



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB3627

Introduced 2/28/2007, by Rep. Constance A. Howard

#### SYNOPSIS AS INTRODUCED:

New Act  
30 ILCS 105/5.675 new

Creates the Charitable Trust Stabilization Act and amends the State Finance Act. Creates the Charitable Trust Stabilization Fund as a special fund in the State treasury and requires that the moneys in the Fund be used for financial assistance to participating eligible charitable organizations. Creates the Charitable Trust Stabilization Committee to administer the Fund. Provides that eligible charitable organizations may elect to participate by agreeing to have 3% of the proceeds received by that organization from a grant award or contract with any State agency placed in the Charitable Trust Stabilization Fund. Sets forth requirements for eligible organizations.

LRB095 10069 BDD 30283 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 1. Short title. This Act may be cited as the  
5 Charitable Trust Stabilization Act.

6 Section 5. The Charitable Trust Stabilization Fund.

7 (a) The Charitable Trust Stabilization Fund is created as a  
8 special fund in the State treasury. From appropriations from  
9 the Fund, the Charitable Trust Stabilization Committee shall  
10 make grants to public and private entities in the State for the  
11 purposes set forth under subsection (b). Moneys received for  
12 the purposes of this Section, including, without limitation,  
13 retained grant awards under Section 15 and appropriations,  
14 gifts, grants, and awards from any public or private entity,  
15 must be deposited into the Fund. Any interest earnings that are  
16 attributable to moneys in the Fund must be deposited into the  
17 Fund.

18 (b) Moneys in the Fund may be used only for the following  
19 purposes:

20 (1) short-term, low-interest loans to participating  
21 organizations that experience temporary cash-flow  
22 shortages;

23 (2) business loans to participating organizations for

1 the purpose of expanding their capacity or operations;

2 (3) grants for the start-up purposes of participating  
3 organizations; and

4 (4) the administration of the Fund and this Act.

5 (c) Moneys in the Fund must be allocated as follows:

6 (1) 20% of the amount deposited into the Fund in the  
7 fiscal year must be set aside for the operating budget of  
8 the Fund for the next fiscal year, but the operating budget  
9 of the Fund may not exceed \$4,000,000 in any fiscal year;

10 (2) 50% must be available for the purposes set forth  
11 under subsection (b); and

12 (3) 30% must be invested for the purpose of earning  
13 interest or other investment income.

14 (d) As soon as practical after the effective date of this  
15 Act, the State Treasurer must transfer the amount of \$1,000,000  
16 from the General Revenue Fund to the Charitable Trust  
17 Stabilization Fund.

18 Section 10. The Charitable Trust Stabilization Committee.

19 (a) The Charitable Trust Stabilization Committee is  
20 created. The Committee consists of the following members:

21 (1) the Lieutenant Governor or his or her designee, who  
22 shall serve as co-chair of the Committee;

23 (2) the State Treasurer or his or her designee, who  
24 shall serve as co-chair of the Committee;

25 (3) the Attorney General or his or her designee;

1           (4) the Director or his or her designee of each State  
2           agency that provides grants to or contracts with  
3           not-for-profit agencies in Illinois;

4           (5) the chief executive officer of the Division of  
5           Financial Institutions in the Department of Financial and  
6           Professional Regulations; and

7           (6) at least 5 but no more than 11 private citizens,  
8           who shall serve a term of 6 years, appointed by the State  
9           Treasurer.

10          (b) The Committee may adopt bylaws; it must meet at least  
11          once each calendar quarter; and it may establish committees and  
12          officers as it deems necessary. For purposes of Committee  
13          meetings, a quorum is a majority of the members. Meetings of  
14          the Committee are subject to the Open Meetings Act. The  
15          Committee must afford an opportunity for public comment at each  
16          of its meetings.

17          (c) Committee members shall serve without compensation,  
18          but may be reimbursed for their reasonable travel expenses from  
19          funds available for that purpose. The Department of Commerce  
20          and Economic Opportunity shall provide staff and  
21          administrative support services to the task force.

22          (d) The Committee shall administer the Charitable Trust  
23          Stabilization Fund. The Committee may employ the services of a  
24          director. The director must have extensive experience in  
25          building and funding not-for-profit ventures. The director  
26          must:

1 (1) develop and implement an annual work plan based on  
2 the goals set forth by the Committee;

3 (2) attend the Committee meetings and provide reports  
4 of the progress on the annual work plan;

5 (3) develop and maintain a database of all  
6 organizations that have elected to participate under this  
7 Act; and

8 (4) publicize the Charitable Trust Stabilization Fund  
9 to eligible organizations.

10 Section 15. Participating organizations.

11 (a) An eligible organization may elect to participate in  
12 the Charitable Trust Stabilization Program under this Act. To  
13 participate, the eligible organization must agree to have 3% of  
14 the proceeds received by that organization from a grant award  
15 or contract with any State agency placed in the Charitable  
16 Trust Stabilization Fund.

17 (b) To be an eligible organization, the organization must  
18 be a community-based organization or other not-for-profit  
19 entity that:

20 (1) is a not-for-profit corporation that is exempt from  
21 federal income taxation under Section 501(c)(3) of the  
22 federal Internal Revenue Code of 1986;

23 (2) is organized under the General Not for Profit  
24 Corporation Act of 1986 for the purpose of providing  
25 charitable services to the community;

1           (3) complies with the provisions of the Charitable  
2 Trust Act; and

3           (4) received a grant or contract from a State agency  
4 within the previous 24 months.

5           Section 90. The State Finance Act is amended by adding  
6 Section 5.675 as follows:

7           (30 ILCS 105/5.675 new)

8           Sec. 5.675. The Charitable Trust Stabilization Fund.