

HB1856



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1856

Introduced 2/23/2007, by Rep. Kurt M. Granberg

SYNOPSIS AS INTRODUCED:

30 ILCS 265/10

Amends the Technology Development Act. Provides that the State Treasurer may segregate up to 5% (now, 1%) of the Treasurer's investment portfolio in the Technology Investment Account and make investments in quality technology businesses. Effective immediately.

LRB095 08827 RCE 29013 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Technology Development Act is amended by
5 changing Section 10 as follows:

6 (30 ILCS 265/10)

7 Sec. 10. Technology Development Account.

8 (a) The State Treasurer may segregate a portion of the
9 Treasurer's investment portfolio, that at no time shall be
10 greater than 5% ~~4%~~ of the portfolio, in the Technology
11 Development Account, an account that shall be maintained
12 separately and apart from other moneys invested by the
13 Treasurer. The Treasurer may make investments from the Account
14 that help attract, assist, and retain quality technology
15 businesses in Illinois. The earnings on the Account shall be
16 accounted for separately from other investments made by the
17 Treasurer.

18 (b) Moneys in the Account may be invested by the State
19 Treasurer to provide venture capital to technology businesses
20 seeking to locate, expand, or remain in Illinois by placing
21 money with Illinois venture capital firms for investment by the
22 venture capital firms in technology businesses. "Venture
23 capital", as used in this Act, means equity financing that is

1 provided for starting up, expanding, or relocating a company,
2 or related purposes such as financing for seed capital,
3 research and development, introduction of a product or process
4 into the marketplace, or similar needs requiring risk capital.

5 "Technology business", as used in this Act, means a company
6 that has as its principal function the providing of services
7 including computer, information transfer, communication,
8 distribution, processing, administrative, laboratory,
9 experimental, developmental, technical, testing services,
10 manufacture of goods or materials, the processing of goods or
11 materials by physical or chemical change, computer related
12 activities, robotics, biological or pharmaceutical industrial
13 activity, or technology oriented or emerging industrial
14 activity. "Illinois venture capital firms", as used in this
15 Act, means an entity that has a majority of its employees in
16 Illinois or that has at least one managing partner domiciled in
17 Illinois that has made significant capital investments in
18 Illinois companies and that provides equity financing for
19 starting up or expanding a company, or related purposes such as
20 financing for seed capital, research and development,
21 introduction of a product or process into the marketplace, or
22 similar needs requiring risk capital.

23 (c) Any fund created by an Illinois venture capital firm in
24 which the State Treasurer places money pursuant to this Act
25 shall be required by the State Treasurer to seek investments in
26 technology businesses seeking to locate, expand, or remain in

1 Illinois.

2 (d) The investment of the State Treasurer in any fund
3 created by an Illinois venture capital firm in which the State
4 Treasurer places money pursuant to this Act shall not exceed
5 10% of the total investments in the fund.

6 (e) The State Treasurer shall not invest more than
7 one-third of the Technology Development Account in any given
8 calendar year.

9 (f) The Treasurer may deposit no more than 10% of the
10 earnings of the investments in the Technology Development
11 Account into the Technology Development Fund.

12 (Source: P.A. 94-395, eff. 8-1-05.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.