those members was the smallest acceptable to the NBCC at the \$500 per year level.

With those assumptions, the maximum average of NBCC members from 2009-2012 would have averaged no more than 1,000. This figure is 2% of the lowest membership claim and .04% of the biggest – and most recent – membership claim.

Claims about membership are what makes the NBCC valuable to its largest donors by bolstering its credibility and lobbying effectiveness before Congress and in the media. And, looking at the revenues and expenses reported on its Form 990s from year to year, it appears what minimum program activity NBCC has is driven by large funders rather than any real membership.

Alleged Violation: Form 990 is Not Accurate and NBCC Violated Public Disclosure Requirements for its Form 990

It is difficult to assess what the NBCC is doing because it omits or obscures a great deal of information on its Form 990s. NBCC appears to have even missed or ignored filing deadlines multiple times.

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The NBCC does not individually list consultants as itemized disclosures on Part VII, Section B, Part IX, Schedule L or Schedule J, despite nearly half of its income being paid to them. In addition, the organization does not provide a detailed list of program activity and has failed to publicly disclose significant donors on the Schedule B section of the 990 form more than once.

At least one significant donor, the ExxonMobile Foundation, has donated at least \$1 million to the NBCC since 2003, with \$125,000 coming in 2013.

While donor names may not be subject to public disclosure, the public does have the right to see the dates and amounts of the contributions the NBCC receives above \$5,0000 on a redacted Schedule B to determine if it is truly a publicly-funded organization or a private foundation.

Conclusion

In summary, we believe the IRS should investigate the following violations alleged in the above letter, including:

- 1. NBCC's failure to disclose relationships between its officers and consultants hired by NBCC on Form 990, Schedule J, or Schedule L.
- 2. NBCC's excessive lobbying activities, in violation of section 501(c)(3).
- 3. NBCC's failure to inform its donors or members that membership dues or contributions for lobbying are not tax-deductible as charitable contributions.
- 4. NBCC's failure to provide a full copy of its Form 990 (with a redacted Schedule B) in response to requests for its Form 990.
- 5. NBCC's other, multiple failures to file a complete and accurate Form 990 with the IRS, including details on its vendor relationships, compensation, lobbying activities, and membership.

Sincerely,

CHECKS AND BALANCES PROJECT

Evlondo Cooper

Enclosures

New Clean Power Plan hurts Tennessee's minorities

Harry C. Alford 4:58 p.m. CDT September 28, 2015



(Photo: Submitted)

With the Obama administration having released its so-called "Clean Power Plan," much debate has focused on the supposed benefits of cutting U.S. greenhouse gas emissions over the next 15 years.

Lost amid the rhetoric, however, is the economic hardship it will impose on millions of working families — especially the <u>1.4 million (http://kff.org/other/state-indicator/distribution-by-raceethnicity/)</u> blacks and Hispanics living in Tennessee.

That's the finding from a new study (http://nbccnow.org/wp-content/uploads/2015/06/NBCC_ozone__Flnal.pdf) (https://docs.google.com/viewer?url=http://nbccnow.org/wp-

content/uploads/2015/06/NBCC ozone Final.pdf&embedded=true&chrome=false&dov=1) commissioned and released over the summer by my organization, the National Black Chamber of Commerce.

In summary, this regulation will leave minority communities with disproportionately fewer jobs, lower incomes and higher poverty than whites. Thus, while the administration calls its regulation a "justice issue (http://thehill.com/policy/energy-environment/216099-epa-appeals-to-minorities-for-climate-rule)" for minorities, its actual effects will amount to a severe injustice — and state lawmakers should act before it's too late.

It's important to understand why the impact will be so severe. For one the regulation — which is enforced by the Environmental Protection Agency — will shutter much of our existing energy grid.

The new facilities will necessarily cost more, and also rely on more expensive energy sources. Our study estimates this transformation will increase annual electricity costs by \$565 billion in the coming years.

Ultimately, these higher costs will be passed on to families in the form of higher electricity bills and higher prices at stores.

This is especially harmful to blacks and Hispanics. Right now, blacks spend 50 percent more of their family incomes on utilities than whites, while Hispanics spend 10 percent more. This regulation will exacerbate these disparities, increasing the energy burden on both blacks and Hispanics by around 35 percent.

Then there's the matter of lost income and lost jobs.

Broadly speaking, minorities typically have lower-paying jobs that are most vulnerable to regulatory cost increases. Ours are the first to be affected when business costs rise, such as the higher electricity bills this regulation will bring about.

Our study estimates cumulative job losses for blacks and Hispanics of 2.2 million and 3.8 million, respectively, over the next decade. We also estimate reduced annual household incomes for blacks and Hispanics by a respective \$455 and \$515 by 2035.

These three effects — higher energy bills, fewer jobs and lower incomes — will lead to greater hardships on families already struggling to get by. Our study estimates the regulation will increase black and Hispanic poverty rates by 23 and 26 percent, respectively.



THE TENNESSEAN

Tennessee minorities will benefit from Clean Power Plan

(http://www.tennessean.com/story/opinion/contributors/2015/09/27/tennesseeminorities-benefit-clean-power-plan/72923868/)

We simply cannot afford this. While we're working hard to pursue the American Dream and give our children the best shot at a better life, the EPA is pushing us even further down the ladder of opportunity.

State lawmakers must act to prevent this from happening. Some already are: Fourteen states have already fought the regulation in federal court, where their arguments enjoy bipartisan support.

While that's a good start, governors and state legislators should act, too. The regulation requires that unelected state environmental agencies draft implementation plans and submit them directly to the EPA. This completely sidesteps Tennessee's elected representatives and eliminates accountability from voters.

There are two ways to fix this problem. Governors can issue executive orders prohibiting their environmental agencies from submitting plans to the EPA. State legislators can pass legislation to the same effect. Either option ensures that elected officials, as representatives of the people, have the final say over what happens to their constituents.

These are common-sense and simple solutions that could prevent the impending burdens facing millions of black and Hispanic families: fewer jobs, lower incomes, higher costs and more poverty. Tennessee lawmakers should do everything in their power to prevent that from happening.

Harry C. Alford is the president and CEO of the National Black Chamber of Commerce.

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Harry Alford: Clean Power Plan would hurt minority communities the most

June 27, 2015

With the Obama administration only two months away from releasing its so-called "Clean Power Plan," much debate has focused on the supposed benefits of cutting U.S. greenhouse gas emissions over the next 15 years. Lost amid the rhetoric, however, is the economic hardship it will impose on millions of working families? especially the 1.4 million blacks and Hispanics living in Tennessee.

That's the finding from a new study commissioned by my organization, the National Black Chamber of Commerce. In summary, this regulation will leave minority communities with disproportionately fewer jobs, lower incomes and higher poverty than whites. Thus, while the administration calls its regulation a "justice issue" for minorities, its actual effects will amount to a severe injustice? and state lawmakers should act before it's too late.

It's important to understand why the impact will be so severe. For one, the regulation ? which is enforced by the U.S. Environmental Protection Agency ? will shutter much of our existing energy grid. The new facilities will necessarily cost more, and also rely on more expensive energy sources. Our study estimates this transformation will increase annual electricity costs by \$565 billion in the coming years.

Ultimately, these higher costs will be passed on to families in the form of higher electricity bills and higher prices at every store.

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This is especially harmful to blacks and Hispanics. Right now, blacks spend 50 percent more of their family incomes on utilities than whites, while Hispanics spend 10 percent more. This regulation will exacerbate these disparities, increasing the energy burden on both blacks and Hispanics by around 35 percent.

Then there's the matter of lost income and lost jobs.

Broadly speaking, minorities typically have lower-paying jobs that are most vulnerable to regulatory cost increases. Ours are the first to be affected when business costs rise, such as the higher electricity bills this regulation will bring about.

Our study estimates cumulative job losses for blacks and Hispanics of 2.2 million and 3.8 million, respectively, over the next decade. We also estimate reduced annual household incomes for blacks and Hispanics by a respective \$455 and \$515 by 2035.

These three effects? higher energy bills, fewer jobs and lower incomes? will lead to greater hardships on families already struggling to get by. Our study estimates the regulation will increase black and Hispanic poverty rates by 23 and 26 percent, respectively.

We simply cannot afford this. While we're working hard to pursue the American Dream and give our children the best





















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State lawmakers must act to prevent this from happening. Some already are: Fourteen states have already fought the regulation in federal court, where their arguments enjoy bipartisan support.

While that's a good start, governors and state legislators should act, too. The regulation requires that unelected state environmental agencies draft implementation plans and submit them directly to the EPA. This completely sidesteps Tennessee's elected representatives and eliminates

accountability from voters.

There are two ways to fix this problem. Governors can issue executive orders prohibiting their environmental agencies from submitting plans to the EPA. State legislators can pass legislation to the same effect. Either option ensures that elected officials, as representatives of the people, have the final say over what happens to their constituents.

These are commonsense and simple solutions that could prevent the burdens facing millions of black and Hispanic families: fewer jobs, lower incomes, higher costs and more poverty. Tennessee lawmakers should do everything in their power to prevent that from happening.

Harry C. Alford is the president and chief executive officer of the National Black Chamber of Commerce.

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INVESTOR'S BUSINESS DAILY

VIEWPOINT

EPA Clean Power Plan Will Hit Blacks And Hispanics Hardest

INVESTOR'S BUSINESS DAILY®

HARRY C. ALFORD | 6/10/2015 6:10 PM EST

Reprints

he Obama administration, the Environmental Protection Agency and environmental activists frequently claim that climate change will disproportionately affect poor and minority communities.

This, they argue, justifies unprecedented environmental regulations like the EPA's soon-to-be-finalized "Clean Power Plan" to cut U.S. greenhouse gas emissions by 30% by 2030.

But what effect will the regulation itself have on minority communities? A new study commissioned by my organization, the National Black Chamber of Commerce, answers this question.

The Clean Power Plan will lead to lost jobs, lower incomes and higher poverty rates for the 128 million blacks and Hispanics living in America. This should serve as a warning to federal and state lawmakers as they prepare for this sweeping regulation to go into effect in the coming months.

The underlying economics explain why this regulation will inflict the most severe harm on our communities.

The study estimates that restructuring America's energy grid, which the EPA's rule will require, will lead to \$565 billion in higher annual electricity costs by 2030, when the regulation will be fully implemented.

With blacks and Hispanics spending a larger share of their income on energy than whites, the burden of higher costs will fall hardest on minorities. We will be hurt again through job losses, as businesses take steps to mitigate the damage of higher overhead.

The study estimates that this single regulation will cause cumulative job losses for blacks and Hispanics of roughly 7 million and 12 million, respectively, over the next 20 years. Over the same time period, black families can expect their annual incomes to fall by \$455, while Hispanics will take home \$515 less per year.

This regulation will also impose higher costs of living, which again hit minority families the hardest. Today, blacks spend 10% more of their income on housing, 20% more on food, 40% more on clothing and 50% more on utilities than do

white families.

Similar disparities exist for Hispanics: 5% more on housing, 10% more on utilities, 40% more on clothing and fully 90% more on food.

By raising energy prices, EPA's rule will make these essential items more expensive — knocking minority communities down another rung on the economic ladder.

These factors — fewer jobs, lower incomes and higher costs of living — threaten to impoverish millions. The study estimates that the regulation will increase black and Hispanic poverty by 23% and 26%, respectively. We work hard to provide a better future for our children, yet this regulation only pushes the American dream even further out of reach.

The only good news is that it doesn't have to be this way. There are ways that states can mitigate, or altogether avoid, this regulation's impending impact.

Already, more than a dozen states have sued the EPA over the rule, which faces legal opposition from experts on both sides of the aisle. Other states should join this suit.

State leaders could also refuse to implement the plan altogether. As currently written, the regulation calls on unelected state environmental agencies to draft their own state plans and submit them directly to the EPA for review and approval. Oklahoma Gov. Mary Fallin has signed an executive order blocking her state's environmental agency from submitting a plan. Other states have introduced legislation to the same effect.

The grim reality is that the EPA wants states to do their dirty work for them. By submitting a plan, states will become complicit in the agency's plan to shut down reliable power plants, impose higher energy costs and plunge minority families deeper into poverty.

For the sake of their constituents, elected officials have an obligation to fight this federal takeover of state authority.

Lawmakers in Washington and state capitals should act soon. The EPA is scheduled to release its final regulation next month, kicking off a one-year period before states will be forced to comply. As this deadline approaches, our elected officials should determine how best to confront — and resist — the Clean Power Plan. They should remember that the well-being of millions of minorities hangs in the balance.

• Alford is president and CEO of the National Black Chamber of Commerce.

Africa-America Institute*, New York, New York	
60th Anniversary Dinner Gala	\$ 10,000
Alliance for Sustainable Energy, LLC*, Golden, Colorado	Ψ . ο,οοο
Natural Gas Research Program	50,000
American Association of Blacks in Energy*, Washington, D.C.	40,000
American Australian Association*, New York, New York	
2013 Annual Benefit Dinner	25,000
American Council for Capital Formation Center for Policy Research*, Washington, D.C.	
Center for Policy Research	25,000
American Enterprise Institute for Public Policy Research*, Washington, D.C.	40.000
2013 Annual Dinner	10,000
Education Policy Program	75,000
General Support Subtotal	250,000 \$335,000
American Iranian Council*, Princeton, New Jersey	10,000
American Legislative Exchange Council*, Arlington, Virginia	10,000
2013 Annual Conference	15,000
Private Sector, Energy and Tax Task Forces	34,000
Asia Society Texas Center*, Houston	- ,
Tiger Ball	25,000
Aspen Institute, Inc.*	
2013 Washington Ideas Forum – Queenstown, Maryland	150,000
Global Energy Forum – Washington, D.C.	75,000
Partners for a New Beginning – Washington, D.C.	100,000
Atlantic Council of the United States*, Washington, D.C.	00.000
2013 Energy and Economic Summit	30,000
Baker Institute For Public Policy - Rice University*, Houston, Texas Energy Forum	50,000
Beacon State Fund*, Austin, Texas	50,000
Governor's Commission for Women	5,000
Bipartisan Policy Center, Inc.*, Washington, D.C.	50,000
Brookings Institution*, Washington, D.C.	,
Africa Growth Initiative	15,000
Corporate Council	265,000
Business Council for International Understanding*, New York, New York	
2013 Eisenhower Global Awards Gala	25,000
General Support	18,000
Training in Commercial Diplomacy	25,000
Subtotal Cornerio Mellon University* Bittelyurah Benneydyenia	\$ 68,000
Carnegie Mellon University*, Pittsburgh, Pennsylvania Electricity Industry Center	50,000
Center for American and International Law*, Plano, Texas	50,000
Institute for Energy Law	8,000
Institute for Transnational Arbitration	5,500
International and Comparative Law	5,000
Higginbotham Lecture Series	5,000
Other Contributions, each under \$5,000	3,000
Subtotal	\$ 26,500

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Center for Clean Air Policy*, Washington, D.C.	φ	25 000
Climate Change Initiative	\$	35,000
Macroeconomic and Power Sector Modeling		10,000
Center for Corporate Citizenship at Boston College*, Chestnut Hill, Massachusetts Center for National Policy*, Washington, D.C.		10,000 25,000
		25,000
Center for Strategic and International Studies*, Washington, D.C. Africa Initiative		25 000
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Capital Campaign (\$5,000,000: 2009-2013)		,000,000
General Support		5,000
Inaugural Asia Conference North American Oil & Gas Infrastructure Project		50,000
Subtotal	<u>¢1</u>	,315,000
Civilian Research and Development Foundation (CRDF Global)*, Arlington, Virginia	Ψ1,	,313,000
Annual Awards Gala		25,000
Committee for Economic Development*, Washington, D.C.		23,000
2013 Distinguished Performance Awards Dinner		25,000
Other Contributions, each under \$5,000		2,000
Conference Board, Inc.*, New York, New York		88,000
Congressional Black Caucus Foundation, Inc.*, Washington, D.C.		250,000
Congressional Hispanic Caucus Institute*, Washington, D.C.		230,000
Annual Legislative Dinner		200,000
Congressional Sportsmen's Foundation*, Washington, D.C.		200,000
National Assembly of Sportsmen's and Governor's Caucuses		10,000
Constituency for Africa*, Washington, D.C.		10,000
2013 Ron Brown Series		5,000
Corporate Council on Africa*, Washington, D.C.		3,000
2013 Biennial Summit		150,000
Liberia Working Group		35,000
Nigeria Investment Forum and Luncheon		10,000
Subtotal	\$	195,000
Council of State Governments*, Lexington, Kentucky	Ψ	150,000
2013 Southern Legislative Conference		10,000
Council on Foreign Relations, Inc.*		10,000
Africa Initiative – Washington, D.C.		50,000
Corporate Program – New York, New York		100,000
Council on Foundations, Inc.*, Arlington, Virginia		15,000
Eisenhower Exchange Fellowships Inc.*, Philadelphia, Pennsylvania		.0,000
Chairman's Circle Membership		250,000
General Support		50,000
Eurasia Foundation, Inc.*, Washington, D.C.		,
Sarah Carey Dinner		25,000
Executive Council on Diplomacy, Inc.*, Washington, D.C.		20,000
Faith & Politics Institute*, Washington, D.C.		25,000
Federalist Society for Law and Public Policy Studies*, Washington, D.C.		15,000
Financial Executives Research Foundation, Inc.*, Morristown, New Jersey		50,000
Foundation for Public Affairs*, Washington, D.C.		5,000
Fund for American Studies*, Washington, D.C.		,
2013 Congressional Scholarship Award Dinner		10,000
Robert Novak Journalism Fellowship Program		5,000
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Fund for Peace*, Washington, D.C.	
Human Rights & Business Roundtable	\$ 15,000
Future 500*, San Francisco, California	
Energy Solutions Program	50,000
George Mason University Foundation*, Fairfax, Virginia	
Law & Economics Center	30,000
George Washington University*, Washington, D.C.	
Middle East Policy Forum	50,000
Regulatory Studies Center	50,000
Georgetown University*, Washington, D.C.	50.000
Center for Contemporary Arab Studies	50,000
Science in the Public Interest	50,000
Global Business Coalition for Education*, New York, New York	20,000
2014 Gold Membership Global Leadership Foundation USA*, Arlington, Virginia	30,000 30,000
GlobalWorks Foundation*, Washington, D.C.	30,000
Progressive Economy Project	25,000
Heritage Foundation*, Washington, D.C.	50,000
Hispanics In Energy*, Sacramento, California	30,000
2013 Policy Summit	10,000
Horatio Alger Association*, Alexandria, Virginia	.0,000
2013 Horatio Alger Awards Dinner	25,000
Independent Women's Forum*, Washington, D.C.	15,000
Indiana University*, Bloomington, Indiana	•
Hydraulic Fracturing Study	100,000
Institute for Human Rights and Business*, London	20,000
Institute of Internal Auditors Research Foundation*, Altamonte Springs, Florida	5,000
Institute of the Americas*, La Jolla, California	
Geopolitics of Energy Workshop	20,000
Intellectual Property Owners Education Foundation*, Washington, D.C.	
International Judges Conference	25,000
Inter-American Dialogue*, Washington, D.C.	7,938
International Conservation Caucus Foundation*, Washington, D.C.	
U.S. Congressional Dinner	50,000
International Crisis Group*, New York, New York	10,000
International Financial Reporting Standards Foundation*, London, United Kingdom	150,000
Johns Hopkins University, School for Advanced International Studies*, Washington, D.C. Foreign Studies Programs	6E 000
Joint Center for Political and Economic Studies*, Washington, D.C.	65,000 30,000
Kuwait-America Foundation*, Washington, D.C.	30,000
2013 Educate and Empower Gala	150,000
Latino Leaders Network*, Washington, D.C.	100,000
Luncheon Speaker Series	20,000
Louisiana Legislative Black Caucus Foundation*, Baton Rouge	5,000
Manhattan Institute for Policy Research*, New York, New York	-,000
Center for Energy Policy & the Environment	25,000
General Support	40,000
Massachusetts Institute of Technology*, Cambridge	,
Energy Policy Studies	100,000
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Mercatus Center, Inc.*, Arlington, Virginia	\$ 25,000
Meridian International Center*, Washington, D.C.	25,000
Mexican Cultural Institute*, Washington, D.C.	5,000
Middle East Institute*, Washington, D.C.	60,000
Middle East Policy Council*, Washington, D.C.	5,000
Mountain States Legal Foundation*, Lakewood, Colorado	10,000
National Black Chamber of Commerce*, Washington, D.C.	125,000
National Bureau of Asian Research*, Seattle, Washington	
Energy Security Program	50,000
NBR Chairman's Council	30,000
Pacific Energy Summit	70,000
Subtotal	\$150,000
National Bureau of Economic Research*, Cambridge, Massachusetts	25,000
National Center for State Courts*, Williamsburg, Virginia	25,000
National Conference of State Legislatures Foundation*, Denver, Colorado	
Women's Network Alliance	5,000
National Council on US-Arab Relations*, Washington, D.C.	50,000
National Defense University Foundation, Inc.*, Fort McNair, D.C.	
Lifetime International Statesman Award Dinner	25,000
National Foreign Trade Council Foundation, Inc.*, Washington, D.C.	
World Trade Dinner	15,000
National Foundation for American Policy*, Arlington, Virginia	7,500
National Foundation for Judicial Excellence*, Chicago, Illinois	10,000
National Governors Association Center for Best Practices*, Washington, D.C.	20,000
National Judicial College*, Reno, Nevada	45,000
National Organization of Black Elected Legislative Women, Inc.*, Washington, D.C.	5,000
National Taxpayers Union Foundation*, Alexandria, Virginia	75,000
National Womans Party*, Washington, D.C.	
2013 Alice Awards	5,000
Oxford Institute for Energy Studies*, United Kingdom	
Institute for Energy Studies	35,000
Pacific Legal Foundation*, Sacramento, California	10,000
Peterson Institute for International Economics*, Washington, D.C.	25,000
Public Affairs Research Council of Louisiana, Inc.*, Baton Rouge	25,000
Rand Institute for Civil Justice*, Santa Monica, California	85,000
Regents of the University of California*, Berkeley	
Lawrence Berkley Laboratory	35,000
Regents of the University of California*, Davis	
Institute for Transportation Studies	40,000
Resources for the Future*, Washington, D.C.	100,000
Seeds of Peace*, New York, New York	
Annual Benefit Dinner	50,000
General Support	50,000
Skinner Leadership Institute, Inc.*, Tracy's Landing, Maryland	4 = 000
Master Series for Distinguished Leaders Reception	15,000
Southern Governors' Association*, Washington, D.C.	5,000
Southern Methodist University*, Dallas, Texas	40.000
J. Erik Jonsson Ethics Awards Luncheon	10,000

Stanford University*, California	
Center for International Development	\$ 35,000
Institute for Economic Policy Research	30,000
Tax Council Policy Institute*, Washington, D.C.	20,500
Tax Foundation*, Washington, D.C.	·
Annual Conference & Dinner	6,000
General Support	25,500
Taxes & Growth Project	75,000
Subtotal	\$106,500
Texas Appleseed*, Austin	,
Good Apple Dinner	10,000
Texas Defender Service*, Houston	
Light of Justice Luncheon	5,000
Texas Equal Access to Justice Foundation*, Austin	25,000
Texas Judicial Foundation*, Austin, Texas	15,000
Transparency International USA*, Washington, D.C.	50,000
Tulane University Law School*, New Orleans, Louisiana	
Caspian Regional Initiative in Energy & Maritime Law	10,000
U.S. Department of State*, Washington, D.C.	
Experience America	25,000
United Nations Foundation*, Washington, D.C.	
Business Council	25,000
United States Council Foundation, Inc.*, New York, New York	
International Business Green Economy Dialogue Project	15,000
United States-Indonesia Society*, Washington, D.C.	
2013 Gala	15,000
Indonesian Fellowships	50,000
University of Denver*, Colorado	
Business Leadership	15,000
University of Michigan*, Ann Arbor	
Transportation Research Institute Transportation Study	50,000
University of Texas at Austin*	
Center for Energy Economics – Houston, Texas	5,000
University of Texas at Dallas*, Richardson	
Corporate Governance Conference	7,500
University of Texas Law School Foundation*, Austin	
Law Center for Energy, International Arbitration and Environmental Law	10,000
Law School Reunion	10,000
Washington Legal Foundation*, Washington, D.C.	40,000
Western Governors' Association*, Denver, Colorado	10,000
Woodrow Wilson International Center for Scholars*, Washington, D.C.	
2014 Woodrow Wilson Awards Dinner	25,000
Africa Program	5,000
Awards Dinner – Houston, Texas	15,000
Kennan Center	5,000
Other Contributions, each under \$5,000	2,500
Subtotal	\$ 52,500

Public Information and Policy Research

World Affairs Council*	
2013 Academic WorldQuest	\$ 15,000
2013 National Conference	10,000
Dallas Luncheon Series – Dallas, Texas	30,921
General Support – Washington, D.C.	10,000
Global Education Gala – Washington, D.C.	100,000
H. Neil Mallon Award Dinner – Dallas, Texas	25,000
Jones Award Luncheon – Houston, Texas	25,000
Other Contributions, each under \$5,000*	2,500
Subtotal	\$ 218,421
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Exxon Mobil Corporation*	
Other Contributions, each under \$5,000	<u> 18,460</u>
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Total Public Policy Contributions made through the United States	\$7,657,819
Total Public Policy Contributions made through the United States	\$7,657,819
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Contributions Benefiting Communities in the United States [#]	\$7,472,819
Contributions Benefiting Communities in the United States* Contributions Benefiting Communities outside the United States*	\$7,472,819 <u>\$ 235,300</u>
Contributions Benefiting Communities in the United States [#]	\$7,472,819
Contributions Benefiting Communities in the United States* Contributions Benefiting Communities outside the United States*	\$7,472,819 <u>\$ 235,300</u>
Contributions Benefiting Communities in the United States* Contributions Benefiting Communities outside the United States* Total Worldwide Public Policy Contributions*	\$7,472,819 <u>\$ 235,300</u> \$7,708,119
Contributions Benefiting Communities in the United States* Contributions Benefiting Communities outside the United States*	\$7,472,819 <u>\$ 235,300</u>
Contributions Benefiting Communities in the United States* Contributions Benefiting Communities outside the United States* Total Worldwide Public Policy Contributions*	\$7,472,819 <u>\$ 235,300</u> \$7,708,119

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[#] May include cash and in-kind contributions to nonprofit and NGO organizations; direct spending on community-serving projects; social bonus projects required under agreements with host governments by Exxon Mobil Corporation, its divisions and affiliates; and, ExxonMobil's share of community expenditures paid by joint ventures operated by other companies.