



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB4916

Introduced 1/19/2006, by Rep. Sandra M. Pihos

SYNOPSIS AS INTRODUCED:

30 ILCS 265/10

Amends the Technology Development Act. Provides that no greater than 3% (now, 1%) of the Treasurer's investment portfolio at the time of investment (now, at any time) may be segregated in the Technology Investment Account. Provides that the Treasurer's investment in a fund created by an Illinois venture capital firm may not exceed 15% (now, 10%) of total investments in the venture capital fund. Effective immediately.

LRB094 17743 RCE 53042 b

FISCAL NOTE ACT
MAY APPLY

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 Technology Development Act is amended by
5 changing Section 10 as follows:

6 (30 ILCS 265/10)

7 Sec. 10. Technology Development Account.

8 (a) The State Treasurer may segregate a portion of the
9 Treasurer's investment portfolio, that at the time of
10 investment ~~no time~~ shall be no greater than 3% ~~1%~~ of the
11 portfolio, in the Technology Development Account, an account
12 that shall be maintained separately and apart from other moneys
13 invested by the Treasurer. The Treasurer may make investments
14 from the Account that help attract, assist, and retain quality
15 technology businesses in Illinois. The earnings on the Account
16 shall be accounted for separately from other investments made
17 by the Treasurer.

18 (b) Moneys in the Account may be invested by the State
19 Treasurer to provide venture capital to technology businesses
20 seeking to locate, expand, or remain in Illinois by placing
21 money with Illinois venture capital firms for investment by the
22 venture capital firms in technology businesses. "Venture
23 capital", as used in this Act, means equity financing that is
24 provided for starting up, expanding, or relocating a company,
25 or related purposes such as financing for seed capital,
26 research and development, introduction of a product or process
27 into the marketplace, or similar needs requiring risk capital.
28 "Technology business", as used in this Act, means a company
29 that has as its principal function the providing of services
30 including computer, information transfer, communication,
31 distribution, processing, administrative, laboratory,
32 experimental, developmental, technical, testing services,

1 manufacture of goods or materials, the processing of goods or
2 materials by physical or chemical change, computer related
3 activities, robotics, biological or pharmaceutical industrial
4 activity, or technology oriented or emerging industrial
5 activity. "Illinois venture capital firms", as used in this
6 Act, means an entity that has a majority of its employees in
7 Illinois or that has at least one managing partner domiciled in
8 Illinois that has made significant capital investments in
9 Illinois companies and that provides equity financing for
10 starting up or expanding a company, or related purposes such as
11 financing for seed capital, research and development,
12 introduction of a product or process into the marketplace, or
13 similar needs requiring risk capital.

14 (c) Any fund created by an Illinois venture capital firm in
15 which the State Treasurer places money pursuant to this Act
16 shall be required by the State Treasurer to seek investments in
17 technology businesses seeking to locate, expand, or remain in
18 Illinois.

19 (d) The investment of the State Treasurer in any fund
20 created by an Illinois venture capital firm in which the State
21 Treasurer places money pursuant to this Act shall not exceed
22 15% ~~10%~~ of the total investments in the fund.

23 (e) The State Treasurer shall not invest more than
24 one-third of the Technology Development Account in any given
25 calendar year.

26 (f) The Treasurer may deposit no more than 10% of the
27 earnings of the investments in the Technology Development
28 Account into the Technology Development Fund.

29 (Source: P.A. 94-395, eff. 8-1-05.)

30 Section 99. Effective date. This Act takes effect upon
31 becoming law.