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**MADIGAN: COMPANIES THAT ILLEGALLY PROFIT FROM MONEY INTENDED FOR MINORITY FIRMS MUST PAY**

***Legislation Will Freeze Assets During Criminal Proceedings to Protect Taxpayer Dollars***

Chicago — Attorney General Lisa Madigan today praised the General Assembly for passing a bill that will compel businesses that illegally profit from public money reserved for disadvantaged and minority-owned firms to return the money.

The Illinois Senate unanimously passed House Bill 909, which amends the Public Corruption Profit Forfeiture Act by adding fraudulently obtaining public money reserved for disadvantaged business enterprises to the list of crimes subject to a forfeiture action.

“Businesses that defraud the taxpayers cannot be allowed to profit from their illegal conduct,” said Attorney General Madigan. “This bill will make it easier to go after those profits and make sure that defrauding programs designed to benefit legitimate businesses does not pay .”

Madigan successfully prosecuted Castle Construction Corp. and its owner, Robert Blum, for fraudulently obtaining public funds reserved for minority-owned firms. The defendants falsified bid and contract documents to appear that the company complied with the city of Chicago’s minority-owned subcontracting requirements. During settlement discussions, it became clear that the defendants did not have the financial ability to pay restitution.

“This legislation is a stern warning to contractors to closely follow Illinois law and not trick taxpayers by garnering state money intended to go to contractors protected by existing law,” said Sen. Kwame Raoul, who sponsored the legislation in the Senate.

If signed by the Governor, HB 909 adds fraudulently obtaining public moneys reserved for disadvantaged business enterprises to bribery, kickbacks and intimidation by a public official as crimes susceptible to a forfeiture action under the Public Corruption Profit Forfeiture Act.

“Our legislation allows the attorney general and other prosecutors to concentrate on obtaining a conviction with the knowledge that the accused offender cannot dump assets before a verdict,” said Rep. Kelly Burke, who sponsored the bill in the House.

The House of Representative gave its unanimous consent to the measure on Oct. 26.

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