



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB5198

by Rep. Marcus C. Evans, Jr.

#### SYNOPSIS AS INTRODUCED:

20 ILCS 605/605-503 new

Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. Requires the Department of Commerce and Economic Opportunity to establish and support, subject to appropriation, entrepreneurship assistance centers, including the issuance of grants, at career education agencies and not-for-profit corporations. Provides criteria for the selection and designation of centers Provides requirements for the establishment and operation of each center. Provides requirements for grant applicants. Provides reporting requirements. Defines terms.

LRB101 17241 RJF 66645 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 5. The Department of Commerce and Economic  
5 Opportunity Law of the Civil Administrative Code of Illinois is  
6 amended by adding Section 605-503 as follows:

7 (20 ILCS 605/605-503 new)

8 Sec. 605-503. Entrepreneurship assistance centers.

9 (a) The Department shall establish and support, subject to  
10 appropriation, entrepreneurship assistance centers, including  
11 the issuance of grants, at career education agencies and  
12 not-for-profit corporations including, but not limited to,  
13 local development corporations, chambers of commerce,  
14 community-based business outreach centers, and other  
15 community-based organizations. The purpose of the centers  
16 shall be to train minority group members, women, individuals  
17 with a disability, dislocated workers, and veterans in the  
18 principles and practice of entrepreneurship in order to prepare  
19 those persons to pursue self-employment opportunities and to  
20 pursue a minority business enterprise or a women-owned business  
21 enterprise. The centers shall provide for training in all  
22 aspects of business development and small business management  
23 as defined by the Department.

1       (b) The Department shall establish criteria for selection  
2 and designation of the centers which shall include, but not be  
3 limited to:

4           (1) the level of support for the center from local  
5 post-secondary education institutions, businesses, and  
6 government;

7           (2) the level of financial assistance provided at the  
8 local and federal level to support the operations of the  
9 center;

10          (3) the applicant's understanding of program goals and  
11 objectives articulated by the Department;

12          (4) the plans of the center to supplement State and  
13 local funding through fees for services which may be based  
14 on a sliding scale based on ability to pay;

15          (5) the need for and anticipated impact of the center  
16 on the community in which it will function;

17          (6) the quality of the proposed work plan and staff of  
18 the center; and

19          (7) the extent of economic distress in the area to be  
20 served.

21       (c) Each center shall:

22           (1) be operated by a board of directors representing  
23 community leaders in business, education, finance and  
24 government;

25           (2) be incorporated as a not-for-profit corporation;

26           (3) be located in an area accessible to eligible

1 clients;

2 (4) establish an advisory group of community business  
3 experts, at least one-half of whom shall be representative  
4 of the clientele to be served by the center, which shall  
5 constitute a support network to provide counseling and  
6 mentoring services to minority group members, women,  
7 individuals with a disability, dislocated workers, and  
8 veterans from the concept stage of development through the  
9 first one to 2 years of existence on a regular basis and as  
10 needed thereafter; and

11 (5) establish a referral system and linkages to  
12 existing area small business assistance programs and  
13 financing sources.

14 (d) Each entrepreneurship assistance center shall provide  
15 needed services to eligible clients, including, but not limited  
16 to: (i) orientation and screening of prospective  
17 entrepreneurs; (ii) analysis of business concepts and  
18 technical feasibility; (iii) market analysis; (iv) management  
19 analysis and counseling; (v) business planning and financial  
20 planning assistance; (vi) referrals to financial resources;  
21 (vii) referrals to existing educational programs for training  
22 in such areas as marketing, accounting, and other training  
23 programs as may be necessary and available; and (viii)  
24 referrals to business incubator facilities, when appropriate,  
25 for the purpose of entering into agreements to access shared  
26 support services.

1       (e) Applications for grants made under this Section shall  
2 be made in the manner and on forms prescribed by the  
3 Department. The application shall include, but shall not be  
4 limited to:

5           (1) a description of the training programs available  
6 within the geographic area to be served by the center to  
7 which eligible clients may be referred;

8           (2) designation of a program director;

9           (3) plans for providing ongoing technical assistance  
10 to program graduates, including linkages with providers of  
11 other entrepreneurial assistance programs and with  
12 providers of small business technical assistance and  
13 services;

14           (4) a program budget, including matching funds,  
15 in-kind and otherwise, to be provided by the applicant; and

16           (5) any other requirements as deemed necessary by the  
17 Department.

18       (f) Grants made under this Section shall be disbursed for  
19 payment of the cost of services and expenses of the program  
20 director, the instructors of the participating career  
21 education agency or not-for-profit corporation, the faculty  
22 and support personnel thereof, and any other person in the  
23 service of providing instruction and counseling in furtherance  
24 of the program.

25       (g) The Department shall monitor the performance of each  
26 entrepreneurial assistance center and require quarterly

1 reports from each center at such time and in such a manner as  
2 prescribed by the Department.

3 The Department shall also evaluate the entrepreneurial  
4 assistance centers established under this Section and report  
5 annually beginning on January 1, 2022, and on or before January  
6 1 of each year thereafter, the results of the evaluation to the  
7 Governor and the General Assembly. The report shall discuss the  
8 extent to which the centers serve minority group members,  
9 women, individuals with a disability, dislocated workers, and  
10 veterans; the extent to which the training program is  
11 coordinated with other assistance programs targeted to small  
12 and new businesses; the ability of the program to leverage  
13 other sources of funding and support; and the success of the  
14 program in aiding entrepreneurs to start up new businesses,  
15 including the number of new business start-ups resulting from  
16 the program. The report shall recommend changes and  
17 improvements in the training program and in the quality of  
18 supplemental technical assistance offered to graduates of the  
19 training programs. The report shall be made available to the  
20 public on the Department's website. Between evaluation due  
21 dates, the Department shall maintain the necessary records and  
22 data required to satisfy the evaluation requirements.

23 (h) For purposes of this Section:

24 "Entrepreneurship assistance center" or "center" means the  
25 business development centers or programs which provide  
26 assistance to primarily minority group members, women,

1 individuals with a disability, dislocated workers and veterans  
2 under this Section.

3 "Disability" means, with respect to an individual: (i) a  
4 physical or mental impairment that substantially limits one or  
5 more of the major life activities of an individual; (ii) a  
6 record of such an impairment; or (iii) being regarded as having  
7 an impairment.

8 "Minority business enterprise" has the same meaning as  
9 provided for "minority-owned business" under Section 2 of the  
10 Business Enterprise for Minorities, Women, and Persons with  
11 Disabilities Act.

12 "Minority group member" has the same meaning as provided  
13 for "minority person" under Section 2 of the Business  
14 Enterprise for Minorities, Women, and Persons with  
15 Disabilities Act.

16 "Women-owned business enterprise" has the same meaning as  
17 provided for "women-owned business" under Section 2 of the  
18 Business Enterprise for Minorities, Women, and Persons with  
19 Disabilities Act.

20 "Veteran" means a person who served in and who has received  
21 an honorable or general discharge from, the United States Army,  
22 Navy, Air Force, Marines, Coast Guard, or reserves thereof, or  
23 who served in the Army National Guard, Air National Guard, or  
24 Illinois National Guard.