

## 93RD GENERAL ASSEMBLY State of Illinois 2003 and 2004

Introduced 2/5/2004, by Louis S. Viverito

## SYNOPSIS AS INTRODUCED:

20 ILCS 605/605-525 20 ILCS 2310/2310-372	was 20 ILCS 605/46.55
20 ILCS 3105/16	from Ch. 127, par. 783b
30 ILCS 105/8.32	from Ch. 127, par. 144.32
30 ILCS 500/45-45	, ,
30 ILCS 500/45-65	
30 ILCS 575/Act title	
30 ILCS 575/0.01	from Ch. 127, par. 132.600
30 ILCS 575/1	from Ch. 127, par. 132.601
30 ILCS 575/2	from Ch. 127, par. 132.602
30 ILCS 575/4	from Ch. 127, par. 132.604
30 ILCS 575/5	from Ch. 127, par. 132.605
30 ILCS 575/6	from Ch. 127, par. 132.606
30 ILCS 575/6a	from Ch. 127, par. 132.606a
30 ILCS 575/7	from Ch. 127, par. 132.607
30 ILCS 575/8	from Ch. 127, par. 132.608
30 ILCS 575/8a	from Ch. 127, par. 132.608a
30 ILCS 575/8b	from Ch. 127, par. 132.608b
30 ILCS 575/8f	
30 ILCS 575/9	from Ch. 127, par. 132.609
30 ILCS 750/9-4.3	from Ch. 127, par. 2709-4.3
40 ILCS 5/1-109.1	from Ch. 108 1/2, par. 1-109.1
40 ILCS 5/15-167.3	
70 ILCS 210/23.1	from Ch. 85, par. 1243.1
70 ILCS 3205/9	from Ch. 85, par. 6009
70 ILCS 3210/40	
110 ILCS 675/20-115	
230 ILCS 5/12.1	from Ch. 8, par. 37-12.1
230 ILCS 10/4	from Ch. 120, par. 2404
230 ILCS 10/11.2	
720 ILCS 5/33C-2	from Ch. 38, par. 33C-2
720 ILCS 5/33C-3	from Ch. 38, par. 33C-3
720 ILCS 5/33C-5	from Ch. 38, par. 33C-5
720 ILCS 5/33E-2	from Ch. 38, par. 33E-2
805 ILCS 5/14.05	from Ch. 32, par. 14.05

Amends the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. Adds veteran-owned business enterprises and establishes for them a goal of 3% of total State contracts. Extends repeal of the Act to September 6, 2008. Changes the short title. Amends the Build Illinois Act to authorize small business loans to veteran-owned small businesses. Makes conforming changes in other Acts. Effective immediately.

LRB093 20822 DRJ 46856 b

FISCAL NOTE ACT MAY APPLY

PENSION IMPACT NOTE ACT MAY APPLY

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1 AN ACT concerning veteran-owned business enterprises.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by changing Section 605-525 as follows:
- 7 (20 ILCS 605/605-525) (was 20 ILCS 605/46.55)

Sec. 605-525. Minority Controlled and Female Controlled 8 Business Loan Board. There is hereby created a Minority 9 Controlled and Female Controlled Businesses Loan Board, 10 hereinafter referred to as the Board, consisting of 6 members 11 appointed by the Governor with the advice and consent of the 12 Senate. No more than 3 members shall be of the same political 13 14 party. For the initial appointments to the Board, 3 members 15 shall be appointed to serve a 2 year term and 3 members shall be appointed to serve a 4 year term. Successor members shall 16 17 serve for terms of 4 years.

The Board shall maintain an office in each of the following areas: Alexander or Pulaski County, East St. Louis, and the City of Chicago. For the purpose of this Act, the terms "minority person", "female", "minority owned business" and "female owned business" shall have the definitions of those terms provided in Section 2 of the Business Enterprise for Minorities, Females, <u>Veterans</u>, and Persons with Disabilities Act.

The Board shall have the authority to make direct grants and low interest loans to minority controlled businesses and female controlled businesses in East St. Louis, the City of Chicago, and either Alexander County or Pulaski County from appropriations for that purpose to the Department. The Board shall establish and publish guidelines to be followed in making the grants and loans.

- 1 Grant funds will be allowed to reimburse businesses for
- 2 expenses incurred in the preparation of proposals that are
- accepted for loan assistance and to maintain administering 3
- offices in each of the 4 target areas. Loan funds will be 4
- 5 awarded at a cost of no more than 3% per annum for up to 20
- 6 years to businesses that are existing or proposed.
- (Source: P.A. 91-239, eff. 1-1-00.) 7
- 8 Section 10. The Department of Public Health Powers and
- Duties Law of the Civil Administrative Code of Illinois is 9
- 10 amended by changing Section 2310-372 as follows:
- (20 ILCS 2310/2310-372) 11
- Sec. 2310-372. Stroke Task Force. 12
- (a) The Stroke Task Force is created within the Department 13
- 14 of Public Health.
- 15 (b) The task force shall be composed of the following
- 16 members:

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- (1) Nineteen members appointed by the Director of 17
- 18 Public Health from nominations submitted to the Director by
- the following organizations, one member to represent each 19
- organization: the American Stroke Association; 20 the
- National Stroke Association; the Illinois State Medical 21
- Society; the Illinois Neurological Society; the Illinois 22
- 23 Academy of Family Physicians; the Illinois Chapter of the
- American College of Emergency Physicians; the Illinois 24
- 25 Chapter of the American College of Cardiology; the Illinois
- 26 Nurses Association; the Illinois Hospital and Health
- 27 Systems Association; the Illinois Physical Therapy
- 28 Association; the Pharmaceutical Manufacturers Association;
- 29 the Illinois Rural Health Association; the Illinois
- Chapter

the

Council; the Illinois Public Health Association; the

Illinois Association

AARP;

of

- Rehabilitation Facilities; the Illinois Life Insurance 31
- Illinois Speech-Language Hearing Association; the American 33
- 34 Association of Neurological Surgeons; and the Illinois

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Health Care Cost Containment Council.

- (2) Five members appointed by the Governor as follows: one stroke survivor; one licensed emergency medical technician; one individual who (i) holds the degree of Medical Doctor or Doctor of Philosophy and (ii) is a teacher or researcher at a teaching or research university located in Illinois; one individual who is a minority person as defined in the Business Enterprise for Minorities, Females, Veterans, and Persons with Disabilities Act; and one member of the general public.
- (3) The following ex officio members: the chairperson of the Senate Public Health Committee; the minority spokesperson of the Senate Public Health Committee; the chairperson of the House Health Care Committee; and the minority spokesperson of the House Health Care Committee.

The Director of Public Health shall serve as the chairperson of the task force.

If a vacancy occurs in the task force membership, the vacancy shall be filled in the same manner as the initial appointment.

- (c) Task force members shall serve without compensation, but nonpublic members shall be reimbursed for their reasonable travel expenses incurred in performing their duties in connection with the task force.
- (d) The task force shall adopt bylaws; shall meet at least 3 times each calendar year; and may establish committees as it deems necessary. For purposes of task force meetings, a quorum is the number of members present at a meeting. Meetings of the task force are subject to the Open Meetings Act. The task force must afford an opportunity for public comment at its meetings.
- (e) The task force shall advise the Department of Public Health with regard to setting priorities for improvements in stroke prevention and treatment efforts, including, but not limited to, the following:
- (1) Developing and implementing a comprehensive statewide public education program on stroke prevention,

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- targeted to high-risk populations and to geographic areas
  where there is a high incidence of stroke.
  - (2) Identifying the signs and symptoms of stroke and the action to be taken when these signs or symptoms occur.
  - (3) Recommending and disseminating guidelines on the treatment of stroke patients, including emergency stroke care.
  - (4) Ensuring that the public and health care providers and institutions are sufficiently informed regarding the most effective strategies for stroke prevention; and assisting health care providers in using the most effective treatment strategies for stroke.
  - (5) Addressing means by which guidelines may be revised to remain current with developing treatment methodologies.
  - (f) The task force shall advise the Department of Public Health concerning the awarding of grants to providers of emergency medical services and to hospitals for the purpose of improving care to stroke patients.
- 19 (g) The task force shall submit an annual report to the 20 Governor and the General Assembly by January 1 of each year, 21 beginning in 2003. The report must include, but need not be 22 limited to, the following:
- 23 (1) The task force's plans, actions, and recommendations.
- 25 (2) An accounting of moneys spent for grants and for other purposes.
- 27 (Source: P.A. 92-710, eff. 7-19-02.)
- Section 15. The Capital Development Board Act is amended by changing Section 16 as follows:
- 30 (20 ILCS 3105/16) (from Ch. 127, par. 783b)
- Sec. 16. (a) In addition to any other power granted in this
  Act to adopt rules or regulations, the Board may adopt
  regulations or rules relating to the issuance or renewal of the
  prequalification of an architect, engineer or contractor or the

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- suspension or modification of the prequalification of any such person or entity including, without limitation, an interim or emergency suspension or modification without a hearing founded on any one or more of the bases set forth in this Section.
  - (b) Among the bases for an interim or emergency suspension or modification of prequalification are:
    - (1) A finding by the Board that the public interest, safety or welfare requires a summary suspension or modification of a prequalification without hearings.
    - (2) The occurrence of an event or series of events which, in the Board's opinion, warrants a summary suspension or modification of a prequalification without a hearing including, without limitation, (i) the indictment of the holder of the prequalification by a State or federal agency or other branch of government for a crime; (ii) the suspension or modification of а license orprequalification by another State agency or federal agency or other branch of government after hearings; (iii) a material breach of a contract made between the Board and an architect, engineer or contractor; and (iv) the failure to comply with State law including, without limitation, the Business Enterprise for Minorities, Females, Veterans, and Persons with Disabilities Act, the prevailing wage requirements, and the Steel Products Procurement Act.
  - (c) If a prequalification is suspended or modified by the Board without hearings for any reason set forth in this Section or in Section 10-65 of the Illinois Administrative Procedure Act, as amended, the Board shall within 30 days of the issuance of an order of suspension or modification of a prequalification initiate proceedings for the suspension or modification of or other action upon the prequalification.
- 32 (Source: P.A. 92-16, eff. 6-28-01.)
- 33 Section 20. The State Finance Act is amended by changing 34 Section 8.32 as follows:

- (30 ILCS 105/8.32) (from Ch. 127, par. 144.32) 1
- 2 Sec. 8.32. All moneys received by the Minority and Female
- Business Enterprise Council for Minorities, Females, Veterans, 3
- and Persons with Disabilities, or by the Department of Central 4
- 5 Management Services on behalf of the Council or the
- 6 Department's Minority and Female Business Enterprise for
- Minorities, Females, Veterans, and Persons with Disabilities 7
- 8 Division, from grants, donations, seminar registration fees,
- 9 and the sale of directories, lists and other such information,
- 10 shall be deposited into the Minority and Female Business
- 11 Enterprise Fund in the State treasury. Expenses of the Council
- or the Department's Minority and Female Business Enterprise for 12
- 13 Minorities, Females, Veterans, and Persons with Disabilities
- Division may be paid from this Fund. 14
- (Source: P.A. 86-1482.) 15
- 16 Section 25. The Illinois Procurement Code is amended by
- changing Sections 45-45 and 45-65 as follows: 17
- (30 ILCS 500/45-45) 18

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- Sec. 45-45. Small businesses. 19
- Set-asides. The chief procurement 20 (a) officer has
- 21 authority to designate as small business set-asides a fair
- proportion of construction, supply, and service contracts for 22
- award to small businesses in Illinois. Advertisements for bids 23
- 24 or offers for those contracts shall specify designation as
- 25 small business set-asides. In awarding the contracts, only bids
- 26 or offers from qualified small businesses shall be considered.
- 27 (b) Small business. "Small business" means a business that
- is independently owned and operated and that is not dominant in

its field of operation. The chief procurement officer shall

- 30 establish a detailed definition by rule, using in addition to
- the foregoing criteria other criteria, including the number of 31
- employees and the dollar volume of business. When computing the 32
- 33 size status of a bidder, annual sales and receipts of the
- bidder and all of its affiliates shall be included. The maximum 34

- number of employees and the maximum dollar volume that a small business may have under the rules promulgated by the chief procurement officer may vary from industry to industry to the extent necessary to reflect differing characteristics of those
- 5 industries, subject to the following limitations:
  - (1) No wholesale business is a small business if its annual sales for its most recently completed fiscal year exceed \$7,500,000.
    - (2) No retail business or business selling services is a small business if its annual sales and receipts exceed \$1,500,000.
    - (3) No manufacturing business is a small business if it employs more than 250 persons.
    - (4) No construction business is a small business if its annual sales and receipts exceed \$10,000,000.
  - (c) Fair proportion. For the purpose of subsection (a), for State agencies of the executive branch, a fair proportion of construction contracts shall be no less than 25% nor more than 40% of the annual total contracts for construction.
  - (d) Withdrawal of designation. A small business set-aside designation may be withdrawn by the purchasing agency when deemed in the best interests of the State. Upon withdrawal, all bids or offers shall be rejected, and the bidders or offerors shall be notified of the reason for rejection. The contract shall then be awarded in accordance with this Code without the designation of small business set-aside.
  - (e) Small business specialist. The chief procurement officer shall designate a State purchasing officer who will be responsible for engaging an experienced contract negotiator to serve as its small business specialist, whose duties shall include:
  - (1) Compiling and maintaining a comprehensive bidders list of small businesses. In this duty, he or she shall cooperate with the Federal Small Business Administration in locating potential sources for various products and services.

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- 1 (2) Assisting small businesses in complying with the 2 procedures for bidding on State contracts.
  - (3) Examining requests from State agencies for the purchase of property or services to help determine which invitations to bid are to be designated small business set-asides.
  - (4) Making recommendations to the chief procurement officer for the simplification of specifications and terms in order to increase the opportunities for small business participation.
  - (5) Assisting in investigations by purchasing agencies to determine the responsibility of bidders on small business set-asides.
  - (f) Small business annual report. The State purchasing officer designated under subsection (e) shall annually before December 1 report in writing to the General Assembly concerning the awarding of contracts to small businesses. The report shall include the total value of awards made in the preceding fiscal year under the designation of small business set-aside. The report shall also include the total value of awards made to businesses owned by minorities, females, and persons with disabilities, as defined in the Business Enterprise for Minorities, Females, Veterans, and Persons with Disabilities Act, in the preceding fiscal year under the designation of small business set-aside.
    - The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report as required by Section 3.1 of the General Assembly Organization Act.
- 29 (Source: P.A. 92-60, eff. 7-12-01.)
- 30 (30 ILCS 500/45-65)
- 31 Sec. 45-65. Additional preferences. This Code is subject to 32 applicable provisions of:
  - (1) the Public Purchases in Other States Act;
- 34 (2) the Illinois Mined Coal Act;
- 35 (3) the Steel Products Procurement Act;

- 1 (4) the Veterans Preference Act; and
- 2 (5) the Business Enterprise for Minorities, Females,
- 3 <u>Veterans</u>, and Persons with Disabilities Act.
- 4 (Source: P.A. 90-572, eff. date See Sec. 99-5.)
- 5 Section 30. The Business Enterprise for Minorities,
- 6 Females, and Persons with Disabilities Act is amended by
- 7 changing the title of the Act and Sections 0.01, 1, 2, 4, 5, 6,
- 8 6a, 7, 8, 8a, 8b, 8f, and 9 as follows:
- 9 (30 ILCS 575/Act title)
- 10 An Act in relation to businesses owned by minorities,
- females, <u>veterans</u>, and persons with disabilities.
- 12 (30 ILCS 575/0.01) (from Ch. 127, par. 132.600)
- 13 (Section scheduled to be repealed on September 6, 2004)
- 14 Sec. 0.01. Short title. This Act may be cited as the
- 15 Business Enterprise for Minorities, Females, Veterans, and
- 16 Persons with Disabilities Act.

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- 17 (Source: P.A. 88-597, eff. 8-28-94.)
- 18 (30 ILCS 575/1) (from Ch. 127, par. 132.601)
- 19 (Section scheduled to be repealed on September 6, 2004)
- Sec. 1. Purpose. The State of Illinois declares that it is
- 22 continuing economic development of minority and female owned

the public policy of the State to promote and encourage the

process as both prime and subcontractors. The State of Illinois

- and operated businesses and that minority and female owned and
- operated businesses participate in the State's procurement
- has observed that the goals established in this Act have served
- 27 to increase the participation of minority and female businesses
- in contracts awarded by the State. The State hereby declares
- that the adoption of this amendatory Act of 1989 shall serve
- 30 the State's continuing interest in promoting open access in the
- 31 awarding of State contracts to disadvantaged small business
- 32 enterprises victimized by discriminatory practices.

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Furthermore, after reviewing evidence of the high level of attainment of the 10% minimum goals established under this Act, and, after considering evidence that minority and female businesses, as established in 1982, constituted and continue to constitute more than 10% of the businesses operating in this 6 State, the State declares that the continuation of such 10% minimum goals under this amendatory Act of 1989 is a narrowly tailored means of promoting open access and thus the further growth and development of minority and female businesses.

The State of Illinois further declares that it is the public policy of this State to promote and encourage the continuous economic development of businesses owned by persons with disabilities and a 2% contracting goal is a narrowly tailored means of promoting open access and thus the further growth and development of those businesses.

The State of Illinois further declares that it is the public policy of this State to promote and encourage the continuous economic development of businesses owned veterans and that a 3% contracting goal is a narrowly tailored means of promoting open access and thus the further growth and development of those businesses.

(Source: P.A. 88-597, eff. 8-28-94.) 22

- 23 (30 ILCS 575/2) (from Ch. 127, par. 132.602)
- 24 (Section scheduled to be repealed on September 6, 2004)
- 25 Sec. 2. Definitions.
- 26 (A) For the purpose of this Act, the following terms shall 27 have the following definitions:
- (1) "Minority person" shall mean a person who is a citizen 28 29 or lawful permanent resident of the United States and who is:
- 30 (a) African American (a person having origins in any of 31 the black racial groups in Africa);
- (b) Hispanic (a person of Spanish or Portuguese culture 32 with origins in Mexico, South or Central America, or the 33 Caribbean Islands, regardless of race); 34
- 35 (c) Asian American (a person having origins in any of

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the original peoples of the Far East, Southeast Asia, the
Indian Subcontinent or the Pacific Islands); or

(d) Native American or Alaskan Native (a person having
origins in any of the original peoples of North America).
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- (1.1) "Veteran" means a person who has served in active duty as a member of the United States armed forces, and whose separation from that service was not dishonorable; a member of the Illinois National Guard, called to active military service pursuant to an order of the President of the United States; or a member of any reserve component of the Armed Forces of the United States, called to active military service pursuant to an order of the President of the United States.
- (2) "Female" 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 being disabled under subdivision (2.1) of this subsection (A).
- 20 (2.1) "Disabled" means a severe physical or mental disability that:
- 22 (a) results from:
- amputation,
- 24 arthritis,
- autism,
- 26 blindness,
- 27 burn injury,
- 28 cancer,
- 29 cerebral palsy,
- 30 cystic fibrosis,
- 31 deafness,
- 32 head injury,
- 33 heart disease,
- 34 hemiplegia,
- 35 hemophilia,
- 36 respiratory or pulmonary dysfunction,

- 1 mental retardation,
- 2 mental illness,
- 3 multiple sclerosis,
- 4 muscular dystrophy,
- 5 musculoskeletal disorders,
- 6 neurological disorders, including stroke and epilepsy,
- 7 paraplegia,
- 8 quadriplegia and other spinal cord conditions,
- 9 sickle cell anemia,
- 10 specific learning disabilities, or
- 11 end stage renal failure disease; and
- 12 (b) substantially limits one or more of the person's major
- 13 life activities.

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- Another disability or combination of disabilities may also be considered as a severe disability for the purposes of item (a) of this subdivision (2.1) if it is determined by an evaluation of rehabilitation potential to cause a comparable degree of substantial functional limitation similar to the specific list of disabilities listed in item (a) of this subdivision (2.1).
- 21 (3) "Minority owned business" means a business concern
  22 which is at least 51% owned by one or more minority persons, or
  23 in the case of a corporation, at least 51% of the stock in
  24 which is owned by one or more minority persons; and the
  25 management and daily business operations of which are
  26 controlled by one or more of the minority individuals who own
  27 it.
  - (3.1) "Veteran owned business" or "business owned by veterans" means a business concern which is at least 51% owned by one or more veterans, or in the case of a corporation, at least 51% of the stock in which is owned by one or more veterans; and the management and daily business operations of which are controlled by one or more of the veterans who own it.
- 34 (4) "Female owned business" means a business concern which 35 is at least 51% owned by one or more females, or, in the case of 36 a corporation, at least 51% of the stock in which is owned by

one or more females; and the management and daily business operations of which are controlled by one or more of the females who own it.

- (4.1) "Business owned by a person with a disability" means a business concern that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A 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, Females, <u>Veterans</u>, and Persons with Disabilities created under Section 5 of this Act.
- (5) "State contracts" shall mean all State contracts, funded exclusively with State funds which are not subject to federal reimbursement, whether competitively bid or negotiated as defined by the Secretary of the Council and approved by the Council.

"State construction contracts" means all State contracts entered into by a State agency or State university for the repair, 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 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 Trustees of Illinois State University, the Board of Trustees of Northeastern Illinois University, the Board of Trustees of Northern Illinois University, the Board of Trustees of Western Illinois University, municipalities or other local governmental units, or other State constitutional

officers.

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- (7) "State universities" shall mean 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 Trustees of Illinois State University, the Board of Trustees of Illinois University, the Board of Trustees of Northeastern Illinois University, and the Board of Trustees of Western Illinois University.
- (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 entity is a business owned by a minority, female, veteran, or person with a disability for whatever purpose.
- (9) "Control" means the exclusive or ultimate and sole control of the business including, but not limited to, capital investment and all other financial matters, property, acquisitions, contract negotiations, legal 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 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 concern or business" means a business which has annual gross sales for the most recent fiscal year of less than \$27,000,000, except that a firm with gross sales in excess of that amount may apply to the Council for certification for a

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- particular contract if the firm can demonstrate that the contract would have significant impact on businesses owned by minorities, females, <u>veterans</u>, or persons with disabilities as suppliers or subcontractors or in employment of minorities, females, <u>veterans</u>, or persons with disabilities.
  - (B) When a business concern is owned at least 51% by any combination of minority persons, females, veterans, or persons with disabilities, even though none of the 3 classes alone holds at least a 51% interest, the ownership requirement for purposes of this Act is considered to be met. The certification category for the business is that of the class holding the largest ownership interest in the business. If 2 or more classes have equal ownership interests, the certification category shall be determined by the Department of Central Management Services.
- 16 (Source: P.A. 92-670, eff. 7-16-02.)
- 17 (30 ILCS 575/4) (from Ch. 127, par. 132.604)
- 18 (Section scheduled to be repealed on September 6, 2004)
- 19 Sec. 4. Award of State contracts.
- (a) Except as provided in subsection (b), not less than 12% 20 of the total dollar amount of State contracts, as defined by 21 22 the Secretary of the Council and approved by the Council, shall 23 be established as a goal to be awarded to businesses owned by minorities, females, and persons with disabilities; provided, 24 however, that contracts representing at least five-twelfths of 25 26 the total amount of all State contracts awarded to businesses 27 owned by minorities, females, and persons with disabilities pursuant to this Section shall be awarded to female owned 28 29 businesses, and that contracts representing at least one-sixth 30 of the total amount of all State contracts awarded to 31 businesses owned by minorities, females, and persons with disabilities pursuant to this Section shall be awarded to 32 33 businesses owned by persons with disabilities.
- The above percentage relates to the total dollar amount of State contracts during each State fiscal year, calculated by

- 1 examining independently each type of contract for each agency
- 2 or university which lets such contracts. Only that percentage
- 3 arrangements which represents the participation
- businesses owned by minorities, females, and persons with 4
- 5 disabilities on such contracts shall be included.
- 6 In the case of State construction contracts,
- 7 provisions of subsection (a) requiring a portion of State
- contracts to be awarded to businesses owned and controlled by 8
- persons with disabilities do not apply. Not less than 10% of 9
- the total dollar amount of State construction contracts is 10
- 11 established as a goal to be awarded to minority and female
- 12 owned businesses, and contracts representing 50% of the amount
- 13 of all State construction contracts awarded to minority and
- female owned businesses shall be awarded to female owned 14
- 15 businesses.

- 16 (c) Not less than 3% of the total dollar amount of State
- 17 contracts, as defined by the Secretary of the Council and
- approved by the Council, shall be established as a goal to be 18
- 19 awarded to businesses owned by veterans.
- (Source: P.A. 87-701; 88-597, eff. 8-28-94.) 20
- (30 ILCS 575/5) (from Ch. 127, par. 132.605) 21
- 22 (Section scheduled to be repealed on September 6, 2004)
- Sec. 5. Business Enterprise Council. 23
- 24 (1) To help implement, monitor and enforce the goals of
- 25 this Act, there is created the Business Enterprise Council for
- 26 Minorities, Females, Veterans, and Persons with Disabilities,
- 27 hereinafter referred to as the Council, composed of the
- Secretary of Human Services and the Directors of the Department 28
- 29 of Human Rights, the Department of Commerce and Economic
- 30 Opportunity Community Affairs, the Department of Central
- Management Services, the Department of Transportation and the
- Development Board, their 32 Capital or duly
- representatives. Ten individuals representing businesses that 33
- 34 are minority or female owned or owned by persons with
- disabilities, 2 individuals representing businesses that are 35

owned by veterans, 2 individuals representing the business community, and a representative of public universities shall be appointed by the Governor. These members shall serve 2 year terms and shall be eligible for reappointment. Any vacancy occurring on the Council shall also be filled by the Governor. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Members of the Council shall serve without compensation but shall be reimbursed for any ordinary and necessary expenses incurred in the performance of their duties.

The Director of the Department of Central Management Services shall serve as the Council chairperson and shall select, subject to approval of the council, a Secretary responsible for the operation of the program who shall serve as the Division Manager of the Business Enterprise for Minorities, Females, <u>Veterans</u>, and Persons with Disabilities Division of the Department of Central Management Services.

The Director of each State agency and the chief executive officer of each State university shall appoint a liaison to the Council. The liaison shall be responsible for submitting to the Council any reports and documents necessary under this Act.

- (2) The Council's authority and responsibility shall be to:
- (a) Devise a certification procedure to assure that businesses taking advantage of this Act are legitimately classified as businesses owned by minorities, females, veterans, or persons with disabilities.
- (b) Maintain a list of all businesses legitimately classified as businesses owned by minorities, females, veterans, or persons with disabilities to provide to State agencies and State universities.
- (c) Review rules and regulations for the implementation of the program for businesses owned by minorities, females, <u>veterans</u>, and persons with disabilities.
  - (d) Review compliance plans submitted by each State

agency and State university pursuant to this Act.

- (e) Make annual reports as provided in Section 8f to the Governor and the General Assembly on the status of the program.
- (f) Serve as a central clearinghouse for information on State contracts, including the maintenance of a list of all pending State contracts upon which businesses owned by minorities, females, veterans, and persons with disabilities may bid. At the Council's discretion, maintenance of the list may include 24-hour electronic access to the list along with the bid and application information.
- (g) Establish a toll free telephone number to facilitate information requests concerning the certification process and pending contracts.
- (3) No premium bond rate of a surety company for a bond required of a business owned by a minority, female, veteran, or person with a disability bidding for a State contract shall be higher than the lowest rate charged by that surety company for a similar bond in the same classification of work that would be written for a business not owned by a minority, female, veteran, or person with a disability.
- (4) Any Council member who has direct financial or personal interest in any measure pending before the Council shall disclose this fact to the Council and refrain from participating in the determination upon such measure.
- (5) The Secretary shall have the following duties and responsibilities:
  - (a) To be responsible for the day-to-day operation of the Council.
    - (b) To serve as a coordinator for all of the State's programs for businesses owned by minorities, females, veterans, and persons with disabilities and as the information and referral center for all State initiatives for businesses owned by minorities, females, veterans, and persons with disabilities.

- (c) To establish an enforcement procedure whereby the Council may recommend to the appropriate State legal officer that the State exercise its legal remedies which shall include (1) termination of the contract involved, (2) prohibition of participation by the respondent in public contracts for a period not to exceed one year, (3) imposition of a penalty not to exceed any profit acquired as a result of violation, or (4) any combination thereof. Such procedures shall require prior approval by Council.
- (d) To devise appropriate policies, regulations and procedures for including participation by businesses owned by minorities, females, <u>veterans</u>, and persons with disabilities as prime contractors including, but not limited to, (i) encouraging the inclusions of qualified businesses owned by minorities, females, <u>veterans</u>, and persons with disabilities on solicitation lists, (ii) investigating the potential of blanket bonding programs for small construction jobs, (iii) investigating and making recommendations concerning the use of the sheltered market process.
- (e) To devise procedures for the waiver of the participation goals in appropriate circumstances.
- (f) To accept donations and, with the approval of the Council or the Director of Central Management Services, grants related to the purposes of this Act; to conduct seminars related to the purpose of this Act and to charge reasonable registration fees; and to sell directories, vendor lists and other such information to interested parties, except that forms necessary to become eligible for the program shall be provided free of charge to a business or individual applying for the program.
- 32 (Source: P.A. 88-377; 88-597, eff. 8-28-94; 89-507, eff. 33 7-1-97; revised 12-6-03.)
- 34 (30 ILCS 575/6) (from Ch. 127, par. 132.606)
- 35 (Section scheduled to be repealed on September 6, 2004)

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- Sec. 6. Agency compliance plans. Each State agency and State university under the jurisdiction of this Act shall file with the Council an annual compliance plan which shall outline the goals of the State agency or State university for contracting with businesses owned by minorities, females, veterans, and persons with disabilities for the then current fiscal year, the manner in which the agency intends to reach these goals and a timetable for reaching these goals. The Council shall review and approve the plan of each State agency and State university and may reject any plan that does not comply with this Act or any rules or regulations promulgated pursuant to this Act.
- (a) The compliance plan shall also include, but not be limited to, (1) a policy statement, signed by the State agency or State university head, expressing a commitment to encourage the use of businesses owned by minorities, females, veterans, and persons with disabilities, (2) the designation of the liaison officer provided for in Section 5 of this Act, procedures to distribute to potential contractors and vendors of all businesses legitimately classified businesses owned by minorities, females, veterans, and persons with disabilities and so certified under this Act, (4) procedures to set separate contract goals on specific prime contracts and purchase orders with subcontracting possibilities based upon the type of work or services and subcontractor availability, (5) procedures to assure that contractors and vendors make good faith efforts to meet contract goals, (6) procedures for contract goal exemption, modification and waiver, and (7) the delineation of separate contract goals for businesses owned by minorities, females, veterans, and persons with disabilities.
- (b) Approval of the compliance plans shall include such delegation of responsibilities to the requesting State agency or State university as the Council deems necessary and appropriate to fulfill the purpose of this Act. Such responsibilities may include, but need not be limited to those

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- outlined in subsections (1), (2) and (3) of Section 7 and paragraph (a) of Section 8.
  - (c) Each State agency and State university under the jurisdiction of this Act shall file with the Council an annual report of its utilization of businesses owned by minorities, females, veterans, and persons with disabilities during the preceding fiscal year including lapse period spending and a mid-fiscal year report of its utilization to date for the then current fiscal year. The reports shall include a self-evaluation of the efforts of the State agency or State university to meet its goals under the Act.
- 12 (d) Notwithstanding any provisions to the contrary in this 13 Act, any State agency or State university which administers a construction program, for which federal law or regulations 14 15 establish standards and procedures for the utilization of 16 minority, veteran, disadvantaged, and female-owned business, 17 shall implement a disadvantaged business enterprise program to include minority, veteran, disadvantaged and female-owned 18 19 businesses, using the federal standards and procedures for the 20 establishment of goals and utilization procedures for the State-funded, as well as the federally assisted, portions of 21 22 the program. In such cases, these goals shall not exceed those 23 established pursuant to the relevant federal statutes or regulations. Notwithstanding the provisions of Section 8b, the 24 25 Illinois Department of Transportation is authorized 26 establish sheltered markets for the State-funded portions of 27 the program consistent with federal law and regulations. 28 Additionally, a compliance plan which is filed by such State 29 agency or State university pursuant to this Act, which 30 incorporates equivalent terms and conditions federally-approved compliance plan, shall be deemed approved 31 32 under this Act.
- 33 (Source: P.A. 88-377; 88-597, eff. 8-28-94.)
- 34 (30 ILCS 575/6a) (from Ch. 127, par. 132.606a)
- 35 (Section scheduled to be repealed on September 6, 2004)

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Sec. 6a. Notice of contracts to Council. Except in case of emergency as defined in the Illinois Purchasing Act, or as authorized by rule promulgated by the Department of Central Management Services, each agency and State university under the jurisdiction of this Act shall notify the Secretary of the Council of proposed contracts for professional and artistic services and provide the information in the form and detail as required by rule promulgated by the Department of Central Management Services. Notification may be made through direct written communication to the Secretary to be received at least 14 days before execution of the contract (or the solicitation response date, if applicable) or by advertising in the official State newspaper for at least 3 days, the last of which must be at least 10 days after the first publication. The agency or university must consider any vendor referred by the Secretary before execution of the contract. The provisions of this Section shall not apply to any State agency or State university that has awarded contracts for professional and artistic services to businesses owned by minorities, females, veterans, and persons with disabilities totalling in the aggregate \$5,000,000 or more during the preceding fiscal year.

23 (30 ILCS 575/7) (from Ch. 127, par. 132.607)

24 (Section scheduled to be repealed on September 6, 2004)

(Source: P.A. 87-628; 88-377; 88-597, eff. 8-28-94.)

Sec. 7. Exemptions and waivers.

(1) Individual contract exemptions. The Council, on its own initiative or at the request of the affected agency or university, may permit an individual contract or contract (related contracts being bid package, or awarded simultaneously for the same project or improvements) be made wholly or partially exempt from State contracting goals for businesses owned by minorities, females, veterans, and persons with disabilities prior to the advertisement for bids or solicitation of proposals whenever there has been а determination, reduced to writing and based on the best

information available at the time of the determination, that
there is an insufficient number of businesses owned by
minorities, females, veterans, and persons with disabilities
to ensure adequate competition and an expectation of reasonable
prices on bids or proposals solicited for the individual

contract or contract package in question.

- (2) Class exemptions. (a) Creation. The Council, on its own initiative or at the request of the affected agency or university, may permit an entire class of contracts be made exempt from State contracting goals for businesses owned by minorities, females, veterans, and persons with disabilities whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of qualified businesses owned by minorities, females, veterans, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals within that class.
- 19 (b) Limitation. Any such class exemption shall not be 20 permitted for a period of more than one year at a time.
  - (3) Waivers. Where a particular contract requires a contractor to meet a goal established pursuant to this Act, the contractor shall have the right to request a waiver from such requirements. The Council shall grant the waiver where the contractor demonstrates that there has been made a good faith effort to comply with the goals for participation by businesses owned by minorities, females, veterans, and persons with disabilities.
  - (4) Conflict with other laws. In the event that any State contract, which otherwise would be subject to the provisions of this Act, is or becomes subject to federal laws or regulations which conflict with the provisions of this Act or actions of the State taken pursuant hereto, the provisions of the federal laws or regulations shall apply and the contract shall be interpreted and enforced accordingly.
- 36 (Source: P.A. 88-597, eff. 8-28-94.)

following actions:

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- 1 (30 ILCS 575/8) (from Ch. 127, par. 132.608)
- 2 (Section scheduled to be repealed on September 6, 2004)
- Sec. 8. Enforcement. The Council shall make such findings, recommendations and proposals to the Governor as are necessary and appropriate to enforce this Act. If, as a result of its monitoring activities, the Council determines that its goals and policies are not being met by any State agency or State university, the Council may recommend any or all of the
  - (a) Establish enforcement procedures whereby the Council may recommend to the appropriate State agency, State law enforcement officer that university, or legal or administrative remedies be initiated for violations  $\circ f$ contract provisions or rules issued hereunder or by a contracting State agency or State university. State agencies and State universities shall be authorized to adopt remedies for such violations which shall include (1) termination of the contract involved, (2) prohibition of participation of the respondents in public contracts for a period not to exceed one year, (3) imposition of a penalty not to exceed any profit acquired as a result of violation, or (4) any combination thereof.
  - (b) If the Council concludes that a compliance plan submitted under Section 6 is unlikely to produce the participation goals for businesses owned by minorities, females, veterans, and persons with disabilities within the then current fiscal year, the Council may recommend that the State agency or State university revise its plan to provide additional opportunities for participation by businesses owned by minorities, females, veterans, and persons with disabilities. Such recommended revisions may include, but shall not be limited to, the following:
  - (i) assurances of stronger and better focused solicitation efforts to obtain more businesses owned by minorities, females, <u>veterans</u>, and persons with

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disabilities as potential sources of supply;

- (ii) division of job or project requirements, when economically feasible, into tasks or quantities to permit participation of businesses owned by minorities, females, veterans, and persons with disabilities;
  - (iii) elimination of extended experience or capitalization requirements, when programmatically feasible, to permit participation of businesses owned by females, veterans, and persons with disabilities;
  - (iv) identification of specific proposed contracts as particularly attractive or appropriate for participation by businesses owned by minorities, females, veterans, and persons with disabilities, such identification to result from and be coupled with the efforts of subparagraphs (i) through (iii);
- 17 (v) implementation of those regulations established 18 for the use of the sheltered market process.
- 19 (Source: P.A. 88-377; 88-597, eff. 8-28-94.)
- 20 (30 ILCS 575/8a) (from Ch. 127, par. 132.608a)
- 21 (Section scheduled to be repealed on September 6, 2004)
- 22 Sec. 8a. Advance and progress payments. Any contract awarded to a business owned by a minority, female, veteran, or 23 24 person with a disability pursuant to this Act may contain a 25 provision for advance or progress payments, or both, except 26 that a State construction contract awarded to a minority\_ 27 veteran, or female owned business pursuant to this Act may 28 contain a provision for progress payments but may not contain a 29 provision for advance payments.
- 30 (Source: P.A. 88-597, eff. 8-28-94.)
- 31 (30 ILCS 575/8b) (from Ch. 127, par. 132.608b)
- 32 (Section scheduled to be repealed on September 6, 2004)
- 33 Sec. 8b. Scheduled council meetings; sheltered market. The 34 Council shall conduct regular meetings to carry out its

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1 responsibilities under this Act. At each of the regularly

2 scheduled meetings, time shall be allocated for the Council to

3 receive, review and discuss any evidence regarding past or

present racial, ethnic or gender based discrimination which

directly impacts State contracting with businesses owned by

6 minorities, females, veterans, and persons with disabilities.

7 If after reviewing such evidence the Council finds that there

8 is or has been such discrimination against a specific group,

9 race or sex, the Council shall establish sheltered markets or

adjust existing sheltered markets tailored to address the

11 Council's specific findings.

"Sheltered market" shall mean a procurement procedure whereby certain contracts are selected and specifically set aside for businesses owned by minorities, females, veterans, and persons with disabilities on a competitive bid or

16 negotiated basis.

As part of the annual report which the Council must file pursuant to paragraph (e) of subsection (2) of Section 5, the Council shall report on any findings made pursuant to this Section.

21 (Source: P.A. 88-597, eff. 8-28-94.)

22 (30 ILCS 575/8f)

23 (Section scheduled to be repealed on September 6, 2004)

Sec. 8f. Annual report. The Council shall file no later than March 1 of each year, an annual report that shall detail the level of achievement toward the goals specified in this Act over the 3 most recent fiscal years. The annual report shall

include, but need not be limited to the following:

- (1) a summary detailing State appropriations subject to the goals, the actual goals specified, and the goals attained by each State agency and State university;
- 32 (2) a summary of the number of contracts awarded and 33 the average contract amount by each State agency and State 34 university;
  - (3) an analysis of the level of overall goal

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- achievement concerning purchases from minority businesses,

  female-owned businesses, veteran-owned businesses, and

  businesses owned by persons with disabilities;
  - (4) an analysis of the number of businesses owned by minorities, females, <u>veterans</u>, and persons with disabilities that are certified under the program as well as the number of those businesses that received State procurement contracts; and
- 9 (5) a summary of the number of contracts awarded to
  10 businesses with annual gross sales of less than \$1,000,000;
  11 of \$1,000,000 or more, but less than \$5,000,000; of
  12 \$5,000,000 or more, but less than \$10,000,000; and of
  13 \$10,000,000 or more.
- 14 (Source: P.A. 88-597, eff. 8-28-94.)
- 15 (30 ILCS 575/9) (from Ch. 127, par. 132.609)
- 16 (Section scheduled to be repealed on September 6, 2004)
- Sec. 9. This Act is repealed September 6, 2008 <del>2004</del>.
- 18 (Source: P.A. 91-392, eff. 7-30-99; 91-476, eff. 8-11-99.)
- 19 Section 35. The Build Illinois Act is amended by changing
- 20 Section 9-4.3 as follows:
- 21 (30 ILCS 750/9-4.3) (from Ch. 127, par. 2709-4.3)
- Sec. 9-4.3. Minority, female, veteran, and disability
- loans.
- 24 (a) In the making of loans for minority, female, veteran,
- 25 or disability small businesses, as defined below, the
- 26 Department is authorized to employ different criteria in lieu
- of the general provisions of subsections (b), (d), (e), (f),
- 28 (h), and (i) of Section 9-4.
- 29 Minority, female, veteran, or disability small businesses,
- 30 for the purpose of this Section, shall be defined as small
- 31 businesses that are, in the Department's judgment, at least 51%
- 32 owned and managed by one or more persons who are minority,
- female, veterans, or disabled.

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- (b) Loans made pursuant to this Section:
  - (1) Shall not exceed \$50,000 or 50% of the business project costs unless the Director of the Department determines that a waiver of these limits is required to meet the purposes of this Act.
  - (2) Shall only be made if, in the Department's judgment, the number of jobs to be created or retained is reasonable in relation to the loan funds requested.
  - Shall be protected by security. Financial assistance may be secured by first, second or subordinate mortgage positions on real or personal property, by royalty payments, by personal notes or guarantees, or by any other satisfactory to Department to security the repayment. Security valuation requirements, as determined by the Department, for the purposes of this Section, may be less than required for similar loans not covered by this Section, provided the applicants demonstrate adequate experience, entrepreneurial business training combination thereof, as determined by the Department.
  - (4) Shall be in such principal amount and form and contain such terms and provisions with respect to security, insurance, reporting, delinquency charges, default remedies, and other matters as the Department shall determine appropriate to protect the public interest and consistent with the purposes of this Section. The terms and provisions may be less than required for similar loans not covered by this Section.
- 28 (Source: P.A. 87-1177; 88-422.)
- Section 40. The Illinois Pension Code is amended by changing Sections 1-109.1 and 15-167.3 as follows:
- 31 (40 ILCS 5/1-109.1) (from Ch. 108 1/2, par. 1-109.1)
- 32 Sec. 1-109.1. Allocation and Delegation of Fiduciary
- 33 Duties.
- 34 (1) Subject to the provisions of Section 22A-113 of this

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- 1 Code and subsections (2) and (3) of this Section, the board of 2 trustees of a retirement system or pension fund established 3 under this Code may:
  - (a) Appoint one or more investment managers as fiduciaries to manage (including the power to acquire and dispose of) any assets of the retirement system or pension fund; and
  - (b) Allocate duties among themselves and designate others as fiduciaries to carry out specific fiduciary activities other than the management of the assets of the retirement system or pension fund.
  - (2) The board of trustees of a pension fund established under Article 5, 6, 8, 9, 10, 11, 12 or 17 of this Code may not transfer its investment authority, nor transfer the assets of the fund to any other person or entity for the purpose of consolidating or merging its assets and management with any other pension fund or public investment authority, unless the board resolution authorizing such transfer is submitted for approval to the contributors and pensioners of the fund at elections held not less than 30 days after the adoption of such resolution by the board, and such resolution is approved by a majority of the votes cast on the question in both the contributors election and the pensioners election. The election procedures and qualifications governing the election of trustees shall govern the submission of resolutions for approval under this paragraph, insofar as they may be made applicable.
  - (3) Pursuant to subsections (h) and (i) of Section 6 of Article VII of the Illinois Constitution, the investment authority of boards of trustees of retirement systems and pension funds established under this Code is declared to be a subject of exclusive State jurisdiction, and the concurrent exercise by a home rule unit of any power affecting such investment authority is hereby specifically denied and preempted.
    - (4) For the purposes of this Code, "emerging investment

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1 manager" means a qualified investment adviser that manages an

2 investment portfolio of at least \$10,000,000 but less than

3 \$400,000,000 on January 1, 1993 and is a "minority owned

business" or "female owned business" as those terms are defined

in the Business Enterprise for Minorities, Females, Veterans,

and Persons with Disabilities Act.

It is hereby declared to be the public policy of the State of Illinois to encourage the trustees of public employee retirement systems to use emerging investment managers in managing their system's assets to the greatest extent feasible within the bounds of financial and fiduciary prudence, and to take affirmative steps to remove any barriers to the full participation of emerging investment managers in investment opportunities afforded by those retirement systems.

Each retirement system subject to this Code shall prepare a report to be submitted to the Governor and the General Assembly by September 1 of each year. The report shall identify the emerging investment managers used by the system, the percentage of the system's assets under the investment control of emerging investment managers, and the actions it has undertaken to increase the use of emerging investment managers, including encouraging other investment managers to use emerging investment managers as subcontractors when the opportunity arises.

The use of an emerging investment manager does not constitute a transfer of investment authority for the purposes of subsection (2) of this Section.

28 (Source: P.A. 92-16, eff. 6-28-01.)

29 (40 ILCS 5/15-167.3)

Sec. 15-167.3. To use emerging investment managers, minority-owned businesses, female-owned businesses, and businesses owned by persons with disabilities in managing the System's assets.

(a) For the purposes of this Section:

"Emerging investment manager" means a qualified investment

adviser that manages an investment portfolio of at least \$10,000,000 but less than \$500,000,000 and is a minority-owned business, female-owned business, or business owned by a person with a disability, as those terms are defined in this Section.

"Minority-owned business" means a business concern that is at least 51% owned by one or more minority persons or, in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority persons who own it.

"Female owned business" means a business concern that is at least 51% owned by one or more females or, in the case of a corporation, at least 51% of the stock in which is owned by one or more females; and the management and daily business operations of which are controlled by one or more of the females who own it.

"Business owned by a person with a disability" means a business concern that is at least 51% owned by one or more persons with disabilities and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it.

"Minority person", "female", and "person with a disability" have the meanings given them in the Business Enterprise for Minorities, Females, <u>Veterans</u>, and Persons with Disabilities Act.

(b) It is hereby declared to be the public policy of the State of Illinois to encourage the trustees of the System to use emerging investment managers, minority-owned businesses, female-owned businesses, and businesses owned by persons with disabilities in managing the System's assets to the greatest extent feasible within the bounds of financial and fiduciary prudence, and to take affirmative steps to remove any barriers to the full participation of emerging investment managers, minority-owned businesses, female-owned businesses, and businesses owned by persons with disabilities in investment opportunities afforded by the System.

- 1 (c) The System shall prepare a report to be submitted to 2 the Governor and the General Assembly by September 1 of each year. The report shall identify the emerging investment 3 managers, minority-owned businesses, female-owned businesses, 4 5 and businesses owned by persons with disabilities used by the 6 the percentage of the System's assets under the System, investment control of those managers and businesses, and the 7 actions the System has undertaken to increase the use of those 8 encouraging 9 and businesses, including managers 10 investment managers to use emerging investment managers, 11 minority-owned businesses, female-owned businesses, and 12 businesses owned by persons with disabilities as 13 subcontractors when the opportunity arises.
- (d) With respect to this System, this Section supersedes the provisions of subsection (4) of Section 1-109.1 of this Code.
- 17 (Source: P.A. 92-749, eff. 8-2-02.)
- Section 45. The Metropolitan Pier and Exposition Authority

  Act is amended by changing Section 23.1 as follows:
- 20 (70 ILCS 210/23.1) (from Ch. 85, par. 1243.1)
- 21 Sec. 23.1. Affirmative action.
- (a) The Authority shall, within 90 days after the effective 22 date of this amendatory Act of 1984, establish and maintain an 23 24 affirmative action program designed to promote 25 employment opportunity and eliminate the effects of past 26 discrimination. Such program shall include a plan, including 27 timetables where appropriate, which shall specify goals and 28 methods for increasing participation by women and minorities in 29 employment by the Authority and by parties which contract with 30 the Authority. The Authority shall submit a detailed plan with the General Assembly prior to September 1 of each year. Such 31 also establish procedures 32 shall and sanctions program 33 (including debarment), which the Authority shall enforce to 34 ensure compliance with the plan established pursuant to this

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Section and with State and federal laws and regulations relating to the employment of women and minorities. A determination by the Authority as to whether a party to a contract with the Authority has achieved the goals or employed the methods for increasing participation by women and minorities shall be determined in accordance with the terms of such contracts or the applicable provisions of rules and regulations of the Authority existing at the time such contract was executed, including any provisions for consideration of good faith efforts at compliance which the Authority may reasonably adopt.

(b) The Authority shall adopt and maintain minority and female owned business enterprise procurement programs under the affirmative action program described in subsection (a) for any and all work undertaken by the Authority. That work shall include, but is not limited to, the purchase of professional services. construction services, supplies, materials, equipment. The programs shall establish goals of awarding not less than 25% of the annual dollar value of all contracts, purchase orders, or other agreements (collectively referred to as "contracts") to minority owned businesses and 5% of the annual dollar value of all contracts to female owned businesses. Without limiting the generality of the foregoing, connection the programs shall require in with the prequalification or consideration of vendors for professional service contracts, construction contracts, and contracts for supplies, materials, equipment, and services that each proposer or bidder submit as part of his or her proposal or bid a commitment detailing how he or she will expend 25% or more of the dollar value of his or her contracts with one or more minority owned businesses and 5% or more of the dollar value with one or more female owned businesses. Bids or proposals not include such detailed commitments are not that do responsive and shall be rejected unless the Authority deems it appropriate to grant a waiver of these requirements. addition the Authority may, in connection with the selection of

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providers of professional services, reserve the right to select a minority or female owned business or businesses to fulfill the commitment to minority and female business participation. The commitment to minority and female business participation may be met by the contractor or professional service provider's status as a minority or female owned business, by joint venture or by subcontracting a portion of the work with or purchasing materials for the work from one or more such businesses, or by any combination thereof. Each contract shall require the contractor or provider to submit a certified monthly report detailing the status of that contractor or provider's compliance with the Authority's minority and female owned business enterprise procurement program. The Authority, after reviewing the monthly reports of the contractors and providers, shall compile a comprehensive report regarding compliance with this procurement program and file it quarterly with the General Assembly. If, in connection with a particular contract, the Authority determines that it is impracticable or excessively costly to obtain minority or female owned businesses to perform sufficient work to fulfill the commitment required by this subsection, the Authority shall reduce or waive the commitment in the contract, as may be appropriate. The Authority shall establish rules and regulations setting forth the standards to be used in determining whether or not a reduction or waiver is appropriate. The terms "minority owned business" and "female owned business" have the meanings given to those terms in the Business Enterprise for Minorities, Females, Veterans, and Persons with Disabilities Act.

(c) The Authority shall adopt and maintain an affirmative action program in connection with the hiring of minorities and women on the Expansion Project and on any and all construction projects undertaken by the Authority. The program shall be designed to promote equal employment opportunity and shall specify the goals and methods for increasing the participation of minorities and women in a representative mix of job classifications required to perform the respective contracts

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awarded by the Authority.

- (d) In connection with the Expansion Project, the Authority shall incorporate the following elements into its minority and female owned business procurement programs to the extent feasible: (1) a major contractors program that permits minority businesses and female owned businesses significant responsibility and risk for a portion of the project; (2) a mentor/protege program that provides financial, technical, managerial, equipment, and personnel support to minority owned businesses and female owned businesses; (3) an emerging firms program that includes minority owned businesses and female owned businesses that would not otherwise qualify for the project due to inexperience or limited resources; (4) a small projects program that includes participation by smaller minority owned businesses and female owned businesses on jobs where the total dollar value is \$5,000,000 or less; and (5) a set-aside program that will identify contracts requiring the expenditure of funds less than \$50,000 for bids to be submitted solely by minority owned businesses and female businesses.
- (e) The Authority is authorized to enter into agreements with contractors' associations, labor unions, and the contractors working on the Expansion Project to establish an Apprenticeship Preparedness Training Program to provide for an increase in the number of minority and female journeymen and apprentices in the building trades and to enter into agreements with Community College District 508 to provide readiness training. The Authority is further authorized to enter into contracts with public and private educational institutions and persons in the hospitality industry to provide training for employment in the hospitality industry.
- (f) McCormick Place Advisory Board. There is created a McCormick Place Advisory Board composed as follows: 2 members shall be appointed by the Mayor of Chicago; 2 members shall be appointed by the Governor; 2 members shall be State Senators appointed by the President of the Senate; 2 members shall be

absence.

State Senators appointed by the Minority Leader of the Senate;

2 members shall be State Representatives appointed by the Speaker of the House of Representatives; and 2 members shall be State Representatives appointed by the Minority Leader of the House of Representatives. The terms of all previously appointed members of the Advisory Board expire on the effective date of this amendatory Act of the 92nd General Assembly. A State Senator or State Representative member may appoint a designee to serve on the McCormick Place Advisory Board in his or her

A "member of a minority group" shall mean a person who is a citizen or lawful permanent resident of the United States and who is

- (1) Black (a person having origins in any of the black racial groups in Africa);
- (2) Hispanic (a person of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands, regardless of race);
- (3) Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); or
- (4) American Indian or Alaskan Native (a person having origins in any of the original peoples of North America).

Members of the McCormick Place Advisory Board shall serve 2-year terms and until their successors are appointed, except members who serve as a result of their elected position whose terms shall continue as long as they hold their designated elected positions. Vacancies shall be filled by appointment for the unexpired term in the same manner as original appointments are made. The McCormick Place Advisory Board shall elect its own chairperson.

Members of the McCormick Place Advisory Board shall serve without compensation but, at the Authority's discretion, shall be reimbursed for necessary expenses in connection with the performance of their duties.

The McCormick Place Advisory Board shall meet quarterly, or

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- as needed, shall produce any reports it deems necessary, and shall:
  - (1) Work with the Authority on ways to improve the area physically and economically;
    - (2) Work with the Authority regarding potential means for providing increased economic opportunities to minorities and women produced indirectly or directly from the construction and operation of the Expansion Project;
    - (3) Work with the Authority to minimize any potential impact on the area surrounding the McCormick Place Expansion Project, including any impact on minority or female owned businesses, resulting from the construction and operation of the Expansion Project;
    - (4) Work with the Authority to find candidates for building trades apprenticeships, for employment in the hospitality industry, and to identify job training programs;
    - (5) Work with the Authority to implement the provisions of subsections (a) through (e) of this Section in the construction of the Expansion Project, including the Authority's goal of awarding not less than 25% and 5% of the annual dollar value of contracts to minority and female owned businesses, the outreach program for minorities and women, and the mentor/protege program for providing assistance to minority and female owned businesses.
- 26 (Source: P.A. 91-422, eff. 1-1-00; 92-16, eff. 6-28-01; 92-208, eff. 8-2-01.)
- Section 50. The Illinois Sports Facilities Authority Act is amended by changing Section 9 as follows:
- 30 (70 ILCS 3205/9) (from Ch. 85, par. 6009)
- Sec. 9. Duties. In addition to the powers set forth elsewhere in this Act, subject to the terms of any agreements with the holders of the Authority's bonds or notes, the Authority shall:

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- (1) Comply with all zoning, building, and land use controls of the municipality within which is located any stadium facility owned by the Authority or for which the Authority provides financial assistance.
- (2) With respect to a facility owned or to be owned by the Authority, enter or have entered into a management agreement with a tenant of the Authority to operate the facility that requires the tenant to operate the facility for a period at least as long as the term of any bonds finance the development, establishment, construction, erection, acquisition, reconstruction, remodeling, adding to, extension, improvement, equipping, operation, and maintenance of the facility. Such agreement shall contain appropriate and reasonable provisions with respect to termination, default and legal remedies.
- (3) With respect to a facility owned or to be owned by a governmental owner other than the Authority, enter into an assistance agreement with either a governmental owner of a facility or its tenant, or both, that requires the tenant, or if the tenant is not a party to the assistance agreement requires the governmental owner to enter into an agreement with the tenant that requires the tenant to use the facility for a period at least as long as the term of any bonds issued to finance the reconstruction, renovation, remodeling, extension or improvement of all or substantially all of the facility.
- (4) Create and maintain a separate financial reserve for repair and replacement of capital assets of any facility owned by the Authority or for which the Authority provides financial assistance and deposit into this reserve not less than \$1,000,000 per year for each such facility beginning at such time as the Authority and the tenant, or the Authority and a governmental owner of a facility, as applicable, shall agree.
  - (5) In connection with prequalification of general

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contractors for the construction of a new stadium facility or the reconstruction, removation, remodeling, extension, or improvement of all or substantially all of an existing facility, the Authority shall require submission of a commitment detailing how the general contractor will expend 25% or more of the dollar value of the general contract with one or more minority business enterprises and 5% or more of the dollar value with one or more female business enterprises. This commitment may be met by contractor's status as a minority business enterprise or female business enterprise, by a joint venture or by subcontracting a portion of the work with or by purchasing materials for the work from one or more such enterprises, or by any combination thereof. Any contract with the general contractor for construction of the new stadium facility and any contract for the reconstruction, renovation, remodeling, adding to, extension orimprovement of all or substantially all of an existing facility shall require the general contractor to meet the foregoing obligations and shall require monthly reporting the Authority with respect to the status of implementation of the contractor's affirmative action plan and compliance with that plan. This report shall be filed with the General Assembly. The Authority shall establish and maintain an affirmative action program designed to promote equal employment opportunity which specifies the goals and methods for increasing participation by minorities and women in a representative mix of job classifications required to perform the respective contracts. The Authority shall file a report before March 1 of each year with the General Assembly detailing its implementation of this paragraph. The terms "minority business enterprise" and "female business enterprise" shall have the same meanings as "minority owned business" and "female owned business", respectively, as defined in the Business Enterprise for Minorities, Females, Veterans,

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and Persons with Disabilities Act.

(6) Provide for the construction of any new facility pursuant to one or more contracts which require delivery of a completed facility at a fixed maximum price to be insured or guaranteed by a third party determined by the Authority to be financially capable of causing completion of such construction of the new facility.

In connection with any assistance agreement with governmental owner that provides financial assistance for a facility to be used by a National Football League team, the assistance agreement shall provide that the Authority or its agent shall enter into the contract or contracts for the design and construction services or design/build services for such facility and thereafter transfer its rights and obligations under the contract or contracts to the governmental owner of the facility. In seeking parties to provide design and construction services or design/build services with respect to such facility, the Authority may use such procurement procedures as it may determine, including, without limitation, selection of design professionals and construction managers or design/builders as may be required by a team that is at risk, in whole or in part, for the cost of design and construction of the facility.

An assistance agreement may not provide, directly or indirectly, for the payment to the Chicago Park District of more than a total of \$10,000,000 on account of the District's loss of property or revenue in connection with the renovation of a facility pursuant to the assistance agreement.

29 (Source: P.A. 91-935, eff. 6-1-01; 92-16, eff. 6-28-01.)

30 Section 55. The Downstate Illinois Sports Facilities 31 Authority Act is amended by changing Section 40 as follows:

- 32 (70 ILCS 3210/40)
- 33 Sec. 40. Duties.
- 34 (a) In addition to the powers set forth elsewhere in this

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- Act, subject to the terms of any agreements with the holders of the Authority's evidences of indebtedness, the Authority shall do the following:
  - (1) Comply with all zoning, building, and land use controls of the municipality within which is located any stadium facility owned by the Authority or for which the Authority provides financial assistance.
  - (2) Enter into a loan agreement with an owner of a facility to finance the acquisition, construction, maintenance, or rehabilitation of the facility. The agreement shall contain appropriate and reasonable provisions with respect to termination, default, and legal remedies. The loan may be at below-market interest rates.
  - (3) Create and maintain a financial reserve for repair and replacement of capital assets.
  - (b) In a loan agreement for the construction of a new facility, in connection with prequalification of general contractors for construction of the facility, the Authority shall require that the owner of the facility require submission of a commitment detailing how the general contractor will expend 25% or more of the dollar value of the general contract with one or more minority business enterprises and 5% or more of the dollar value with one or more female business enterprises. This commitment may be met by contractor's status minority business enterprise or female business enterprise, by a joint venture, or by subcontracting a portion of the work with or by purchasing materials for the work from one or more such enterprises, or by any combination thereof. Any contract with the general contractor for construction of the new facility shall require the general contractor to meet the foregoing obligations and shall require monthly reporting the Authority with respect to the status implementation of the contractor's affirmative action plan and compliance with that plan. This report shall be filed with the General Assembly. The Authority shall require that the facility owner establish and maintain an affirmative action program

- 1 designed to promote equal employment opportunity and that
- 2 specifies the goals and methods for increasing participation by
- 3 minorities and women in a representative mix of job
- 4 classifications required to perform the respective contracts.
- 5 The Authority shall file a report before March 1 of each year
- 6 with the General Assembly detailing its implementation of this
- 7 subsection. The terms "minority business enterprise" and
- 8 "female business enterprise" have the meanings provided in the
- 9 Business Enterprise for Minorities, Females, <u>Veterans</u>, and
- 10 Persons with Disabilities Act.
- 11 (c) With respect to a facility owned or to be owned by the
- 12 Authority, enter or have entered into a management agreement
- with a tenant of the Authority to operate the facility that
- 14 requires the tenant to operate the facility for a period at
- least as long as the term of any bonds issued to finance the
- 16 development, establishment, construction, erection,
- 17 acquisition, repair, reconstruction, remodeling, adding to,
- 18 extension, improvement, equipping, operation, and maintenance
- of the facility. Such agreement shall contain appropriate and
- 20 reasonable provisions with respect to termination, default,
- 21 and legal remedies.
- 22 (Source: P.A. 93-227, eff. 1-1-04.)
- Section 60. The Illinois State University Law is amended by
- 24 changing Section 20-115 as follows:
- 25 (110 ILCS 675/20-115)
- Sec. 20-115. Illinois Institute for Entrepreneurship
- 27 Education.
- 28 (a) There is created, effective July 1, 1997, within the
- 29 State at Illinois State University, the Illinois Institute for
- 30 Entrepreneurship Education, hereinafter referred to as the
- 31 Institute.
- 32 (b) The Institute created under this Section shall commence
- its operations on July 1, 1997 and shall have a board composed
- 34 of 15 members representative of education, commerce and

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industry, government, or labor, appointed as follows: 2 members shall be appointees of the Governor, one of whom shall be a minority or female person as defined in Section 2 of the Business Enterprise for Minorities, Females, Veterans, and Persons with Disabilities Act; one member shall be an appointee of the President of the Senate; one member shall be an appointee of the Minority Leader of the Senate; one member shall be an appointee of the Speaker of the House of Representatives; one member shall be an appointee of the Minority Leader of the House of Representatives; 2 members shall be appointees of Illinois State University; one member shall be an appointee of the Board of Higher Education; one member shall be an appointee of the State Board of Education; one member shall be an appointee of the Department of Commerce and Economic Opportunity Community Affairs; one member shall be an appointee of the Illinois chapter of Economics America; and 3 members shall be appointed by majority vote of the other 12 appointed members to represent business owner-entrepreneurs. Each member shall have expertise and experience in the area of entrepreneurship education, including small business entrepreneurship. The majority of voting members must be from the private sector. The members initially appointed to the board of the Institute created under this Section shall be appointed to take office on July 1, 1997 and shall by lot determine the length of their respective terms as follows: 5 members shall be selected by lot to serve terms of one year, 5 members shall be selected by lot to serve terms of 2 years, and 5 members shall be selected by lot to serve terms of 3 years. Subsequent appointees shall each serve terms of 3 years. The board shall annually select a chairperson from among its members. Each board member shall serve without compensation but shall be reimbursed for expenses incurred in the performance of his or her duties.

(c) The purpose of the Institute shall be to foster the growth and development of entrepreneurship education in the State of Illinois. The Institute shall help remedy the

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deficiencies in the preparation of entrepreneurship education quality teachers, increase the and quantity of entrepreneurship education programs, improve instructional materials, and prepare personnel to serve as leaders and consultants in the field of entrepreneurship education and economic development. The Institute shall entrepreneurship as a career option, promote and support the development of innovative entrepreneurship education materials and delivery systems, promote business, industry, education partnerships, promote collaboration and involvement in entrepreneurship education programs, encourage and support in-service and preservice teacher education programs within various educational systems, and develop and distribute relevant materials. The Institute shall provide a framework under which the public and private sectors may work together toward entrepreneurship education goals. These goals shall be achieved by bringing together programs that have an impact on entrepreneurship education to achieve coordination agencies and greater efficiency in the expenditure of funds.

- (d) Beginning July 1, 1997, the Institute shall have the following powers subject to State and Illinois State University Board of Trustees regulations and guidelines:
  - (1) To employ and determine the compensation of an executive director and such staff as it deems necessary;
  - (2) To own property and expend and receive funds and generate funds;
  - (3) To enter into agreements with public and private entities in the furtherance of its purpose; and
  - (4) To request and receive the cooperation and assistance of all State departments and agencies in the furtherance of its purpose.
- (e) The board of the Institute shall be a policy making body with the responsibility for planning and developing Institute programs. The Institute, through the Board of Trustees of Illinois State University, shall annually report to the Governor and General Assembly by January 31 as to its

- 1 activities and operations, including its findings and 2 recommendations.
- (f) Beginning on July 1, 1997, the Institute created under 3 this Section shall be deemed designated by law as the successor 4 5 to the Illinois Institute for Entrepreneurship Education, 6 previously created and existing under Section 2-11.5 of the Public Community College Act until its abolition on July 1, 7 1997 as provided in that Section. On July 1, 1997, all 8 9 financial and other records of the Institute so abolished and all of its property, whether real or personal, including but 10 11 not limited to all inventory and equipment, shall be deemed 12 transferred by operation of law to the Illinois Institute for Entrepreneurship Education created under this Section 20-115. 13 The Illinois Institute for Entrepreneurship Education created 14 under this Section 20-115 shall have, with respect to the 15 16 predecessor Institute so abolished, all authority, powers, and 17 duties of a successor agency under Section 10-15 of the
- 19 (Source: P.A. 90-278, eff. 7-31-97; revised 12-6-03.)

Successor Agency Act.

- 20 Section 65. The Illinois Horse Racing Act of 1975 is 21 amended by changing Section 12.1 as follows:
- 22 (230 ILCS 5/12.1) (from Ch. 8, par. 37-12.1)
- Sec. 12.1. (a) The General Assembly finds that the Illinois
  Racing Industry does not include a fair proportion of minority
  or female workers.
- Therefore, the General Assembly urges that the job training institutes, trade associations and employers involved in the Illinois Horse Racing Industry take affirmative action to encourage equal employment opportunity to all workers regardless of race, color, creed or sex.
- Before an organization license, inter-track wagering license or inter-track wagering location license can be granted, the applicant for any such license shall execute and file with the Board a good faith affirmative action plan to

- 1 recruit, train and upgrade minorities and females in all
- 2 classifications with the applicant for license. One year after
- 3 issuance of any such license, and each year thereafter, the
- 4 licensee shall file a report with the Board evidencing and
- 5 certifying compliance with the originally filed affirmative
- 6 action plan.
- 7 (b) At least 10% of the total amount of all State contracts
- 8 for the infrastructure improvement of any race track grounds in
- 9 this State shall be let to minority owned businesses or female
- owned businesses. "State contract", "minority owned business"
- and "female owned business" shall have the meanings ascribed to
- 12 them under the Business Enterprise for Minorities, Females,
- 13 Veterans, and Persons with Disabilities Act.
- 14 (Source: P.A. 92-16, eff. 6-28-01.)
- 15 Section 70. The Riverboat Gambling Act is amended by
- 16 changing Sections 4 and 11.2 as follows:
- 17 (230 ILCS 10/4) (from Ch. 120, par. 2404)
- 18 Sec. 4. Definitions. As used in this Act:
- 19 (a) "Board" means the Illinois Gaming Board.
- 20 (b) "Occupational license" means a license issued by the
- Board to a person or entity to perform an occupation which the
- 22 Board has identified as requiring a license to engage in
- 23 riverboat gambling in Illinois.
- (c) "Gambling game" includes, but is not limited to,
- 25 baccarat, twenty-one, poker, craps, slot machine, video game of
- 26 chance, roulette wheel, klondike table, punchboard, faro
- layout, keno layout, numbers ticket, push card, jar ticket, or
- pull tab which is authorized by the Board as a wagering device
- 29 under this Act.
- 30 (d) "Riverboat" means a self-propelled excursion boat, a
- 31 permanently moored barge, or permanently moored barges that are
- 32 permanently fixed together to operate as one vessel, on which
- lawful gambling is authorized and licensed as provided in this
- 34 Act.

- 1 (e) "Managers license" means a license issued by the Board
- 2 to a person or entity to manage gambling operations conducted
- 3 by the State pursuant to Section  $\frac{7.3}{7.2}$ .
- 4 (f) "Dock" means the location where a riverboat moors for
- 5 the purpose of embarking passengers for and disembarking
- 6 passengers from the riverboat.
- 7 (g) "Gross receipts" means the total amount of money
- 8 exchanged for the purchase of chips, tokens or electronic cards
- 9 by riverboat patrons.
- 10 (h) "Adjusted gross receipts" means the gross receipts less
- 11 winnings paid to wagerers.
- 12 (i) "Cheat" means to alter the selection of criteria which
- 13 determine the result of a gambling game or the amount or
- 14 frequency of payment in a gambling game.
- 15 (j) "Department" means the Department of Revenue.
- 16 (k) "Gambling operation" means the conduct of authorized
- 17 gambling games upon a riverboat.
- 18 (1) "License bid" means the lump sum amount of money that
- an applicant bids and agrees to pay the State in return for an
- owners license that is re-issued on or after July 1, 2003.
- 21 (m) The terms "minority person" and "female" shall have the
- 22 same meaning as defined in Section 2 of the Business Enterprise
- 23 for Minorities, Females, <u>Veterans</u>, and Persons with
- 24 Disabilities Act.
- 25 (Source: P.A. 92-600, eff. 6-28-02; 93-28, eff. 6-20-03;
- 26 revisory 1-28-04.)
- 27 (230 ILCS 10/11.2)
- Sec. 11.2. Relocation of riverboat home dock.
- 29 (a) A licensee that was not conducting riverboat gambling
- on January 1, 1998 may apply to the Board for renewal and
- 31 approval of relocation to a new home dock location authorized
- 32 under Section 3(c) and the Board shall grant the application
- and approval upon receipt by the licensee of approval from the
- new municipality or county, as the case may be, in which the
- 35 licensee wishes to relocate pursuant to Section 7(j).

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- 1 (b) Any licensee that relocates its home dock pursuant to 2 this Section shall attain a level of at least 20% minority person and female ownership, at least 16% and 4% respectively, 3 within a time period prescribed by the Board, but not to exceed 4 5 12 months from the date the licensee begins conducting gambling 6 at the new home dock location. The 12-month period shall be extended by the amount of time necessary to conduct a 7 background investigation pursuant to Section 6. For the 8 9 purposes of this Section, the terms "female" and "minority person" have the meanings provided in Section 2 of the Business 10 11 Enterprise for Minorities, Females, Veterans, and Persons with 12 Disabilities Act.
- Section 75. The Criminal Code of 1961 is amended by changing Sections 33C-2, 33C-3, 33C-5, and 33E-2 as follows:
- 16 (720 ILCS 5/33C-2) (from Ch. 38, par. 33C-2)

(Source: P.A. 91-40, eff. 6-25-99.)

- 17 Sec. 33C-2. Willfully making a false statement. A person 18 who, in the course of business, willfully makes a false 19 statement whether by affidavit, report representation, to an official or employee of a State agency or 20 21 the Minority and Female Business Enterprise Council for Minorities, Females, Veterans, and Persons with Disabilities 22 23 for the purpose of influencing the certification or denial of 24 certification of any business entity as a minority owned 25 business or female owned business commits a Class 2 felony.
- 27 (720 ILCS 5/33C-3) (from Ch. 38, par. 33C-3)

(Source: P.A. 84-192.)

Sec. 33C-3. Willfully obstructing or impeding an official or employee of any agency in his investigation. Any person who, in the course of business, willfully obstructs or impedes an official or employee of any State agency or the Minority and Female Business Enterprise Council for Minorities, Females, Veterans, and Persons with Disabilities who is investigating

- 1 the qualifications of a business entity which has requested
- 2 certification as a minority owned business or a female owned
- 3 business commits a Class 2 felony.
- 4 (Source: P.A. 84-192.)
- 5 (720 ILCS 5/33C-5) (from Ch. 38, par. 33C-5)
- 6 Sec. 33C-5. Definitions. As used in this Article, "minority
- owned business", "female owned business", "State agency" and
- 8 "certification" shall have the meanings ascribed to them in
- 9 Section 2 of the Business Enterprise for Minorities, Females,
- 10 <u>Veterans</u>, and Persons with Disabilities Act.
- 11 (Source: P.A. 92-16, eff. 6-28-01.)
- 12 (720 ILCS 5/33E-2) (from Ch. 38, par. 33E-2)
- 13 Sec. 33E-2. Definitions. In this Act:
- 14 (a) "Public contract" means any contract for goods,
- services or construction let to any person with or without bid
- by any unit of State or local government.
- 17 (b) "Unit of State or local government" means the State,
- any unit of state government or agency thereof, any county or
- 19 municipal government or committee or agency thereof, or any
- other entity which is funded by or expends tax dollars or the
- 21 proceeds of publicly guaranteed bonds.
- (c) "Change order" means a change in a contract term other
- 23 than as specifically provided for in the contract which
- 24 authorizes or necessitates any increase or decrease in the cost
- of the contract or the time to completion.
- 26 (d) "Person" means any individual, firm, partnership,
- 27 corporation, joint venture or other entity, but does not
- include a unit of State or local government.
- 29 (e) "Person employed by any unit of State or local
- 30 government" means any employee of a unit of State or local
- 31 government and any person defined in subsection (d) who is
- 32 authorized by such unit of State or local government to act on
- its behalf in relation to any public contract.
- 34 (f) "Sheltered market" has the meaning ascribed to it in

- 1 Section 8b of the Business Enterprise for Minorities, Females,
- 2 <u>Veterans</u>, and Persons with Disabilities Act.
- 3 (g) "Kickback" means any money, fee, commission, credit,
- 4 gift, gratuity, thing of value, or compensation of any kind
- 5 which is provided, directly or indirectly, to any prime
- 6 contractor, prime contractor employee, subcontractor, or
- subcontractor employee for the purpose of improperly obtaining
- 8 or rewarding favorable treatment in connection with a prime
- 9 contract or in connection with a subcontract relating to a
- 10 prime contract.
- 11 (h) "Prime contractor" means any person who has entered
- into a public contract.
- 13 (i) "Prime contractor employee" means any officer,
- partner, employee, or agent of a prime contractor.
- 15 (i-5) "Stringing" means knowingly structuring a contract
- or job order to avoid the contract or job order being subject
- 17 to competitive bidding requirements.
- 18 (j) "Subcontract" means a contract or contractual action
- 19 entered into by a prime contractor or subcontractor for the
- 20 purpose of obtaining goods or services of any kind under a
- 21 prime contract.
- (k) "Subcontractor" (1) means any person, other than the
- 23 prime contractor, who offers to furnish or furnishes any goods
- or services of any kind under a prime contract or a subcontract
- 25 entered into in connection with such prime contract; and (2)
- 26 includes any person who offers to furnish or furnishes goods or
- 27 services to the prime contractor or a higher tier
- 28 subcontractor.
- (1) "Subcontractor employee" means any officer, partner,
- 30 employee, or agent of a subcontractor.
- 31 (Source: P.A. 92-16, eff. 6-28-01.)
- 32 Section 80. The Business Corporation Act of 1983 is amended
- 33 by changing Section 14.05 as follows:
- 34 (805 ILCS 5/14.05) (from Ch. 32, par. 14.05)

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Sec. 14.05. Annual report of domestic or foreign corporation. Each domestic corporation organized under any general law or special act of this State authorizing the corporation to issue shares, other than homestead associations, building and loan associations, banks and insurance companies (which includes a syndicate or limited syndicate regulated under Article V 1/2 of the Illinois Insurance Code or member of a group of underwriters regulated under Article V of that Code), and each foreign corporation (except members of a group of underwriters regulated under Article V of the Illinois Insurance Code) authorized to transact business in this State, shall file, within the time prescribed by this Act, an annual report setting forth:

- (a) The name of the corporation.
- (b) The address, including street and number, or rural route number, of its registered office in this State, and the name of its registered agent at that address.
- (c) The address, including street and number, or rural route number, of its principal office.
- (d) The names and respective addresses, including street and number, or rural route number, of its directors and officers.
- (e) A statement of the aggregate number of shares which the corporation has authority to issue, itemized by classes and series, if any, within a class.
- (f) A statement of the aggregate number of issued shares, itemized by classes, and series, if any, within a class.
- (g) A statement, expressed in dollars, of the amount of paid-in capital of the corporation as defined in this Act.
- (h) Either a statement that (1) all the property of the corporation is located in this State and all of its business is transacted at or from places of business in this State, or the corporation elects to pay the annual franchise tax on the basis of its entire paid-in capital, or (2) a statement, expressed in dollars, of the value of

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all the property owned by the corporation, wherever located, and the value of the property located within this State, and a statement, expressed in dollars, of the gross amount of business transacted by the corporation and the gross amount thereof transacted by the corporation at or from places of business in this State as of the close of its fiscal year on or immediately preceding the last day of the third month prior to the anniversary month or in the case of a corporation which has established an extended filing month, as of the close of its fiscal year on or immediately preceding the last day of the third month prior to the extended filing month; however, in the case of a domestic corporation that has not completed its first fiscal year, the statement with respect to property owned shall be as of the last day of the third month preceding the anniversary month and the statement with respect to business transacted shall be furnished for the period between the date of incorporation and the last day of the third month preceding the anniversary month. In the case of a foreign corporation that has not been authorized to transact business in this State for a period of 12 months and has not commenced transacting business prior to obtaining authority, the statement with respect to property owned shall be as of the last day of the third month preceding the anniversary month and the statement with respect to business transacted shall be furnished for the period between the date of its authorization to transact business in this State and the last day of the third month preceding the anniversary month. If the data referenced in item (2) of this subsection is not completed, the franchise tax provided for in this Act shall be computed on the basis of the entire paid-in capital.

(i) A statement, including the basis therefor, of status as a "minority owned business" or as a "female owned business" as those terms are defined in the Business Enterprise for Minorities, Females, <u>Veterans</u>, and Persons

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with Disabilities Act.

(j) Additional information as may be necessary or appropriate in order to enable the Secretary of State to administer this Act and to verify the proper amount of fees and franchise taxes payable by the corporation.

The annual report shall be made on forms prescribed and furnished by the Secretary of State, and the information therein required by paragraphs (a) through (d), both inclusive, of this Section, shall be given as of the date of the execution of the annual report and the information therein required by paragraphs (e), (f) and (g) of this Section shall be given as of the last day of the third month preceding the anniversary month, except that the information required by paragraphs (e), (f) and (g) shall, in the case of a corporation which has established an extended filing month, be given in its final transition annual report and each subsequent annual report as of the close of its fiscal year immediately preceding its extended filing month. It shall be executed by the corporation by its president, a vice-president, secretary, assistant secretary, treasurer or other officer duly authorized by the board of directors of the corporation to execute those reports, and verified by him or her, or, if the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation and verified by the receiver or trustee. (Source: P.A. 92-16, eff. 6-28-01; 92-33, eff. 7-1-01; 93-59,

27 Section 99. Effective date. This Act takes effect upon 28 becoming law.