

HB1241



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1241

Introduced 2/15/2007, by Rep. Raymond Poe - Aaron Schock

SYNOPSIS AS INTRODUCED:

30 ILCS 750/9-4.3

from Ch. 127, par. 2709-4.3

Amends the Build Illinois Act. Authorizes loans of up to \$100,000 (now, \$50,000) for minority, female, or disability small businesses.

LRB095 09169 RCE 29362 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Build Illinois Act is amended by changing
5 Section 9-4.3 as follows:

6 (30 ILCS 750/9-4.3) (from Ch. 127, par. 2709-4.3)

7 Sec. 9-4.3. Minority, female and disability loans.

8 (a) In the making of loans for minority, female or
9 disability small businesses, as defined below, the Department
10 is authorized to employ different criteria in lieu of the
11 general provisions of subsections (b), (d), (e), (f), (h), and
12 (i) of Section 9-4.

13 Minority, female or disability small businesses, for the
14 purpose of this Section, shall be defined as small businesses
15 that are, in the Department's judgment, at least 51% owned and
16 managed by one or more persons who are minority, female or
17 disabled.

18 (b) Loans made pursuant to this Section:

19 (1) Shall not exceed \$100,000 ~~\$50,000~~ or 50% of the
20 business project costs unless the Director of the
21 Department determines that a waiver of these limits is
22 required to meet the purposes of this Act.

23 (2) Shall only be made if, in the Department's

1 judgment, the number of jobs to be created or retained is
2 reasonable in relation to the loan funds requested.

3 (3) Shall be protected by security. Financial
4 assistance may be secured by first, second or subordinate
5 mortgage positions on real or personal property, by royalty
6 payments, by personal notes or guarantees, or by any other
7 security satisfactory to the Department to secure
8 repayment. Security valuation requirements, as determined
9 by the Department, for the purposes of this Section, may be
10 less than required for similar loans not covered by this
11 Section, provided the applicants demonstrate adequate
12 business experience, entrepreneurial training or
13 combination thereof, as determined by the Department.

14 (4) Shall be in such principal amount and form and
15 contain such terms and provisions with respect to security,
16 insurance, reporting, delinquency charges, default
17 remedies, and other matters as the Department shall
18 determine appropriate to protect the public interest and
19 consistent with the purposes of this Section. The terms and
20 provisions may be less than required for similar loans not
21 covered by this Section.

22 (Source: P.A. 87-1177; 88-422.)