



Rep. Barbara Flynn Currie

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1 AMENDMENT TO HOUSE BILL 574

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 574 by replacing  
3 everything after the enacting clause with the following:

4 "Article I.

5 Section 1-1. Short title. This Article may be cited as the  
6 Illinois Business and Economic Development Partnership Act.

7 Section 1-5. Findings. The General Assembly finds that  
8 targeted efforts to promote and foster business growth, job  
9 creation, and tourism are necessary for economic growth in  
10 Illinois to provide more prosperity and opportunities for  
11 Illinois residents. As both the public and private sectors have  
12 a shared interest in fostering the economic vitality of the  
13 State, it is the purpose of this Act to implement economic  
14 development policy in the State by means of collaboration  
15 between the government and a not-for-profit corporation.

1 Article II.

2 Section 2-1. Short title. This Article may be cited as the  
3 Illinois Business and Economic Development Corporation Act.  
4 References in this Article to "this Act" mean this Article.

5 Section 2-5. Definitions. For the purposes of this Act:

6 "Board" means the board of directors of the corporation.

7 "Chief Executive Officer" means the chief executive  
8 officer of the corporation.

9 "Conflict party" means a director, officer, or employee of  
10 the corporation; the spouse of a director, officer, or employee  
11 of the corporation; or an immediate family member of a  
12 director, officer, or employee of the corporation residing in  
13 the same residence as the director, officer or employee.

14 "Corporation" means the Illinois Business and Economic  
15 Development Corporation incorporated by the Department  
16 pursuant to Section 2-10.

17 "Department" means the Illinois Department of Commerce and  
18 Economic Opportunity.

19 "Director" means the Director of Commerce and Economic  
20 Opportunity.

21 Section 2-10. Creation of the Illinois Business and  
22 Economic Development Corporation.

1           (a) The General Assembly authorizes the Department, in  
2 accordance with Section 10 of the State Agency Entity Creation  
3 Act, to incorporate the Illinois Business and Economic  
4 Development Corporation as a not-for-profit corporation  
5 pursuant to the General Not For Profit Corporation Act of 1986.

6           (b) The purpose of the corporation shall be to promote the  
7 economic development and well-being of the State. The  
8 corporation shall focus on business development, small and  
9 minority-owned business incubation, trade and investment,  
10 tourism and film. The corporation shall:

11           (1) develop best practices for economic development in  
12 consultation with the Department;

13           (2) enter into grant agreements with the Department and  
14 sub-grants with other persons and entities;

15           (3) maintain and develop economic data and research  
16 that is beneficial to business development in the State;

17           (4) maintain and develop information about specific  
18 statewide and regional economic incentives and benefits  
19 that may be available to a business to expand within, or  
20 relocate to, the State; and provide such information to  
21 prospective businesses;

22           (5) formulate and pursue programs and local  
23 partnerships for encouraging the location of new  
24 businesses in the State and for retaining and fostering the  
25 growth of existing businesses;

26           (6) negotiate tax incentives with private businesses,

1 subject to Department approval; and

2 (7) cooperate with and provide information to State  
3 agencies, local governments, community colleges, and State  
4 universities on economic development matters.

5 (c) For the purposes described in this Act, the corporation  
6 shall collaborate with the Department; with other State  
7 agencies, authorities, boards, and commissions whose programs  
8 and activities significantly affect economic activity in the  
9 State as appropriate; and with local and regional economic  
10 development organizations, local elected officials,  
11 community-based organizations, service delivery providers, and  
12 other organizations whose programs and activities  
13 significantly affect economic activity. The Department and  
14 each other State agency, authority, board, or commission with  
15 which the corporation seeks to collaborate shall assist the  
16 corporation in carrying out its purposes as directed by the  
17 Governor.

18 (d) The corporation shall not be considered, in whole or in  
19 part, an agency, political subdivision, or instrumentality of  
20 the State. The corporation shall not exercise any sovereign  
21 power of the State. Employees and officers of the corporation  
22 shall not be considered employees or officers of the State or  
23 subject to Personnel Code or other laws applicable to State  
24 employees and officers. The corporation does not have authority  
25 to pledge the credit of the State; the State shall not be  
26 liable for the debts or obligations of the corporation; and all

1 debts and obligations of the corporation shall be payable  
2 solely from the corporation's funds.

3 (e) The corporation shall have such powers, rights, and  
4 obligations as are conferred upon a not-for-profit corporation  
5 under the General Not For Profit Corporation Act of 1986,  
6 including to accept grants, loans, or other amounts from the  
7 State, the federal government, or other persons; to enter into  
8 contracts; and to employ personnel and other agents.

9 (f) The corporation shall be established, maintained, and  
10 operated so that donations and bequests to the corporation  
11 qualify as tax deductible under State income tax laws and  
12 Section 501(c)(3) of the Internal Revenue Code.

13 (g) The articles of incorporation and bylaws of the  
14 corporation shall provide for (1) governance and efficient  
15 management of the corporation, (2) a board of directors  
16 satisfying the requirements of Section 2-15, (3) a conflict  
17 of interest policy satisfying the requirements of Section  
18 2-30, and (4) financial operations of the corporation,  
19 including the authority to receive and expend funds from  
20 public and private sources and to use its property, money,  
21 and other resources for the purposes of the corporation.

22 Section 2-15. Board of Directors and Chief Executive  
23 Officer of the corporation.

24 (a) The affairs of the corporation shall be managed by or  
25 under the direction of the board of directors of the

1 corporation.

2 (b) The board shall comprise 16 directors as follows:

3 (1) The Governor or his or designee shall be a director  
4 ex officio and serve as chairperson of the board.

5 (2) The Governor shall appoint 11 directors, including

6 (i) one director with professional experience in finance,  
7 insurance, or investment banking, (ii) one director with  
8 professional experience in small business development,

9 (iii) one director with professional experience in the  
10 tourism or hospitality industry, and (iv) eight directors

11 who are actively employed in the private, for-profit sector  
12 or who otherwise have substantial experience in economic

13 development. Of those eight directors described in clause

14 (iv), there shall be at least one director from each  
15 industry cluster as identified to the Governor by the

16 Director. Of the 11 directors appointed pursuant to this  
17 paragraph, at least 4 directors shall be representatives of

18 minority-owned and women-owned businesses.

19 (3) The Speaker and Minority Leader of the House of  
20 Representatives and the President and Minority Leader of

21 the Senate each shall appoint one director who is employed  
22 in, or retired from employment in, a private business,

23 not-for-profit organization, or academic organization.

24 (c) To facilitate communication and cooperation between  
25 the corporation and State agencies involved in economic  
26 development, the director or head of each of the following

1 agencies shall serve as a non-voting, non-director member of  
2 the board: Department of Commerce and Economic Opportunity,  
3 Department of Agriculture, Department of Natural Resources,  
4 Department of Financial and Professional Regulation, Illinois  
5 Finance Authority, Department of Revenue, Department of Labor,  
6 Veterans' Affairs, Central Management Services, Illinois  
7 Environmental Protection Agency and Department of Employment  
8 Security.

9 (d) Except for the Governor or his or her designee, each  
10 director shall serve a term of three years. The articles of  
11 incorporation or bylaws shall divide the other 15 directors  
12 into three equal classes, with the terms of one class of  
13 directors expiring each year.

14 (e) The Governor shall select an initial Chief Executive  
15 Officer of the corporation, subject to confirmation by a  
16 majority of members of the board. After the initial Chief  
17 Executive Officer, each subsequent Chief Executive Officer  
18 shall be selected and confirmed by a majority vote of the  
19 Board.

20 Section 2-20. Office of Economic Development and Tourism.  
21 Within the Department, there shall be created a new division  
22 called the Office of Economic Development and Tourism. That  
23 office shall collaborate with the corporation and be  
24 responsible for the following functions of the Department:  
25 business development; entrepreneurship, innovation, and

1 technology; trade and investment; and tourism and film. The  
2 director of that office shall report directly to the Director.

3 Section 2-25. Transparency and accountability.

4 (a) Within the Office of the Director there is created a  
5 new division called the Office of Accountability and  
6 Transparency. Such division shall be responsible for  
7 monitoring all grants made by the Department; for ensuring  
8 compliance by the Department and its grantees, including the  
9 corporation, with all applicable laws and grant terms and  
10 conditions; and for ensuring transparency in the Department's  
11 grant-making and other activities.

12 (b) With respect to any grant agreement entered into  
13 between the corporation and the Department, the corporation  
14 shall comply with the following provisions:

15 (1) For the purposes of the Freedom of Information Act,  
16 the corporation shall be considered a contractor  
17 performing a governmental function on behalf of the  
18 Department in accordance with subsection (2) of Section 7  
19 of such Act, notwithstanding whether the corporation  
20 receives a grant from or enters into a contract with the  
21 Department.

22 (2) The corporation shall post copies of minutes of its  
23 board meetings on its publicly-accessible website. Any  
24 redactions shall be limited to information exempt from  
25 disclosure pursuant to subsection (1) of Section 7 of the



1 Freedom of Information Act or other applicable law.

2 (3) The corporation shall post copies of all final  
3 grant agreements and tax incentives on its  
4 publicly-accessible website. Any redactions shall be  
5 limited to information exempt from disclosure pursuant to  
6 subsection (1) of Section 7 of the Freedom of Information  
7 Act or other applicable law.

8 (4) The corporation shall develop procedures,  
9 standards, and objectives for evaluating all sub-grant  
10 applicants and sub-grants awarded to ensure that State  
11 funds spent by the corporation and its sub-grantees  
12 optimize return on investment for Illinois taxpayers. Such  
13 procedures, standards, and objectives shall be disclosed  
14 on the corporation's publicly-accessibly website.

15 (5) The corporation shall assess and report its efforts  
16 and results to the public and the Department's Office of  
17 Accountability and Transparency. In addition, the  
18 corporation shall comply with all grant monitoring  
19 procedures issued by the Department for the monitoring of  
20 grants of State and federal funds.

21 (6) The corporation shall conduct an annual audit  
22 performed by a certified public accountant in accordance  
23 with generally accepted accounting procedures. Such audit  
24 shall be filed with the Department's Office of  
25 Accountability and Transparency and made available to the  
26 public.

1           (7) The corporation shall be subject to bi-annual  
2 audits by the Auditor General.

3           (8) The Corporation shall submit an annual report to  
4 the Governor, the General Assembly, and the Department's  
5 Office of Accountability and Transparency that describes  
6 the corporation's operations and activities during the  
7 prior fiscal year, including (A) the corporation's  
8 complete, audited financial statements, including a  
9 description of the corporation's financial conditions and  
10 operations; (B) a listing of all public sources of funds  
11 received by the corporation; (C) a listing of all private  
12 sources of funds received by the corporation; (D) a listing  
13 of all firms and individuals who provided assistance or  
14 resources to the corporation without compensation,  
15 including the approximate value of the assistance or  
16 resources provided; and (E) a description of how the  
17 operations and activities of the corporation serve the  
18 interests of the State and promote economic development.

19           (9) The corporation shall comply with all applicable  
20 State and federal laws, including all applicable terms of  
21 the Grant Accountability and Transparency Act.

22           Section 2-30. Conflicts of interest.

23           (a) In the conduct of their service to the corporation,  
24 directors, officers, and employees of the corporation shall  
25 behave ethically and in the best interests of the corporation

1 and shall seek to avoid actual and potential conflicts of  
2 interest.

3 (b) The corporation shall adopt and maintain a  
4 comprehensive conflicts of interest policy. Such policy shall  
5 include, without limitation, the following:

6 (1) Any pecuniary interest held by or for a conflict  
7 party in a grant from or contract with the corporation  
8 shall be disclosed in writing and identified in the minutes  
9 of the board.

10 (2) A conflict party who holds a pecuniary interest in  
11 a grant from or contract with the corporation, or for whom  
12 such an interest is held, shall not participate in any  
13 corporate action with respect to such grant or contract.

14 (3) A conflict party may not acquire a pecuniary  
15 interest in a grant from or contract with the corporation  
16 during the time that the conflict party (or the spouse or  
17 immediate family member of the conflict party) serves as a  
18 director, officer, or employee of the corporation and for  
19 one year after termination of such service.

20 (4) The corporation will not enter into any grant or  
21 contract with any entity in which a conflict party is  
22 entitled to receive more than 7.5%, or in which a conflict  
23 party together with his or her spouse and immediate family  
24 members residing in his or her residence are entitled to  
25 receive more than 15%, of the total distribution income of  
26 the entity.

1           Section 2-35. Fundraising. The corporation shall raise and  
2 accept funds from private donors to support its economic  
3 development efforts and other operations.

4   Article III.

5           (20 ILCS 605/605-300 rep.)

6           Section 3-5. The Department of Commerce and Economic  
7 Opportunity Law of the Civil Administrative Code of Illinois is  
8 amended by repealing Section 605-300.

9   Article IV.

10          Section 4-99. Effective date. This Act takes effect upon  
11 becoming law.".