

1 AN ACT concerning commerce.

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

4 (20 ILCS 605/605-360 rep.)

5 Section 5. The Department of Commerce and Economic
6 Opportunity Law of the Civil Administrative Code of Illinois is
7 amended by repealing Section 605-360.

8 Section 10. The Rural Diversification Act is amended by
9 changing Sections 4 and 5 as follows:

10 (20 ILCS 690/4) (from Ch. 5, par. 2254)

11 Sec. 4. Powers of the Office. The Office may exercise the
12 following powers, at the discretion of the Director of Commerce
13 and Economic Opportunity ~~has the following powers, in addition~~
14 ~~to those granted to it by other law:~~

15 (a) To provide financing pursuant to the provisions of this
16 Act, from appropriations made by the General Assembly from the
17 General Revenue Fund, Federal trust funds, and the Rural
18 Diversification Revolving Fund created herein, to or on behalf
19 of rural business and agribusiness to promote rural
20 diversification.

21 (b) To provide financing in the form of direct loans and
22 grants from State funds for qualifying agricultural and rural
23 diversification projects independent of federal financial
24 participation, except that no grants from State funds shall be
25 made directly with a rural business.

26 (c) To provide financing in the form of direct loans,
27 grants, and technical assistance contracts from State funds for
28 qualifying agricultural and rural diversification projects in
29 coordination with federal financial participation in the form
30 of loan guarantees, direct loans, and grant and technical
31 assistance contract reimbursements.

1 (d) To consider in the award of State funded financing the
2 satisfaction of matching requirements associated with federal
3 financing participation and the maximization of federal
4 financing participation to the benefit of the rural Illinois
5 economy.

6 (e) To enter into agreements or contracts, accept funds or
7 grants, and cooperate with agencies of the Federal Government,
8 State or Local Governments, the private sector or non-profit
9 organizations to carry out the purposes of this Act;

10 (f) To enter into agreements or contracts for the
11 promotion, application origination, analysis or servicing of
12 the financings made by the Office pursuant to this Act;

13 (g) To receive and accept, from any source, aid or
14 contributions of money, property or labor for the furtherance
15 of this Act and collect fees, charges or advances as the
16 Department may determine in connection with its financing;

17 (h) To establish application, notification, contract and
18 other procedures and other procedures and rules deemed
19 necessary and appropriate by the Office to carry out the
20 provisions of this Act;

21 (i) To foreclose any mortgage, deed of trust, note,
22 debenture, bond or other security interest held by the Office
23 and to take all such actions as may be necessary to enforce any
24 obligation held by the Office;

25 (j) To analyze opportunities and needs of rural
26 communities, primarily those communities experiencing farm
27 worker distress including consultation with regional
28 commissions, governments, or diversification organizations,
29 and work to strengthen the coordination of existing programs
30 offered through the Office, the Department of Agriculture, the
31 Department of Natural Resources, the Illinois Finance
32 Authority, the Cooperative Extension Service and others for
33 rural and agribusiness development and assistance; and

34 (k) To cooperate with an existing committee comprised of
35 representatives from the Office, the Rural Affairs Council or
36 its successor, the Department of Agriculture, the Illinois

1 Finance Authority and others to coordinate departmental
2 policies with other State agencies and to promote agricultural
3 and rural diversification in the State.

4 (1) To exercise such other right, powers and duties as are
5 necessary to fulfill the purposes of this Act.

6 (Source: P.A. 93-205, eff. 1-1-04.)

7 (20 ILCS 690/5) (from Ch. 5, par. 2255)

8 Sec. 5. Agricultural and rural diversification financing.

9 (a) The Office's financing to or on behalf of rural
10 businesses or agribusinesses in the State shall be for the
11 purpose of assisting in the cost of agricultural and rural
12 diversification projects including (i) acquisition,
13 construction, reconstruction, replacement, repair,
14 rehabilitation, alteration, expansion or extension of real
15 property, buildings or machinery and equipment but not the
16 acquisition of unimproved land for the production of crops or
17 livestock; (ii) working capital items including but not limited
18 to, inventory, accounts receivable and prepaid expenses; (iii)
19 organizational expenses including, but not limited to,
20 architectural and engineering costs, legal services, marketing
21 analyses, production analyses, or other professional services;
22 (iv) needed leasehold improvements, easements, and other
23 amenities required to prepare a site; (v) information,
24 technical support and technical assistance contracts to local
25 officials or not-for-profit agencies regarding private, state
26 and federal resources, programs or grant assistances and the
27 needs and opportunities for diversification; and (vi) when
28 conducted in cooperation with federal reimbursement programs,
29 financing costs including guarantee fees, packaging fees and
30 origination fees but not debt refinancing.

31 (b) Agricultural or rural diversification financing to a
32 rural business or agribusiness under this Act shall be used
33 only where it can be shown that the agricultural or rural
34 diversification project for which financing is being sought has
35 the potential to achieve commercial success and will increase

1 employment, directly or indirectly retain jobs, or promote
2 local diversification.

3 (c) The Office may ~~shall~~ establish an internal review
4 committee with the Director of the Rural Affairs Council, or
5 his designee, the Director of the Department of Agriculture, or
6 his designee, and the Director of the Illinois Finance
7 Authority, or his designee, as members to assist in the review
8 of all project applications.

9 (d) The Office shall not provide financing to a rural
10 business or agribusiness unless the application includes
11 convincing evidence that a specific agricultural or rural
12 diversification project is ready to occur and will only occur
13 if the financing is made. The Office shall also consider the
14 applicability of other state and federal programs prior to
15 financing any project.

16 (Source: P.A. 93-205, eff. 1-1-04.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.