



HR0038

LRB098 05636 GRL 36775 r

1 HOUSE 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), females (WBE), or veterans (VOB and SDVOB);
6 and

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

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

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

19 WHEREAS, There have been well documented cases of
20 fraudulent MBE, WBE, SDVOB, and VOD companies being created; it
21 is the responsibility of the Business Enterprise Program to

1 continue to oppose these applications for special
2 classification; and

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

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

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

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

1 RESOLVED, That a suitable copy of this resolution be
2 delivered to the Central Management Services Business
3 Enterprise Program Council.