

HB2424



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB2424

Introduced 2/17/2021, by Rep. Margaret Croke

SYNOPSIS AS INTRODUCED:

20 ILCS 605/605-1050

Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. Provides that of the federal funds received by the State for purposes related to the COVID-19 public health emergency, 25% of any such funds received on or after March 1, 2021 shall be allocated for use by the Coronavirus Business Interruption Grant Program (BIG Program). Effective immediately.

LRB102 13308 RJF 18652 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 5. The Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois
6 is amended by changing Section 605-1050 as follows:

7 (20 ILCS 605/605-1050)

8 Sec. 605-1050. Coronavirus Business Interruption Grant
9 Program (or BIG Program).

10 (a) Purpose. The Department may receive, directly or
11 indirectly, federal funds under the authority of legislation
12 passed in response to the Coronavirus epidemic including, but
13 not limited to, the Coronavirus Aid, Relief, and Economic
14 Security Act, P.L. 116-136 (the "CARES Act"). Section 5001 of
15 the CARES Act establishes the Coronavirus Relief Fund, which
16 authorizes the State to expend funds that are necessary to
17 respond to the COVID-19 public health emergency. The financial
18 support of Qualifying Businesses is a necessary expense under
19 federal guidance for implementing Section 5001 of the CARES
20 Act. Upon receipt or availability of such funds, and subject
21 to appropriations for their use, the Department shall
22 administer a program to provide financial assistance to
23 Qualifying Businesses that have experienced interruption of

1 business or other adverse conditions attributable to the
2 COVID-19 public health emergency. Support may be provided
3 directly by the Department to businesses and organizations or
4 in cooperation with a Qualified Partner. Financial assistance
5 may include, but not be limited to grants, expense
6 reimbursements, or subsidies.

7 (a-5) Of the federal funds received by the State for
8 purposes related to the COVID-19 public health emergency, 25%
9 of any such funds received on or after March 1, 2021 shall be
10 allocated for use by the Program created under this Section.

11 (b) From appropriations for the BIG Program, up to
12 \$60,000,000 may be allotted to the repayment or conversion of
13 Eligible Loans made pursuant to the Department's Emergency
14 Loan Fund Program. An Eligible Loan may be repaid or converted
15 through a grant payment, subsidy, or reimbursement payment to
16 the recipient or, on behalf of the recipient, to the Qualified
17 Partner, or by any other lawful method.

18 (c) From appropriations for the BIG Program, the
19 Department shall provide financial assistance through grants,
20 expense reimbursements, or subsidies to Qualifying Businesses
21 or a Qualified Partner to cover expenses or losses incurred
22 due to the COVID-19 public health emergency. With a minimum of
23 50% going to Qualified Businesses that enable critical support
24 services such as child care, day care, and early childhood
25 education, the BIG Program will reimburse costs or losses
26 incurred by Qualifying Businesses due to business interruption

1 caused by required closures, as authorized in federal guidance
2 regarding the Coronavirus Relief Fund. All spending related to
3 this program must be reimbursable by the Federal Coronavirus
4 Relief Fund in accordance with Section 5001 of the federal
5 CARES Act and any related federal guidance, or the provisions
6 of any other federal source supporting the program.

7 (d) As more fully described in subsection (c), funds will
8 be appropriated to the BIG Program for distribution to or on
9 behalf of Qualifying Businesses. Of the funds appropriated, a
10 minimum of 30% shall be allotted for Qualified Businesses with
11 ZIP codes located in the most disproportionately impacted
12 areas of Illinois, based on positive COVID-19 cases.

13 (e) The Department shall coordinate with the Department of
14 Human Services with respect to making grants, expense
15 reimbursements or subsidies to any child care or day care
16 provider providing services under Section 9A-11 of the
17 Illinois Public Aid Code to determine what resources the
18 Department of Human Services may be providing to a child care
19 or day care provider under Section 9A-11 of the Illinois
20 Public Aid Code.

21 (f) The Department may establish by rule administrative
22 procedures for the grant program, including any application
23 procedures, grant agreements, certifications, payment
24 methodologies, and other accountability measures that may be
25 imposed upon participants in the program. The emergency
26 rulemaking process may be used to promulgate the initial rules

1 of the grant program.

2 (g) Definitions. As used in this Section:

3 (1) "COVID-19" means the novel coronavirus disease
4 deemed COVID-19 by the World Health Organization on
5 February 11, 2020.

6 (2) "Qualifying Business" means a business or
7 organization that is experiencing business interruption
8 due to the COVID-19 public health emergency and is
9 eligible for reimbursement as prescribed by Section 601(a)
10 of the Social Security Act and added by Section 5001 of the
11 CARES Act or other federal legislation addressing the
12 COVID-19 crisis.

13 (3) "Eligible Loan" means a loan of up to \$50,000 that
14 was deemed eligible for funding under the Department's
15 Emergency Loan Fund Program and for which repayment will
16 be eligible for reimbursement from Coronavirus Relief Fund
17 monies pursuant to Section 5001 of the federal CARES Act
18 and any related federal guidance.

19 (4) "Emergency Loan Fund Program", also referred to as
20 the "COVID-19 Emergency Relief Program", is a program
21 executed by the Department by which the State Small
22 Business Credit Initiative fund is utilized to guarantee
23 loans released by a financial intermediary or Qualified
24 Partner.

25 (5) "Qualified Partner" means a financial institution
26 or nonprofit with which the Department has entered into an

1 agreement or contract to provide or incentivize assistance
2 to Qualifying Businesses.

3 (h) Powers of the Department. The Department has the power
4 to:

5 (1) provide grants, subsidies and expense
6 reimbursements to Qualified Businesses or, on behalf of
7 Qualified Businesses, to Qualified Partners from
8 appropriations to cover Qualified Businesses eligible
9 costs or losses incurred due to the COVID-19 public health
10 emergency, including losses caused by business
11 interruption or closure;

12 (2) enter into agreements, accept funds, issue grants,
13 and engage in cooperation with agencies of the federal
14 government, units of local government, financial
15 institutions, and nonprofit organizations to carry out the
16 purposes of this Program, and to use funds appropriated
17 for the BIG Program;

18 (3) prepare forms for application, notification,
19 contract, and other matters, and establish procedures,
20 rules, or regulations deemed necessary and appropriate to
21 carry out the provisions of this Section;

22 (4) provide staff, administration, and related support
23 required to manage the BIG Program and pay for the
24 staffing, administration, and related support;

25 (5) using data provided by the Illinois Department of
26 Public Health and other reputable sources, determine which

1 geographic regions in Illinois have been most
2 disproportionately impacted by the COVID-19 public health
3 emergency, considering factors of positive cases, positive
4 case rates, and economic impact; and

5 (6) determine which industries and businesses in
6 Illinois have been most disproportionately impacted by the
7 COVID-19 public health emergency and establish procedures
8 that prioritize greatly impacted industries and
9 businesses, as well as Qualified Businesses that did not
10 receive paycheck protection program assistance.

11 (Source: P.A. 101-636, eff. 6-10-20.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.