



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

SB3153

Introduced 2/6/2024, by Sen. Napoleon Harris, III

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the 21st Century Diversity Business Act. Provides that the Department of Commerce and Economic Opportunity shall create and administer the 21st Century Diversity Business Program to provide loans and financial assistance to minority-owned businesses in 21st Century Diversity Business districts. Provides for application, eligibility, and loan requirements. Requires the Department and its grantees to provide technical assistance to businesses receiving loans through the Program. Requires the Department to enter into an agreement with businesses receiving loans through the Program with specified content. Requires the Office of the Secretary of State to make available to the public on the Internet website of the Office of the Secretary of State a registry of self-certified minority business owners from which both public and private entities may seek services. Provides further requirements concerning the registry. Provides for the adoption of rules.

LRB103 38408 MXP 68543 b

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the 21st  
5 Century Diversity Business Act.

6 Section 5. Definitions. As used in this Act:

7 "21st Century Diversity Business District" or "District"  
8 means a designated area of economic and business growth  
9 created by a municipality, whose resident population is at  
10 least 51% minority, participating in the Program created under  
11 this Act for which Program loan funds are utilized. An area is  
12 qualified to become a 21st Century Diversity Business District  
13 which: (i) is a contiguous area; (ii) comprises a minimum of  
14 one-half square mile and not more than 5 square miles in total  
15 area, exclusive of lakes and waterways; (iii) is entirely  
16 within the municipal corporate boundaries; and (iv) 51% or  
17 more of the residents within district are minority  
18 individuals.

19 "Agreement" means the loan agreement between a business  
20 and the Department.

21 "Department" means the Department of Commerce and Economic  
22 Opportunity.

23 "Minority-owned business" means a business which is at

1 least 51% owned by one or more minority persons, or in the case  
2 of a corporation, at least 51% of the stock in which is owned  
3 by one or more minority persons; and the management and daily  
4 business operations of which are controlled by one or more of  
5 the minority individuals who owns it.

6 "Minority person" shall mean a person who is a citizen or  
7 lawful permanent resident of the United States and who is any  
8 of the following:

9 (1) American Indian or Alaska Native (a person having  
10 origins in any of the original peoples of North and South  
11 America, including Central America, and who maintains  
12 tribal affiliation or community attachment).

13 (2) Asian (a person having origins in any of the  
14 original peoples of the Far East, Southeast Asia, or the  
15 Indian subcontinent, including, but not limited to,  
16 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
17 the Philippine Islands, Thailand, and Vietnam).

18 (3) Black or African American (a person having origins  
19 in any of the black racial groups of Africa).

20 (4) Hispanic or Latino (a person of Cuban, Mexican,  
21 Puerto Rican, South or Central American, or other Spanish  
22 culture or origin, regardless of race).

23 (5) Native Hawaiian or Other Pacific Islander (a  
24 person having origins in any of the original peoples of  
25 Hawaii, Guam, Samoa, or other Pacific Islands).

26 "Program" means the 21st Century Diversity Business

1 Program created under this Act.

2 Section 10. 21st Century Diversity Business Program.

3 (a) The Department of Commerce and Economic Opportunity  
4 shall, subject to appropriation, create and administer the  
5 21st Century Diversity Business Program to provide loans and  
6 financial assistance to minority-owned businesses in a 21st  
7 Century Diversity Business district as provided under this  
8 Act.

9 (b) Any municipality may apply, on an annual basis, to the  
10 Department to create a 21st Century Diversity Business  
11 District under the Program. To be eligible, an applicant  
12 municipality must pass an ordinance declaring its intent to  
13 create a 21st Century Diversity Business District in the  
14 municipality. No more than 5 eligible municipalities may be  
15 chosen by the Department to create districts under the Program  
16 per year. At no point shall more than 30 municipalities be  
17 participating in the Program.

18 (c) Any eligible municipality chosen by the Department  
19 under subsection (b) shall, subject to appropriation, be  
20 entitled to have minority-owned businesses in their 21st  
21 Century Diversity Business District apply for a subsidized  
22 loan from the Department. No individual business shall  
23 accumulate loans in aggregate greater than \$1,000,000 under  
24 this Act. At no point, collectively, shall businesses in any  
25 participating municipality aggregate more than \$5,000,000 in

1 loans through the Program.

2 (d) Each municipality chosen by the Department to create a  
3 district under this Section shall, as prerequisite to  
4 participation, establish a 21st Century Diversity Business  
5 Investment Board with the purpose of helping grow  
6 minority-owned businesses.

7 (e) The Department and its grantees shall provide  
8 technical assistance to businesses receiving loans through the  
9 Program. This is including, but not limited to, support in  
10 business plans, business development, financial management,  
11 marketing, any other service that the Department may deem  
12 relevant to the establishment of a business for the purposes  
13 of this Act. At least once a year, the Department shall host an  
14 informational session, either in-person or virtually, for  
15 municipalities eligible to apply. At least once a year, the  
16 Department shall host an informational session, either  
17 in-person or virtually, for eligible businesses in the 21st  
18 Century Diversity Business district to learn more about  
19 opportunities for growth and access to state resources.

20 (f) The Department shall enter into an agreement with a  
21 business that has received a loan under this Act. The  
22 agreement must include all of the following:

23 (1) A requirement that the business shall make a  
24 good-faith effort to maintain operations in the State of  
25 Illinois for the duration of the loan.

26 (2) A requirement that the Director is authorized to

1           verify with the appropriate State agencies information  
2           provided by the applicant.

3           (3) Any other performance conditions or contract  
4           provisions as the Department determines are appropriate.

5           Section 15. Minority-owned business database.

6           (a) The Office of the Secretary of State shall, subject to  
7           appropriation, make available to the public on the Internet  
8           website of the Office of the Secretary of State a registry of  
9           self-certified minority business owners from which both public  
10          and private entities may seek services.

11          (b) The registry shall allow for self-certified minority  
12          business owners to voluntarily add themselves to the registry.  
13          The Office of the Secretary of State may utilize data already  
14          held by other agencies. The Office of the Secretary of State  
15          may utilize existing forms to voluntarily collect  
16          self-reported information.

17          Section 20. Administrative rules. The Department shall  
18          adopt all rules necessary for the administration of the  
19          Program and the implementation of the requirements of this  
20          Act.