

SB0773



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB0773

Introduced 2/4/2015, by Sen. Michael Connelly

SYNOPSIS AS INTRODUCED:

New Act

Creates the Illinois Economic Development Corporation Act. Creates the Illinois Economic Development Corporation. Creates the board of directors of the Corporation and sets forth the membership of the board. Provides that the board shall develop and implement economic programs to provide business support and expertise and financial assistance to companies that are investing and creating jobs in Illinois and to support new business start-ups and business expansion and growth in Illinois. Sets forth the powers of the board. Creates the Illinois Small Business Development Center within the corporation to provide business counseling and educational programs developed at the local, regional, and State level to support Illinois small business creation and growth. Provides that the Center shall provide assistance, in the form of training, counseling, and information resources, to startup businesses and job-creator firms regarding the startup process. Provides that the board shall submit annual reports to the members of the General Assembly. Effective immediately.

LRB099 08164 HLH 28315 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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 Illinois Economic Development Corporation Act.

6 Section 5. Definitions. As used in this Act, except as
7 otherwise provided:

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

9 "Center" means the Illinois Small Business Development
10 Center.

11 "Corporation" means the Illinois Economic Development
12 Corporation.

13 "Economic development program" means a program or activity
14 having the primary purpose of encouraging the establishment and
15 growth of business in this State, including the creation and
16 retention of jobs.

17 Section 10. Illinois Economic Corporation; creation.

18 (a) The Illinois Economic Development Corporation is
19 created. The board of directors of the corporation is created
20 and shall consist of the Governor, who shall serve as
21 chairperson of the board, and 8 members, at least 2 of whom are
22 employed in the private sector. The members of the board shall

1 be appointed by the Governor, with the advice and consent of
2 the Senate, and shall serve at the pleasure of the Governor.
3 The Director of Central Management Services and the Director of
4 Revenue shall also serve as nonvoting members of the board.

5 (b) A majority of the voting members of the board
6 constitutes a quorum for the purpose of conducting its business
7 and exercising its powers and for all other purposes,
8 notwithstanding the existence of vacancies. Action may be taken
9 by the board upon a vote of a majority of the voting members
10 present.

11 (c) An executive director shall be appointed by the
12 Governor, with the advice and consent of the Senate, and shall
13 serve at the pleasure of the Governor. The board may delegate
14 to the executive director any powers and duties the board
15 considers proper. The executive director shall receive
16 compensation as determined by the board.

17 Section 15. Duties of the board.

18 (a) The board shall develop and implement economic programs
19 to provide business support and expertise and financial
20 assistance to companies that are investing and creating jobs in
21 Illinois and to support new business start-ups and business
22 expansion and growth in Illinois. The board may also develop
23 and implement any other programs related to economic
24 development in Illinois.

25 (b) For each program developed and implemented by the

1 board, the board shall do all of the following:

2 (1) establish clear and measurable goals for the
3 program that are tied to statutory or programmatic policy
4 objectives;

5 (2) establish at least one quantifiable benchmark for
6 each program goal described in paragraph (1);

7 (3) require that each recipient of a grant or loan
8 under the program submit a report to the corporation; each
9 contract with a recipient of a grant or loan under the
10 program must specify the frequency and format of the report
11 to be submitted to the corporation and the performance
12 measures to be included in the report;

13 (4) establish a method for evaluating the projected
14 results of the program with actual outcomes as determined
15 by evaluating the information described in paragraphs (1)
16 and (2); and

17 (5) annually and independently verify, from a sample of
18 grants and loans, the accuracy of the information required
19 to be reported under paragraph (3).

20 (c) The board shall require for each program developed and
21 implemented by the board all of the following:

22 (1) that each recipient of a grant or loan under the
23 program of at least \$100,000 submit to the corporation a
24 verified statement describing the recipient's expenditure
25 of the grant or loan funds, signed by both an independent
26 certified public accountant and the director or principal

1 officer of the recipient to attest to the accuracy of the
2 verified statement; the board shall also require the
3 recipient of such a grant or loan to make available for
4 inspection the documents supporting the verified
5 statement; the board must include the requirement in the
6 contract with grant or loan recipients; and

7 (2) that the board, if a recipient of a grant or loan
8 under the program submits false or misleading information
9 to the corporation or fails to comply with the terms of a
10 contract entered into with the corporation, without
11 providing satisfactory explanation for the noncompliance,
12 do all of the following:

13 (A) recoup payments made to the recipient;

14 (B) withhold future payments to be made to the
15 recipient; and

16 (C) impose a financial penalty on the recipient.

17 Section 20. Powers of the board. The board shall have all
18 the powers necessary or convenient to carry out the purposes
19 and provisions of this Act. In addition to all other powers
20 granted the board under this Act, the board may specifically:

21 (1) adopt, amend, and repeal any bylaws, policies, and
22 procedures for the regulation of its affairs and the
23 conduct of its business;

24 (2) have a seal and alter the seal at pleasure;

25 (3) maintain an office;

- 1 (4) sue and be sued;
- 2 (5) accept gifts, grants, loans, or other
- 3 contributions from private or public sources;
- 4 (6) establish the corporation's annual budget and
- 5 monitor the fiscal management of the corporation;
- 6 (7) execute contracts and other instruments required
- 7 for the operation of the corporation;
- 8 (8) employ any officers, agents, and employees that it
- 9 may require and determine their qualifications, duties,
- 10 and compensation;
- 11 (9) issue notes, bonds, and any other obligations;
- 12 (10) make loans and provide grants;
- 13 (11) incur debt; and
- 14 (12) procure liability insurance.

15 Section 25. Illinois Small Business Development Center.

16 (a) The Illinois Small Business Development Center is
17 created within the corporation to provide business counseling
18 and educational programs developed at the local, regional, and
19 State level to support Illinois small business creation and
20 growth. The Center shall be administered by an advisory
21 council.

22 (b) The advisory council is created and shall consist of 7
23 members appointed by the board. The members shall be persons of
24 recognized expertise and ability in the field of small business
25 creation and growth. A majority of the members of the advisory

1 council constitutes a quorum for the purpose of conducting its
2 business and exercising its powers and for all other purposes,
3 notwithstanding the existence of vacancies. Action may be taken
4 by the advisory council upon a vote of a majority of the
5 members present.

6 (c) The Center shall provide assistance, in the form of
7 training, counseling, and information resources, to startup
8 businesses and job-creator firms regarding the following
9 separate steps in the startup process:

10 (1) executing and filing articles of incorporation,
11 articles of organization, or any other papers required to
12 form a business;

13 (2) building management skills; and

14 (3) developing a market analysis.

15 Section 30. Administrative support.

16 (a) If requested by the board, the Department of Commerce
17 and Economic Opportunity shall provide staff or other resources
18 to assist the board in carrying out the purposes and provisions
19 of this Act.

20 (b) To the extent practical, the Department of Commerce and
21 Economic Opportunity and the board shall seek to coordinate
22 their economic development programs.

23 Section 35. Liability limited. Neither the State nor any
24 political subdivision of the State, nor any officer, employee,

1 or agent of the State or a political subdivision of the State
2 who is acting within the scope of employment or agency, is
3 liable for any debt, obligation, act, or omission of the
4 corporation.

5 Section 40. Annual reports.

6 (a) Annually, by January 1, the board shall submit to the
7 members of the General Assembly a report identifying the
8 economic development projects that the board intends to develop
9 and implement during the current calendar year.

10 (b) Annually, no later than October 1, the board shall
11 submit to the members of the General Assembly a report for the
12 previous fiscal year on each of the economic development
13 programs of the corporation that contains all of the following:

- 14 (1) a description of each program;
- 15 (2) a comparison of expected and actual program
16 outcomes;
- 17 (3) the number of grants made under the program;
- 18 (4) the number of loans made under the program;
- 19 (5) the amount of each grant and loan made under the
20 program;
- 21 (6) the recipient of each grant or loan made under the
22 program;
- 23 (7) the sum total of all grants and loans awarded to
24 and received by each recipient under the program; and
- 25 (8) any recommended changes to the program.

1 (c) The board shall make readily accessible to the public
2 on its official Internet website the information required under
3 subsection (b).

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.