

July 29, 2016

To the Honorable Members of
The Illinois Senate,
99th General Assembly

Today I veto Senate Bill 2531 from the 99th General Assembly to prevent yet another hindrance to economic development in Illinois.

The bill requires an economic development council that receives public money to include members of a labor council and persons from minority groups on its corporate board. Diverse representation, particularly minority representation, on corporate boards is an admirable goal and one every corporation should seek to attain. However, corporate boards should also be representative of the constituencies they serve and need flexibility to ensure that representation. Mandating certain representation on every economic development corporation that receives public monies is a one size fits all approach that ignores that many of these local and regional councils may be best served with different representation that reflects their specific mission.

Further, the vague drafting of this legislation is likely to have unintended consequences. For example, “economic development corporation” is defined as “an organization that receives public money that promotes the development, establishment or expansion of industries.” This broad definition will likely lead to the inclusion of corporations whose works bears no relationship to traditional economic development. In addition, many corporations that would fall within this definition are dedicated to representing the interests of the management side of business. Forcing the inclusion of the labor representatives on such a board is in direct conflict with such a corporation’s interest;

This bill is one of three pieces of legislation passed by the General Assembly this year that imposes arbitrary mandates on groups trying to further economic development in Illinois. Last year Illinois lost thousands of jobs, and I continue to hear that businesses are leaving our state. Rather than imposing inflexible requirements on entities trying to bring jobs to Illinois, I encourage the General Assembly to focus on passing legislation designed to further economic development.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2531, entitled “AN ACT concerning business”, with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner

GOVERNOR