

FEDERAL TRANSPORTATION DEPARTMENT SUMMARY

FOR JEFF MERCER, LLC vs. STATE OF LA, DOTD

CBHD FILE NO. 3835.026

I. United States Department of Transportation / Suspension of Federal Funds to the State of Louisiana.

Under 49 CFR 29.109, Louisiana DOTD as recipient or participant in the DBE Program has a requirement that it “must not intimidate, threaten, coerce, or discriminate against any individual or firm for the purpose of interfering with any right or privilege secured by this part or because the individual or firm has made a complaint, testified, assisted, or anticipated in any manner of an investigation, proceeding or hearing under this part. If you violate this prohibition, you are not in compliance with this part.”

Under 49 CFR 26.101, failure of the Louisiana DOTD to comply with federal requirements subjects it to “formal enforcement action under Section 26.103 or 26.105 for appropriate program sanctions by the concerned operating administration, such as the suspension or termination of federal funds or refusal to approve projects, grants or contracts until deficiencies are remedied.”

The trial clearly showed that the Louisiana DOTD intimidated, threatened, coerced and discriminated against Jeff Mercer, LLC, a federally protected DBE. There is record after record submitted as evidence in the case where Jeff Mercer, LLC repeatedly asked the DBE Section of the DOTD for help concerning the intimidation, threats, and coercion he experienced on various federal projects. Rather than assisting Jeff Mercer, LLC, the evidence showed that the Louisiana DOTD, in fact, began investigating him for any possible violations that he had of the Federal DBE qualifications and falsely reported Jeff Mercer, LLC to the FBI and the OIG’s Office as having committed federal crimes on the I-49 Project. After investigation, the OIG’s Office found that there was absolutely no merit whatsoever to any of the claims the DOTD made against Mr. Mercer and dismissed all criminal prosecution.

The State’s strong-arm tactics in putting this federally protected DBE out of business should subject the Louisiana DOTD to federal investigation and possible suspension/termination of federal funding.