

Sen. Ann Gillespie

Filed: 3/13/2019

10100SB1479sam001 LRB101 09440 RJF 57223 a 1 AMENDMENT TO SENATE BILL 1479 AMENDMENT NO. _____. Amend Senate Bill 1479 by replacing 2 everything after the enacting clause with the following: 3 "Section 5. The Business Enterprise for Minorities, Women, 4 5 and Persons with Disabilities Act is amended by changing 6 Section 2 as follows: 7 (30 ILCS 575/2) (Section scheduled to be repealed on June 30, 2020) 8 Sec. 2. Definitions. 9 (A) For the purpose of this Act, the following terms shall 10 have the following definitions: 11 (1) "Minority person" shall mean a person who is a 12 citizen or lawful permanent resident of the United States 13 and who is any of the following: 14 15 (a) American Indian or Alaska Native (a person having origins in any of the original peoples of North 16

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and	South	Americ	a,	including	Ce	entral	Ame:	rica,	and	who
main	ntains	tribal	af	filiation	or	commun	nity	attad	chmen	t).

- (b) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).
- (c) Black or African American (a person having origins in any of the black racial groups of Africa). Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American".
- (d) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).
- (e) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).
- (2) "Woman" shall mean a person who is a citizen or lawful permanent resident of the United States and who is of the female gender.
- (2.05) "Person with a disability" means a person who is a citizen or lawful resident of the United States and is a person qualifying as a person with a disability under subdivision (2.1) of this subsection (A).
 - (2.1) "Person with a disability" means a person with a

1	severe physical or mental disability that:				
2	(a) results from:				
3	amputation,				
4	arthritis,				
5	autism,				
6	blindness,				
7	burn injury,				
8	cancer,				
9	cerebral palsy,				
10	Crohn's disease,				
11	cystic fibrosis,				
12	deafness,				
13	head injury,				
14	heart disease,				
15	hemiplegia,				
16	hemophilia,				
17	respiratory or pulmonary dysfunction,				
18	an intellectual disability,				
19	mental illness,				
20	multiple sclerosis,				
21	muscular dystrophy,				
22	musculoskeletal disorders,				
23	neurological disorders, including stroke and				
24	epilepsy,				
25	paraplegia,				
26	quadriplegia and other spinal cord conditions,				

1	sickle cell anemia,
2	ulcerative colitis,
3	specific learning disabilities, or
4	end stage renal failure disease; and
5	(b) substantially limits one or more of the
6	person's major life activities.
7	Another disability or combination of disabilities may
8	also be considered as a severe disability for the purposes
9	of item (a) of this subdivision (2.1) if it is determined
10	by an evaluation of rehabilitation potential to cause a
11	comparable degree of substantial functional limitation
12	similar to the specific list of disabilities listed in item
13	(a) of this subdivision (2.1).
1 /	(2.5) "Minority-led not-for-profit" means an
14	(2.5) Minority led not for profit means an
15	organization that is tax-exempt under Sections 501(c)(3)
15	organization that is tax-exempt under Sections 501(c)(3)
15 16	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for
15 16 17	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for which:
15 16 17 18	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for which: (a) at least 51% of the organization's Board of
15 16 17 18 19	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for which: (a) at least 51% of the organization's Board of Directors are minority persons,
15 16 17 18 19 20	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for which: (a) at least 51% of the organization's Board of Directors are minority persons, (b) the Board of Directors controls the
15 16 17 18 19 20 21	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for which: (a) at least 51% of the organization's Board of Directors are minority persons, (b) the Board of Directors controls the organization's daily and long-term operations,
15 16 17 18 19 20 21 22	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for which: (a) at least 51% of the organization's Board of Directors are minority persons, (b) the Board of Directors controls the organization's daily and long-term operations, (c) the organization is regularly and actively
15 16 17 18 19 20 21 22 23	organization that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, and for which: (a) at least 51% of the organization's Board of Directors are minority persons, (b) the Board of Directors controls the organization's daily and long-term operations, (c) the organization is regularly and actively engaged in business activity,

1	(e) the organization has not been established or
2	reorganized for the specific purpose of participating
3	in the Business Enterprise Program.
4	(3) "Minority-owned business" means a business which
5	is at least 51% owned by one or more minority persons, or
6	in the case of a corporation, at least 51% of the stock in
7	which is owned by one or more minority persons; and the
8	management and daily business operations of which are
9	controlled by one or more of the minority individuals who
10	own it.
11	(3.5) "Woman-led not-for-profit" means an organization
12	that is tax-exempt under Sections 501(c)(3) or 501(c)(4) of
13	the Internal Revenue Code of 1986, and for which:
14	(a) at least 51% of the organization's Board of
15	Directors are women,
16	(b) the Board of Directors controls the
17	organization's daily and long-term operations,
18	(c) the organization is regularly and actively
19	engaged in business activity,
20	(d) the organization is not dependent upon or
21	influenced by another non-eligible person or
22	organization, and
23	(e) the organization has not been established or
24	reorganized for the specific purpose of participating
25	in the Business Enterprise Program.
26	(4) "Women-owned business" means a business which is at

1	least 51% owned by one or more women, or, in the case of a
2	corporation, at least 51% of the stock in which is owned by
3	one or more women; and the management and daily business
4	operations of which are controlled by one or more of the
5	women who own it.
6	(4.05) "Not-for-profit led by a person with a
7	disability" means an organization that is tax-exempt under
8	Sections 501(c)(3) or 501(c)(4) of the Internal Revenue
9	Code of 1986, and for which:
10	(a) at least 51% of the organization's Board of
11	Directors are persons with a disability,
12	(b) the Board of Directors controls the
13	organization's daily and long-term operations,
14	(c) the organization is regularly and actively
15	engaged in business activity,
16	(d) the organization is not dependent upon or
17	influenced by another non-eligible person or
18	organization, and
19	(e) the organization has not been established or
20	reorganized for the specific purpose of participating
21	in the Business Enterprise Program.
22	(4.1) "Business owned by a person with a disability"
23	means a business that is at least 51% owned by one or more
24	persons with a disability and the management and daily
25	business operations of which are controlled by one or more
26	of the persons with disabilities who own it. A

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not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

- (4.2) "Council" means the Business Enterprise Council for Minorities, Women, and Persons with Disabilities created under Section 5 of this Act.
- (5) "State contracts" means all contracts entered into by the State, any agency or department thereof, or any institution of higher education, public including community college districts, regardless of the source of the funds with which the contracts are paid, which are not subject to federal reimbursement. "State contracts" does not include contracts awarded by a retirement system, pension fund, or investment board subject to Section 1-109.1 of the Illinois Pension Code. This definition shall control over any existing definition under this Act or applicable administrative rule.
- (5.5) "State construction contracts" means all State contracts entered into by a State agency or public institution of higher education for the remodeling, renovation or construction of a building or structure, or for the construction or maintenance of a highway defined in Article 2 of the Illinois Highway Code.
- (6) "State agencies" shall mean all departments, officers, boards, commissions, institutions and bodies

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politic and corporate of the State, but does not include the Board of Trustees of the University of Illinois, the Board of Trustees of Southern Illinois University, the Board of Trustees of Chicago State University, the Board of Trustees of Eastern Illinois University, the Board of Trustees of Governors State University, the Board of Illinois State University, the Board of Trustees of Trustees of Northeastern Illinois University, the Board of Trustees of Northern Illinois University, the Board of Trustees of Western Illinois University, municipalities or local governmental units, or other other State constitutional officers.

- (7) "Public institutions of higher education" means the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern University, Western Illinois University, the community colleges of the State, and any other public universities, colleges, and community colleges now or hereafter established or authorized by the General Assembly.
- (8) "Certification" means a determination made by the Council or by one delegated authority from the Council to make certifications, or by a State agency with statutory authority to make such a certification, that a business

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entity is classified as a business owned by a minority, woman, or person with a disability for whatever purpose, or that a not-for-profit organization meets the defined classifications in this Section of a "minority-led not-for-profit", "woman-led not-for-profit", or "not-for-profit led by a person with a disability". A business owned and controlled by women shall be certified "woman-owned business". A business owned and controlled by women who are also minorities shall be certified as both a "women-owned business" "minority-owned business". A not-for-profit organization that meets 2 or more of the classifications specified under this paragraph (8) shall be certified as having all of the certifications met.

(9) "Control" means the exclusive or ultimate and sole control of the business or not-for-profit organization including, but not limited to, capital investment and all other financial matters, property, acquisitions, contract negotiations, legal matters, officer-director-employee selection and comprehensive hiring, operating responsibilities, cost-control matters, income and dividend matters, financial transactions and rights of other shareholders or joint partners. Control shall be real, substantial and continuing, not pro forma. Control shall include the power to direct or cause the direction of the management and policies of the business and to make the

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day-to-day as well as major decisions in matters of policy, management and operations. Control shall be exemplified by possessing the requisite knowledge and expertise to run the particular business and control shall not include simple majority or absentee ownership.

- (10) "Business" means a business that has annual gross sales of less than \$75,000,000 as evidenced by the federal income tax return of the business. A firm with gross sales in excess of this cap may apply to the Council for certification for a particular contract if the firm can demonstrate that the contract would have significant impact on businesses owned by minorities, women, or persons with disabilities as suppliers or subcontractors or in employment of minorities, women, persons with or disabilities.
- (11) "Utilization plan" means a form and additional documentations included in all bids or proposals that demonstrates a vendor's proposed utilization of vendors certified by the Business Enterprise Program to meet the targeted goal. The utilization plan shall demonstrate that the Vendor has either: (1) met the entire contract goal or (2) requested a full or partial waiver and made good faith efforts towards meeting the goal.
- (12) "Business Enterprise Program" means the Business Enterprise Program of the Department of Central Management Services.

- 1 When a business is owned at least 51% by any (B) combination of minority persons, women, or persons with 2 3 disabilities, even though none of the 3 classes alone holds at 4 least a 51% interest, the ownership requirement for purposes of 5 this Act is considered to be met. When a not-for-profit 6 organization's Board of Directors consists of at least 51% of any combination of minority persons, women, or persons with 7 disabilities even though none of the 3 classes alone holds at 8 9 least 51% share, the Board membership requirement for purposes 10 of this Act is considered to be met. The certification category 11 for the business or not-for-profit organization is that of the 12 class holding the largest ownership interest in the business, 13 or the largest share of positions on the Board of Directors of 14 a not-for-profit organization. If 2 or more classes have equal 15 ownership interests, the certification category shall be 16 determined by the business or not-for-profit organization. (Source: P.A. 99-143, eff. 7-27-15; 99-462, eff. 8-25-15; 17 99-642, eff. 7-28-16; 100-391, eff. 8-25-17.) 18
- 19 Section 10. The Public Utilities Act is amended by changing Section 5-117 as follows: 20
- 21 (220 ILCS 5/5-117)
- 22 Sec. 5-117. Supplier diversity goals.
- 23 (a) The public policy of this State is to collaboratively 24 work with companies and not-for-profit organizations that

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- 1 serve Illinois residents to improve their supplier diversity in 2 a non-antagonistic manner.
- 3 (a-5) For the purposes of this Section, "minority-led not-for-profit", "woman-led not-for-profit", 4 5 "not-for-profit led by a person with a disability" shall have the same meanings as provided under the Business Enterprise for 6 Minorities, Women, and Persons with Disabilities Act. 7
 - (b) The Commission shall require all gas, electric, and water companies with at least 100,000 customers under its authority, as well as suppliers of wind energy, solar energy, hydroelectricity, nuclear energy, and any other supplier of energy within this State, to submit an annual report by April 15, 2015 and every April 15 thereafter, in a searchable Adobe PDF format, on all procurement goals and actual spending for female-owned, minority-owned, veteran-owned, person with a disability-owned, and small business enterprises, as well as minority-led not-for-profit organizations, woman-led not-for-profit organizations, and organizations that are not-for-profit led by a person with a disability in the previous calendar year. These goals shall be expressed as a percentage of the total work performed by the entity submitting the report, and the actual spending for all female-owned, minority-owned, veteran-owned, person with a disability-owned, and small business enterprises, as well as minority-led not-for-profit organizations, woman-led not-for-profit organizations, and organizations that are not-for-profit led

- by a person with a disability, shall also be expressed as a 1
- percentage of the total work performed by the entity submitting 2
- 3 the report.

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- 4 (c) Each participating company in its annual report shall 5 include the following information:
- (1) an explanation of the plan for the next year to 6 7 increase participation;
 - (2) an explanation of the plan to increase the goals;
 - (3) the areas of procurement each company shall be actively seeking more participation in in the next year;
 - (4) an outline of the plan to alert and encourage potential vendors in that area to seek business from the company;
 - (5) an explanation of the challenges faced in finding quality vendors and offer any suggestions for what the Commission could do to be helpful to identify those vendors:
 - (6) list of the certifications the company recognizes;
 - (7) the point of contact for any potential vendor who wishes to do business with the company and explain the process for a vendor to enroll with the company as a minority-owned, women-owned, or veteran-owned, or person with a disability-owned company, or as a minority-led not-for-profit organization, woman-led not-for-profit organization, or as an organization that is a

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not-for-profit led by a person with a disability; and

- (8) any particular success stories to encourage other 2 3 companies to emulate best practices.
 - (d) Each annual report shall include as much State-specific data as possible. If the submitting entity does not submit State-specific data, then the company shall include any national data it does have and explain why it could not submit State-specific data and how it intends to do so in future reports, if possible.
 - annual report shall include (e) Each the rules, regulations, and definitions used for the procurement goals in the company's annual report.
 - (f) The Commission and all participating entities shall hold an annual workshop open to the public in 2015 and every year thereafter on the state of supplier diversity to collaboratively seek solutions to structural impediments to stated goals, including testimony from each achieving participating entity as well as subject matter experts and advocates. The Commission shall publish a database on its website of the point of contact for each participating entity for supplier diversity, along with a list of certifications each company recognizes from the information submitted in each annual report. The Commission shall publish each annual report on its website and shall maintain each annual report for at least 5 years.
- (Source: P.A. 98-1056, eff. 8-26-14; 99-906, eff. 6-1-17.)". 26