



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3299

Introduced 2/17/2023, by Rep. Lawrence "Larry" Walsh, Jr.

SYNOPSIS AS INTRODUCED:

30 ILCS 575/2

Amends the Business Enterprise for Minorities, Women, and Persons with Disabilities Act. Provides that the term "business" includes, for purposes of the Act, a not-for-profit organization that submits bids for workforce development contracts or provides technical assistance, notwithstanding the organization's status as a not-for-profit organization, if the not-for-profit organization otherwise meets the requirements for participation under the Act. Defines "workforce development" and "technical assistance for businesses".

LRB103 26932 HLH 53296 b

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Business Enterprise for Minorities, Women,
5 and Persons with Disabilities Act is amended by changing
6 Section 2 as follows:

7 (30 ILCS 575/2)

8 (Section scheduled to be repealed on June 30, 2024)

9 Sec. 2. Definitions.

10 (A) For the purpose of this Act, the following terms shall
11 have the following definitions:

12 (1) "Minority person" shall mean a person who is a
13 citizen or lawful permanent resident of the United States
14 and who is any of the following:

15 (a) American Indian or Alaska Native (a person
16 having origins in any of the original peoples of North
17 and South America, including Central America, and who
18 maintains tribal affiliation or community attachment).

19 (b) Asian (a person having origins in any of the
20 original peoples of the Far East, Southeast Asia, or
21 the Indian subcontinent, including, but not limited
22 to, Cambodia, China, India, Japan, Korea, Malaysia,
23 Pakistan, the Philippine Islands, Thailand, and

1 Vietnam).

2 (c) Black or African American (a person having
3 origins in any of the black racial groups of Africa).

4 (d) Hispanic or Latino (a person of Cuban,
5 Mexican, Puerto Rican, South or Central American, or
6 other Spanish culture or origin, regardless of race).

7 (e) Native Hawaiian or Other Pacific Islander (a
8 person having origins in any of the original peoples
9 of Hawaii, Guam, Samoa, or other Pacific Islands).

10 (2) "Woman" shall mean a person who is a citizen or
11 lawful permanent resident of the United States and who is
12 of the female gender.

13 (2.05) "Person with a disability" means a person who
14 is a citizen or lawful resident of the United States and is
15 a person qualifying as a person with a disability under
16 subdivision (2.1) of this subsection (A).

17 (2.1) "Person with a disability" means a person with a
18 severe physical or mental disability that:

19 (a) results from:

20 amputation,

21 arthritis,

22 autism,

23 blindness,

24 burn injury,

25 cancer,

26 cerebral palsy,

1 Crohn's disease,
2 cystic fibrosis,
3 deafness,
4 head injury,
5 heart disease,
6 hemiplegia,
7 hemophilia,
8 respiratory or pulmonary dysfunction,
9 an intellectual disability,
10 mental illness,
11 multiple sclerosis,
12 muscular dystrophy,
13 musculoskeletal disorders,
14 neurological disorders, including stroke and
15 epilepsy,
16 paraplegia,
17 quadriplegia and other spinal cord conditions,
18 sickle cell anemia,
19 ulcerative colitis,
20 specific learning disabilities, or
21 end stage renal failure disease; and
22 (b) substantially limits one or more of the
23 person's major life activities.

24 Another disability or combination of disabilities may
25 also be considered as a severe disability for the purposes
26 of item (a) of this subdivision (2.1) if it is determined

1 by an evaluation of rehabilitation potential to cause a
2 comparable degree of substantial functional limitation
3 similar to the specific list of disabilities listed in
4 item (a) of this subdivision (2.1).

5 (3) "Minority-owned business" means a business which
6 is at least 51% owned by one or more minority persons, or
7 in the case of a corporation, at least 51% of the stock in
8 which is owned by one or more minority persons; and the
9 management and daily business operations of which are
10 controlled by one or more of the minority individuals who
11 own it.

12 (4) "Women-owned business" means a business which is
13 at least 51% owned by one or more women, or, in the case of
14 a corporation, at least 51% of the stock in which is owned
15 by one or more women; and the management and daily
16 business operations of which are controlled by one or more
17 of the women who own it.

18 (4.1) "Business owned by a person with a disability"
19 means a business that is at least 51% owned by one or more
20 persons with a disability and the management and daily
21 business operations of which are controlled by one or more
22 of the persons with disabilities who own it. A
23 not-for-profit agency for persons with disabilities that
24 is exempt from taxation under Section 501 of the Internal
25 Revenue Code of 1986 is also considered a "business owned
26 by a person with a disability".

1 (4.2) "Council" means the Business Enterprise Council
2 for Minorities, Women, and Persons with Disabilities
3 created under Section 5 of this Act.

4 (4.3) "Commission" means, unless the context clearly
5 indicates otherwise, the Commission on Equity and
6 Inclusion created under the Commission on Equity and
7 Inclusion Act.

8 (5) "State contracts" means all contracts entered into
9 by the State, any agency or department thereof, or any
10 public institution of higher education, including
11 community college districts, regardless of the source of
12 the funds with which the contracts are paid, which are not
13 subject to federal reimbursement. "State contracts" does
14 not include contracts awarded by a retirement system,
15 pension fund, or investment board subject to Section
16 1-109.1 of the Illinois Pension Code. This definition
17 shall control over any existing definition under this Act
18 or applicable administrative rule.

19 "State construction contracts" means all State
20 contracts entered into by a State agency or public
21 institution of higher education for the repair,
22 remodeling, renovation or construction of a building or
23 structure, or for the construction or maintenance of a
24 highway defined in Article 2 of the Illinois Highway Code.

25 (6) "State agencies" shall mean all departments,
26 officers, boards, commissions, institutions and bodies

1 politic and corporate of the State, but does not include
2 the Board of Trustees of the University of Illinois, the
3 Board of Trustees of Southern Illinois University, the
4 Board of Trustees of Chicago State University, the Board
5 of Trustees of Eastern Illinois University, the Board of
6 Trustees of Governors State University, the Board of
7 Trustees of Illinois State University, the Board of
8 Trustees of Northeastern Illinois University, the Board of
9 Trustees of Northern Illinois University, the Board of
10 Trustees of Western Illinois University, municipalities or
11 other local governmental units, or other State
12 constitutional officers.

13 (7) "Public institutions of higher education" means
14 the University of Illinois, Southern Illinois University,
15 Chicago State University, Eastern Illinois University,
16 Governors State University, Illinois State University,
17 Northeastern Illinois University, Northern Illinois
18 University, Western Illinois University, the public
19 community colleges of the State, and any other public
20 universities, colleges, and community colleges now or
21 hereafter established or authorized by the General
22 Assembly.

23 (8) "Certification" means a determination made by the
24 Council or by one delegated authority from the Council to
25 make certifications, or by a State agency with statutory
26 authority to make such a certification, that a business

1 entity is a business owned by a minority, woman, or person
2 with a disability for whatever purpose. A business owned
3 and controlled by women shall be certified as a
4 "woman-owned business". A business owned and controlled by
5 women who are also minorities shall be certified as both a
6 "women-owned business" and a "minority-owned business".

7 (9) "Control" means the exclusive or ultimate and sole
8 control of the business including, but not limited to,
9 capital investment and all other financial matters,
10 property, acquisitions, contract negotiations, legal
11 matters, officer-director-employee selection and
12 comprehensive hiring, operating responsibilities,
13 cost-control matters, income and dividend matters,
14 financial transactions and rights of other shareholders or
15 joint partners. Control shall be real, substantial and
16 continuing, not pro forma. Control shall include the power
17 to direct or cause the direction of the management and
18 policies of the business and to make the day-to-day as
19 well as major decisions in matters of policy, management
20 and operations. Control shall be exemplified by possessing
21 the requisite knowledge and expertise to run the
22 particular business and control shall not include simple
23 majority or absentee ownership.

24 (10) "Business" means a business that has annual gross
25 sales of less than \$150,000,000 as evidenced by the
26 federal income tax return of the business. A firm with

1 gross sales in excess of this cap may apply to the Council
2 for certification for a particular contract if the firm
3 can demonstrate that the contract would have significant
4 impact on businesses owned by minorities, women, or
5 persons with disabilities as suppliers or subcontractors
6 or in employment of minorities, women, or persons with
7 disabilities. Firms with gross sales in excess of this cap
8 that are granted certification by the Council shall be
9 granted certification for the life of the contract,
10 including available renewals.

11 "Business" includes a not-for-profit organization that
12 submits bids for workforce development contracts or
13 provides technical assistance, notwithstanding the
14 organization's status as a not-for-profit organization, if
15 the not-for-profit organization otherwise meets the
16 requirements for participation under this Act.

17 (11) "Utilization plan" means a form and additional
18 documentations included in all bids or proposals that
19 demonstrates a vendor's proposed utilization of vendors
20 certified by the Business Enterprise Program to meet the
21 targeted goal. The utilization plan shall demonstrate that
22 the Vendor has either: (1) met the entire contract goal or
23 (2) requested a full or partial waiver and made good faith
24 efforts towards meeting the goal.

25 (12) "Business Enterprise Program" means the Business
26 Enterprise Program of the Commission on Equity and

1 Inclusion.

2 (13) "Workforce development" means career training and
3 networking if the career training or networking is
4 designed to increase participation by underrepresented
5 groups, including minorities, women, veterans, or
6 residents of economically distressed communities.

7 (14) "Technical assistance for businesses" means
8 assistance to create business opportunities for small
9 businesses that are minority-owned businesses, women-owned
10 businesses, and veteran-owned businesses and to support
11 those businesses.

12 (B) When a business is owned at least 51% by any
13 combination of minority persons, women, or persons with
14 disabilities, even though none of the 3 classes alone holds at
15 least a 51% interest, the ownership requirement for purposes
16 of this Act is considered to be met. The certification
17 category for the business is that of the class holding the
18 largest ownership interest in the business. If 2 or more
19 classes have equal ownership interests, the certification
20 category shall be determined by the business.

21 (Source: P.A. 101-601, eff. 1-1-20; 101-657, eff. 1-1-22;
22 102-29, eff. 6-25-21; 102-1119, eff. 1-23-23.)