



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1486

Introduced 2/21/2007, by Rep. Constance A. Howard - Esther Golar

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.

LRB095 10380 CMK 30595 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 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.

23 "Foundation" means the Non-profit Digital Divide

1 Foundation created in this Law.

2 "National school lunch program" means a program
3 administered by the U.S. Department of Agriculture and state
4 agencies that provides free or reduced price lunches to
5 economically disadvantaged children. A child whose family
6 income is between 130% and 185% of applicable family size
7 income levels contained in the nonfarm poverty guidelines
8 prescribed by the Office of Management and Budget is eligible
9 for a reduced price lunch. A child whose family income is 130%
10 or less of applicable family size income levels contained in
11 the nonfarm income poverty guidelines prescribed by the Office
12 of Management and Budget is eligible for a free lunch.

13 "Telecommunications services" provided by
14 telecommunications carriers include all commercially available
15 telecommunications services in addition to all reasonable
16 charges that are incurred by taking such services, such as
17 state and federal taxes.

18 "Other special services" provided by telecommunications
19 carriers include Internet access and installation and
20 maintenance of internal connections in addition to all
21 reasonable charges that are incurred by taking such services,
22 such as state and federal taxes.

23 (Source: P.A. 94-793, eff. 5-19-06.)

24 (30 ILCS 780/5-10 new)

25 Sec. 5-10. Transfer of duties; transition of Department

1 rules. All duties vested in the Department under this Law shall
2 end on December 31, 2007 and be transferred to the Non-profit
3 Digital Divide Foundation. Nothing in this Law shall allow the
4 Foundation to alter or revoke a Community Technology Grant
5 lawfully made by the Department. All rules adopted by the
6 Department for the administration of the Eliminate the Digital
7 Divide Law that are in effect on December 31, 2007 shall
8 continue as rules of the Foundation until such time as the
9 Foundation either expressly revokes or amends these rules. The
10 Foundation's rules under this Law shall be adopted in
11 accordance with the Illinois Administrative Procedure Act.

12 (30 ILCS 780/5-20)

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

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

20 (30 ILCS 780/5-25 new)

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

22 (a) The Non-profit Digital Divide Foundation is created to
23 succeed to duties previously held by the Department of Commerce
24 and Economic Opportunity under the Eliminate the Digital Divide

1 Law. On and after January 1, 2008 the Foundation shall
2 administer the Digital Divide Elimination Fund for grants made
3 under Section 5-30 of this Law.

4 (b) The Foundation must operate as a not-for-profit
5 organization exempt from federal income taxes under Section
6 501(c)(3) of the Internal Revenue Code of 1986, and be governed
7 by articles of incorporation and bylaws that shall, at a
8 minimum, provide that:

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

21 (2) All voting members shall be entitled to
22 reimbursement for reasonable expenses incurred on behalf
23 of the Foundation in the performance of their duties as
24 members. All such reimbursements shall be paid out of the
25 Foundation assets.

26 (3) Foundation members shall be appointed within 30

1 days after the creation of the Foundation and shall serve
2 for a term of 5 years commencing upon the date of their
3 respective appointments, and until their respective
4 successors are appointed and have qualified.

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

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

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

23 (c) The Non-Profit Digital Divide Foundation is authorized
24 to accept and solicit funds from State, federal, or local
25 governments; from the Illinois Commerce Commission, the
26 Illinois Board of Education, or other State agencies and

1 departments; from private individuals, corporations, or other
2 entities; or from any other lawful source for the expansion of
3 the assets of the Digital Divide Elimination Fund, provided
4 that the Fund must continue to be used for the purposes set
5 forth in Section 5-30.

6 (30 ILCS 780/5-30)

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

8 (a) Subject to appropriation, the Department or its
9 successor in interest, the Non-profit Digital Divide
10 Foundation, shall administer the Community Technology Center
11 Grant Program under which the Department or its successor in
12 interest, the Non-profit Digital Divide Foundation, shall make
13 grants in accordance with this Article for planning,
14 establishment, administration, and expansion of Community
15 Technology Centers and for assisting public hospitals,
16 libraries, and park districts in eliminating the digital
17 divide. The purposes of the grants shall include, but not be
18 limited to, volunteer recruitment and management, training and
19 instruction, infrastructure, and related goods and services,
20 including case management, administration, personal
21 information management, and outcome-tracking tools and
22 software for the purposes of reporting to the Department or its
23 successor in interest, the Non-profit Digital Divide
24 Foundation, and for enabling participation in digital
25 government and consumer services programs, for Community

1 Technology Centers and public hospitals, libraries, and park
2 districts. No Community Technology Center may receive a grant
3 of more than \$75,000 under this Section in a particular fiscal
4 year.

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

19 To be eligible to apply for a grant, a Community Technology
20 Center, public hospital, library, or park district must serve a
21 community in which not less than 40% of the students are
22 eligible for a free or reduced price lunch under the national
23 school lunch program or in which not less than 30% of the
24 students are eligible for a free lunch under the national
25 school lunch program; however, if funding is insufficient to
26 approve all grant applications for a particular fiscal year,

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

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

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

17 (c) Grant applications shall be submitted to the Department
18 or its successor in interest, the Non-profit Digital Divide
19 Foundation, on a schedule of one or more deadlines established
20 by the Department by rule.

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 7

1 members appointed one each by the Governor, the President of
2 the Senate, the Senate Minority Leader, the Speaker of the
3 House, and the House Minority Leader, and 2 appointed by the
4 Director of Commerce and Economic Opportunity, one of whom
5 shall be a representative of the telecommunications industry
6 and one of whom shall represent community technology centers.
7 The members of the advisory committee shall receive no
8 compensation for their services as members of the advisory
9 committee but may be reimbursed for their actual expenses
10 incurred in serving on the advisory committee. The Digital
11 Divide Elimination Advisory Committee shall advise the
12 Department or its successor in interest, the Non-profit Digital
13 Divide Foundation, in establishing criteria and priorities for
14 identifying recipients of grants under this Act. The advisory
15 committee shall obtain advice from the technology industry
16 regarding current technological standards. The advisory
17 committee shall seek any available federal funding.

18 (f) There is created the Digital Divide Elimination Working
19 Group. The Working Group shall consist of the Director of
20 Commerce and Economic Opportunity, or his or her designee, the
21 Director of Central Management Services, or his or her
22 designee, and the Executive Director of the Illinois Commerce
23 Commission, or his or her designee. The Director of Commerce
24 and Economic Opportunity, or his or her designee, shall serve
25 as chair of the Working Group. The Working Group shall consult
26 with the members of the Digital Divide Elimination Advisory

1 Committee and may consult with various groups including, but
2 not limited to, telecommunications providers,
3 telecommunications-related technology producers and service
4 providers, community technology providers, community and
5 consumer organizations, businesses and business organizations,
6 and federal government agencies.

7 (g) Duties of the Digital Divide Elimination Working Group
8 include all of the following:

9 (1) Undertaking a thorough review of grant programs
10 available through the federal government, local agencies,
11 telecommunications providers, and business and charitable
12 entities for the purpose of identifying appropriate
13 sources of revenues for the Digital Divide Elimination Fund
14 and attempting to update available grants on a regular
15 basis.

16 (2) Researching and cataloging programs designed to
17 advance digital literacy and computer access that are
18 available through the federal government, local agencies,
19 telecommunications providers, and business and charitable
20 entities and attempting to update available programs on a
21 regular basis.

22 (3) Presenting the information compiled from items (1)
23 and (2) to the Department of Commerce and Economic
24 Opportunity or its successor in interest, the Non-profit
25 Digital Divide Foundation, which shall serve as a single
26 point of contact for applying for funding for the Digital

1 Divide Elimination Fund and for distributing information
2 to the public regarding all programs designed to advance
3 digital literacy and computer access.

4 (Source: P.A. 94-734, eff. 4-28-06.)

5 (30 ILCS 780/5-35)

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

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

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

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

19 (30 ILCS 780/5-40)

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

22 (a) Community Technology Centers shall be required to
23 maintain for expenditures made under this Article any
24 procurement records required by the Department or its successor

1 in interest, the Non-profit Digital Divide Foundation.
2 Community Technology Centers shall produce those records at the
3 request of the Department or its successor in interest, the
4 Non-profit Digital Divide Foundation, any auditor appointed by
5 the State, or any State officer or agency entitled to inspect
6 the records.

7 (b) Community Technology Centers shall be subject to random
8 compliance audits to evaluate what products and services they
9 are purchasing and how the products and services are being
10 used.

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

12 (30 ILCS 780/5-105)

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

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

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