

FOR IMMEDIATE RELEASE
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**City of Milwaukee, Hispanic Chamber of Commerce, and
American Indian Chamber of Commerce Settle Dispute
Over Race- and Gender-Based Contract Preferences**

MILWAUKEE, WI — Today the City of Milwaukee, the Hispanic Chamber of Commerce of Wisconsin, the American Indian Chamber of Commerce of Wisconsin, and other related parties settled a lawsuit filed by the HCCW in May of 2012. In that suit, the HCCW and AICCW claimed that the City implemented an unconstitutional program of preferences in City contracting based upon race and gender. They alleged in part that the challenged City Ordinance, Chapter 370, was based on a statistically invalid “disparity study,” by the D. Wilson Consulting Group, LLC. D. Wilson denied those allegations.

Prior to the implementation of the challenged Chapter 370 in 2012, Milwaukee had a race- and gender-neutral contract preference program. That program, begun in 1989, awarded preferences to Milwaukee contract bidders and proposers who met certain criteria demonstrating economic disadvantage (referred to as the “Emerging Business Enterprise” or “EBE” program), but awarded no preferences based on race or gender.

Through the cooperative settlement negotiation process, the parties in good faith reached agreements by which (a) on February 18, 2013, the City suspended enforcement of those portions of Chapter 370 that included race- or gender-based participation goals; (b) the City will repeal those provisions within a reasonable time; (c) the City will continue to apply the race- and gender-neutral small business program established under portions of Chapter 370, which is substantially similar to the prior “EBE” program; and (d) D. Wilson and its insurer will compensate the City of Milwaukee, HCCW and AICCW for a portion of their fees and costs related to this litigation. Payment to the City will be equal to nearly 75% of the original cost of the disparity study to the City.

All parties to this lawsuit are committed to contracting practices which are fair, transparent, and constitutional. And the City will continue to work in partnership with citizens and community groups, including the HCCW and AICCW, to ensure that this objective is met and to also address the challenges facing small and emerging businesses in the greater Milwaukee area.

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