



HR1293

LRB097 23431 GRL 72320 r

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HOUSE JOINT RESOLUTION

2 WHEREAS, The State of Illinois has deemed it important to
3 undo historical prejudices by creating special classifications
4 for businesses that are majority owned and operated by
5 minorities (MBE), women (WBE), or veterans (VOB and SDVOB); and

6 WHEREAS, The State of Illinois' procurement policies
7 commonly request that goals be met by MBE, WBE, and VOB/SDVOB
8 businesses; and

9 WHEREAS, The State of Illinois has defined a special
10 classification company as a company that is at least 51% owned
11 and fully controlled by a special classification individual or
12 a group of special classification individuals; and

13 WHEREAS, The State of Illinois Central Management
14 Services' Business Enterprise Council has been charged with the
15 task of determining whether a company meets the criteria for a
16 special classification; and

17 WHEREAS, There have been well documented cases of
18 fraudulent MBE, WBE, SDVOB, and VOD companies being created; it
19 is the responsibility of the Business Enterprise Council to
20 vigilantly oppose these applications for special
21 classification; and

1 WHEREAS, Small businesses in the present day marketplace
2 will often sell equity in their company to investors, such as
3 angel investors and venture capitalists, in order to raise
4 capital; and

5 WHEREAS, It is acknowledged that equity investors in
6 companies often will have no say in the operation, control, or
7 direction of the company; therefore, be it

8 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
9 NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE
10 SENATE CONCURRING HEREIN, that we request that the Central
11 Management Services Business Enterprise Council includes the
12 equity ownership of silent investors of the same special
13 classification in the calculations of the majority ownership of
14 a company; and be it further

15 RESOLVED, That we request that the Central Management
16 Services Business Enterprise Council include silent investor
17 equity when calculating control of a company when the silent
18 investors have given controlling authority to one or more
19 persons of that classification; and be it further

20 RESOLVED, That a suitable copy of this resolution be
21 delivered to the Central Management Services Business

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1 Enterprise Council.