Response to Questions Raised at CASE Study Briefing (September 18, 2013)

Transmittal to the Government Administration and Elections Committee
Date: October 4, 2013

1. Question raised by Senator Meyer regarding percentage of businesses that were not 51% owned by a minority or a woman.

   Response: The issue raised is on page 75 of the CASE Disparity Study – Phase 1 report. The report was revised to incorporate a clarification of Chapter 7: Analysis of Survey of DAS-Certified Companies; Section 7.2.1: Ownership, as follows with changes noted:

   "About 55% (297) of survey respondents indicated that their business was owned by a MBE, which in this survey was defined as a business that is at least 51% owned by a minority or a woman. About 45% (242) of survey respondents indicated that their business was not at least 51% owned by a minority or a woman. Two survey respondents indicated that they did not know if their business was at least 51% owned by a minority or a non-minority woman.

   A copy of the revised electronic version of the report is attached and has been posted on the CASE website.

2. Question raised by Senator Musto regarding programs that are challenged in court:

   Response: Typically, minority business programs that are challenged in court and found to not have a compelling interest or to be sufficiently narrowly tailored are enjoined and the governmental entity responsible for the program then acts as it deems necessary. However, one exception was in the case of the Builders Association of Greater Chicago v. City of Chicago where the court decision was delayed for six months, and as a result Chicago revised their program which has continued unchallenged. Below is the citation of the case, an excerpt from the opinion, and a link to the full text of the opinion.

   ✓ Citation
   Builders Association of Greater Chicago v. City of Chicago.
   United States District Court, N.D. Illinois, Eastern Division

   ✓ Opinion: Senior District Judge Moran
   "An appropriate injunction order will be entered, and plaintiff should submit such an order. I will, however, delay the effective date for six months from now. See Simon Property Group, L.P. v. mySIMON, 282 F.3d 986 (7th Cir.2002). The City has a compelling interest in not having its construction projects slip back to near monopoly domination by white male firms. I recognize that the executive and legislative bodies of this city cannot permit that to occur. The City program has been in effect, one way or another, for 18 years. It was not even challenged until more than ten years later, and that challenge was dormant for an extended period as the County case pressed forward. A brief continuation is appropriate as the City rethinks the many tools of redress it has available."

   ✓ Full opinion can be found at:
   http://www.leagle.com/decision/20031023298FSupp2d725_1956