



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

**HB2478**

Introduced 02/17/05, by Rep. Constance A. Howard - Monique D. Davis - Lovana Jones

#### SYNOPSIS AS INTRODUCED:

30 ILCS 780/5-5  
30 ILCS 780/5-10 new  
30 ILCS 780/5-20  
30 ILCS 780/5-25 new  
30 ILCS 780/5-30  
30 ILCS 780/5-35  
30 ILCS 780/5-40  
30 ILCS 780/5-105

Amends the Digital Divide Law. Creates the Non-profit Digital Divide Foundation to succeed the Department of Commerce and Economic Opportunity in managing the Digital Divide Elimination Fund. Sets forth various provisions for the formation and operation of the Foundation. Provides that the Foundation is authorized to accept and solicit funds from a variety of sources. Makes other changes. Effective immediately.

LRB094 07747 RSP 37925 b

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 Eliminate the Digital Divide Law is amended  
5 by changing Sections 5-5, 5-20, 5-30, 5-35, 5-40, and 5-105 and  
6 by adding Sections 5-10 and 5-25 as follows:

7 (30 ILCS 780/5-5)

8 Sec. 5-5. Definitions; descriptions. As used in this  
9 Article:

10 "Community-based organization" means a private  
11 not-for-profit organization that is located in an Illinois  
12 community and that provides services to citizens within that  
13 community and the surrounding area.

14 "Community technology centers" provide computer access and  
15 educational services using information technology. Community  
16 technology centers are diverse in the populations they serve  
17 and programs they offer, but similar in that they provide  
18 technology access to individuals, communities, and populations  
19 that typically would not otherwise have places to use computer  
20 and telecommunications technologies.

21 "Department" means the Department of Commerce and Economic  
22 Opportunity ~~Community Affairs~~.

23 "Foundation" means the Non-profit Digital Divide  
24 Foundation created in this Law.

25 "National school lunch program" means a program  
26 administered by the U.S. Department of Agriculture and state  
27 agencies that provides free or reduced price lunches to  
28 economically disadvantaged children. A child whose family  
29 income is between 130% and 185% of applicable family size  
30 income levels contained in the nonfarm poverty guidelines  
31 prescribed by the Office of Management and Budget is eligible  
32 for a reduced price lunch. A child whose family income is 130%

1 or less of applicable family size income levels contained in  
2 the nonfarm income poverty guidelines prescribed by the Office  
3 of Management and Budget is eligible for a free lunch.

4 "Telecommunications services" provided by  
5 telecommunications carriers include all commercially available  
6 telecommunications services in addition to all reasonable  
7 charges that are incurred by taking such services, such as  
8 state and federal taxes.

9 "Other special services" provided by telecommunications  
10 carriers include Internet access and installation and  
11 maintenance of internal connections in addition to all  
12 reasonable charges that are incurred by taking such services,  
13 such as state and federal taxes.

14 (Source: P.A. 91-704, eff. 7-1-00; revised 12-6-03.)

15 (30 ILCS 780/5-10 new)

16 Sec. 5-10. Transfer of duties; transition of Department  
17 rules. All duties vested in the Department under this Law shall  
18 end on December 31, 2005 and be transferred to the Non-profit  
19 Digital Divide Foundation. Nothing in this Law shall allow the  
20 Foundation to alter or revoke a Community Technology Grant  
21 lawfully made by the Department. All rules adopted by the  
22 Department for the administration of the Eliminate the Digital  
23 Divide Law that are in effect on December 31, 2005 shall  
24 continue as rules of the Foundation until such time as the  
25 Foundation either expressly revokes or amends these rules. The  
26 Foundation's rules under this Law shall be adopted in  
27 accordance with the Illinois Administrative Procedure Act.

28 (30 ILCS 780/5-20)

29 Sec. 5-20. Digital Divide Elimination Fund. The Digital  
30 Divide Elimination Fund is created as a special fund in the  
31 State treasury. All moneys in the Fund shall be used, subject  
32 to appropriation by the General Assembly, by the Department or  
33 its successor in interest, the Non-profit Digital Divide  
34 Foundation, for grants made under Section 5-30 of this Act.

1 (Source: P.A. 92-22, eff. 6-30-01.)

2 (30 ILCS 780/5-25 new)

3 Sec. 5-25. Non-profit Digital Divide Foundation.

4 (a) The Non-profit Digital Divide Foundation is created to  
5 succeed to duties previously held by the Department of Commerce  
6 and Economic Opportunity under the Eliminate the Digital Divide  
7 Law. On and after January 1, 2006 the Foundation shall  
8 administer the Digital Divide Elimination Fund for grants made  
9 under Section 5-30 of this Law.

10 (b) The Foundation must operate as a not-for-profit  
11 organization exempt from federal income taxes under Section  
12 501(c)(3) of the Internal Revenue Code of 1986, and be governed  
13 by articles of incorporation and bylaws that shall, at a  
14 minimum, provide that:

15 (1) There shall be 6 voting members of the Foundation,  
16 one of whom shall be appointed by the Governor, one of whom  
17 shall be appointed by the President of the Illinois Senate,  
18 one of whom shall be appointed by the Minority Leader of  
19 the Illinois Senate, one of whom shall be appointed by the  
20 Speaker of the Illinois House of Representatives, one of  
21 whom shall be appointed by the Minority Leader of the  
22 Illinois House of Representatives, and one of whom shall be  
23 appointed by the Director of the Department of Commerce and  
24 Economic Opportunity. The Governor shall designate one of  
25 the 6 voting members to serve as chairman of the Foundation  
26 serving in that position at the pleasure of the Governor.

27 (2) All voting members shall be entitled to  
28 reimbursement for reasonable expenses incurred on behalf  
29 of the Foundation in the performance of their duties as  
30 members. All such reimbursements shall be paid out of the  
31 Foundation assets.

32 (3) Foundation members shall be appointed within 30  
33 days after the creation of the Foundation and shall serve  
34 for a term of 5 years commencing upon the date of their  
35 respective appointments, and until their respective

1 successors are appointed and have qualified.

2 (4) A vacancy in the Foundation membership shall be  
3 filled by the person responsible for appointing the member  
4 whose death or resignation creates the vacancy, and the  
5 member appointed to fill a vacancy shall serve the  
6 remainder of the term of the member whose resignation or  
7 death created the vacancy.

8 (5) The Foundation shall have an indefinite term, and  
9 shall terminate upon a unanimous vote of the Foundation  
10 members to wind up the Foundation's affairs. Foundation  
11 members must vote to terminate the Foundation when no  
12 Foundation assets remain and reasonable efforts to obtain  
13 new moneys have been reasonably exhausted.

14 (6) The Foundation shall be authorized to employ an  
15 executive director and other employees, to enter into  
16 leases, contracts and other obligations on behalf of the  
17 Foundation, and to incur expenses that the Foundation deems  
18 necessary or appropriate for the fulfillment of the  
19 purposes for which the Foundation is established.

20 (c) The Non-Profit Digital Divide Foundation is authorized  
21 to accept and solicit funds from State, federal, or local  
22 governments; from the Illinois Commerce Commission, the  
23 Illinois Board of Education, or other State agencies and  
24 departments; from private individuals, corporations, or other  
25 entities; or from any other lawful source for the expansion of  
26 the assets of the Digital Divide Elimination Fund, provided  
27 that the Fund must continue to be used for the purposes set  
28 forth in Section 5-30.

29 (30 ILCS 780/5-30)

30 Sec. 5-30. Community Technology Grant Program.

31 (a) Subject to appropriation, the Department or its  
32 successor in interest, the Non-profit Digital Divide  
33 Foundation, shall administer the Community Technology Center  
34 Grant Program under which the Department or its successor in  
35 interest, the Non-profit Digital Divide Foundation, shall make

1 grants in accordance with this Article for planning,  
2 establishment, administration, and expansion of Community  
3 Technology Centers and for assisting public hospitals,  
4 libraries, and park districts in eliminating the digital  
5 divide. The purposes of the grants shall include, but not be  
6 limited to, volunteer recruitment and management, training and  
7 instruction, infrastructure, and related goods and services  
8 for Community Technology Centers and public hospitals,  
9 libraries, and park districts. ~~The total amount of grants under~~  
10 ~~this Section in fiscal year 2001 shall not exceed \$2,000,000,~~  
11 ~~except that this limit on grants shall not apply to grants~~  
12 ~~funded by appropriations from the Digital Divide Elimination~~  
13 ~~Fund.~~ No Community Technology Center may receive a grant of  
14 more than \$50,000 under this Section in a particular fiscal  
15 year.

16 (b) Public hospitals, libraries, park districts, and State  
17 educational agencies, local educational agencies, institutions  
18 of higher education, and other public and private nonprofit or  
19 for-profit agencies and organizations are eligible to receive  
20 grants under this Program, provided that a local educational  
21 agency or public or private educational agency or organization  
22 must, in order to be eligible to receive grants under this  
23 Program, provide computer access and educational services  
24 using information technology to the public at one or more of  
25 its educational buildings or facilities at least 12 hours each  
26 week. A group of eligible entities is also eligible to receive  
27 a grant if the group follows the procedures for group  
28 applications in 34 CFR 75.127-129 of the Education Department  
29 General Administrative Regulations.

30 To be eligible to apply for a grant, a Community Technology  
31 Center, public hospital, library, or park district must serve a  
32 community in which not less than 40% of the students are  
33 eligible for a free or reduced price lunch under the national  
34 school lunch program or in which not less than 30% of the  
35 students are eligible for a free lunch under the national  
36 school lunch program; however, if funding is insufficient to

1 approve all grant applications for a particular fiscal year,  
2 the Department or its successor in interest, the Non-profit  
3 Digital Divide Foundation, may impose a higher minimum  
4 percentage threshold for that fiscal year. Determinations of  
5 communities and determinations of the percentage of students in  
6 a community who are eligible for a free or reduced price lunch  
7 under the national school lunch program shall be in accordance  
8 with rules adopted by the Department or its successor in  
9 interest, the Non-profit Digital Divide Foundation.

10 Any entities that have received a Community Technology  
11 Center grant under the federal Community Technology Centers  
12 Program are also eligible to apply for grants under this  
13 Program.

14 The Department or its successor in interest, the Non-profit  
15 Digital Divide Foundation, shall provide assistance to  
16 Community Technology Centers in making those determinations  
17 for purposes of applying for grants.

18 (c) Grant applications shall be submitted to the Department  
19 or its successor in interest, the Non-profit Digital Divide  
20 Foundation, not later than March 15 for the next fiscal year.

21 (d) The Department or its successor in interest, the  
22 Non-profit Digital Divide Foundation, shall adopt rules  
23 setting forth the required form and contents of grant  
24 applications.

25 (e) There is created the Digital Divide Elimination  
26 Advisory Committee. The advisory committee shall consist of 5  
27 members appointed one each by the Governor, the President of  
28 the Senate, the Senate Minority Leader, the Speaker of the  
29 House, and the House Minority Leader. The members of the  
30 advisory committee shall receive no compensation for their  
31 services as members of the advisory committee but may be  
32 reimbursed for their actual expenses incurred in serving on the  
33 advisory committee. The Digital Divide Elimination Advisory  
34 Committee shall advise the Department or its successor in  
35 interest, the Non-profit Digital Divide Foundation, in  
36 establishing criteria and priorities for identifying

1 recipients of grants under this Act. The advisory committee  
2 shall obtain advice from the technology industry regarding  
3 current technological standards. The advisory committee shall  
4 seek any available federal funding.

5 (Source: P.A. 91-704, eff. 7-1-00; 92-22, eff. 6-30-01.)

6 (30 ILCS 780/5-35)

7 Sec. 5-35. Resale; Community Technology Centers.

8 (a) Products and services purchased by Community  
9 Technology Centers with grant funds may not be sold, resold, or  
10 transferred in consideration of money or any other thing of  
11 value except with the prior approval of the Department or its  
12 successor in interest, the Non-profit Digital Divide  
13 Foundation.

14 (b) This prohibition on resale shall not bar Community  
15 Technology Centers from charging fees for education or  
16 workforce preparation courses. There is no prohibition on the  
17 resale of products or services that are not purchased with  
18 grant funds.

19 (Source: P.A. 91-704, eff. 7-1-00.)

20 (30 ILCS 780/5-40)

21 Sec. 5-40. Auditing; records; Community Technology  
22 Centers.

23 (a) Community Technology Centers shall be required to  
24 maintain for expenditures made under this Article any  
25 procurement records required by the Department or its successor  
26 in interest, the Non-profit Digital Divide Foundation.  
27 Community Technology Centers shall produce those records at the  
28 request of the Department or its successor in interest, the  
29 Non-profit Digital Divide Foundation, any auditor appointed by  
30 the State, or any State officer or agency entitled to inspect  
31 the records.

32 (b) Community Technology Centers shall be subject to random  
33 compliance audits to evaluate what products and services they  
34 are purchasing and how the products and services are being



1 used.

2 (Source: P.A. 91-704, eff. 7-1-00.)

3 (30 ILCS 780/5-105)

4 Sec. 5-105. Rules. The Department or its successor in  
5 interest, the Non-profit Digital Divide Foundation, may adopt  
6 any rules that are necessary and appropriate to carry out this  
7 Article.

8 (Source: P.A. 91-704, eff. 7-1-00.)

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law.