



Rep. Delia C. Ramirez

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LRB102 04028 RJF 23901 a

1 AMENDMENT TO HOUSE BILL 721

2 AMENDMENT NO. _____. Amend House Bill 721 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Diversity in Not-for-Profit Act.

6 Section 5. Definitions. As used in this Act:

7 "Board of directors" has the same meaning as provided
8 under subsection (d) of Section 101.80 of the General Not For
9 Profit Corporation Act of 1986.

10 "Certification" means a determination that a
11 not-for-profit organization meets the defined classifications
12 of a "minority-led not-for-profit organization", a "woman-led
13 not-for-profit organization", or a "not-for-profit
14 organization led by a person with a disability".

15 "Key employees" means an employee of the organization who
16 is:

1 (1) the person who has ultimate responsibility for
2 implementing the decisions of the board of directors or
3 for supervising the management, administration, or
4 operation of the organization;

5 (2) the person who has ultimate responsibility for
6 managing the organization's finances; or

7 (3) the person who:

8 (A) has responsibilities, powers, or influence
9 over the organization as a whole that is similar to the
10 persons described in paragraphs (1) and (2);

11 (B) manages a discrete segment or activity of the
12 organizations that represents 25% or more of the
13 activities, assets, income, or expenses of the
14 organization, as compared to the organization as a
15 whole, or has or shares authority to control or
16 determine 25% or more of the organization's capital
17 expenditures, operating budget, or compensation for
18 employees; and

19 (C) is one of the 5 highest compensated employees
20 in the organization.

21 "Minority-led not-for-profit organization" means an
22 organization that is tax-exempt under Sections 501(c)(3) or
23 501(c)(4) of the Internal Revenue Code of 1986, has filed all
24 required forms under the Solicitation for Charity Act, and for
25 which:

26 (1) at least 51% of the members of the organization's

1 board of directors are minority persons, or at least 51%
2 of the members of the organization's board of directors
3 and key employees are minority persons;

4 (2) the organization is regularly and actively engaged
5 in the activity for which it is formed;

6 (3) the organization is not dependent upon or
7 influenced by another non-eligible person or organization;
8 and

9 (4) the organization has not been established or
10 reorganized for the specific purpose of obtaining a
11 certification under this Act.

12 "Not-for-profit organization led by a person with a
13 disability" means an organization that is tax-exempt under
14 Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code
15 of 1986, has filed all required forms under the Solicitation
16 for Charity Act, and for which:

17 (1) at least 51% of the members of the organization's
18 board of directors are persons with a disability, or at
19 least 51% of the members of the organization's board of
20 directors and key employees are persons with a disability;

21 (2) the organization is regularly and actively engaged
22 in the activity for which it is formed;

23 (3) the organization is not dependent upon or
24 influenced by another non-eligible person or organization;
25 and

26 (4) the organization has not been established or

1 reorganized for the specific purpose of obtaining a
2 certification under this Act.

3 "Woman-led not-for-profit organization" means an
4 organization that is tax-exempt under Sections 501(c)(3) or
5 501(c)(4) of the Internal Revenue Code of 1986, has filed all
6 required forms under the Solicitation for Charity Act, and for
7 which:

8 (1) at least 51% of the members of the organization's
9 board of directors are women, or at least 51% of the
10 members of the organization's board of directors and key
11 employees are women;

12 (2) the organization is regularly and actively engaged
13 in the activity for which it is formed;

14 (3) the organization is not dependent upon or
15 influenced by another non-eligible person or organization;
16 and

17 (4) the organization has not been established or
18 reorganized for the specific purpose of obtaining a
19 certification under this Act.

20 Section 10. Certification.

21 (a) For the purpose of assuring that a not-for-profit
22 organization taking advantage of this Act is legitimately
23 classified as a minority-led not-for-profit organization, a
24 woman-led not-for-profit organization, or a not-for-profit
25 organization led by a person with a disability, any State

1 agency, county, or unit of local government of the State of
2 Illinois that, on the effective date of this Act, certifies
3 entities under a disadvantaged business enterprise program
4 created under (i) the Business Enterprise for Minorities,
5 Women, and Persons with Disabilities Act, (ii) home rule
6 authorization under the Illinois Constitution, or (iii) any
7 similar statutory or home rule authorizations, may also
8 certify the organizations defined under this Act. Any such
9 State agency, county, or unit of local government, if it
10 elects to certify hereunder, shall also maintain a list of all
11 not-for-profit organizations legitimately classified as a
12 minority-led not-for-profit organization, a woman-led
13 not-for-profit organization, or a not-for-profit organization
14 led by a person with a disability.

15 (b) When a not-for-profit organization's board of
16 directors, or the board of directors together with key
17 employees, consists of at least 51% of any combination of
18 minority persons, women, or persons with disabilities, even
19 though none of the 3 classes alone holds at least a 51% share,
20 the 51% membership requirement for purposes of certification
21 under this Act shall be considered met. The certification
22 category for not-for-profit organizations shall be that of the
23 class holding the largest share of positions on the board of
24 directors, or on the board of directors together with key
25 employees, of a not-for-profit organization. If 2 or more
26 classes have an equal share of positions on the board of

1 directors, or on the board of directors together with key
2 employees, the certification category shall be determined by
3 the not-for-profit organization.

4 Section 15. Rules. Any State agency that elects to certify
5 organizations under this Act shall adopt rules necessary to
6 implement and enforce the requirements of this Act.

7 Section 100. The Public Utilities Act is amended by
8 changing Section 5-117 as follows:

9 (220 ILCS 5/5-117)

10 Sec. 5-117. Supplier diversity goals.

11 (a) The public policy of this State is to collaboratively
12 work with companies and not-for-profit organizations that
13 serve Illinois residents to improve their supplier diversity
14 in a non-antagonistic manner.

15 (a-5) For the purposes of this Section, "minority-led
16 not-for-profit organization", "woman-led not-for-profit
17 organization", and "not-for-profit organization led by a
18 person with a disability" shall have the same meanings as
19 provided under the Diversity in Not-for-Profit Act.

20 (b) The Commission shall require all gas, electric, and
21 water companies with at least 100,000 customers under its
22 authority, as well as suppliers of wind energy, solar energy,
23 hydroelectricity, nuclear energy, and any other supplier of

1 energy within this State, to submit an annual report by April
2 15, 2015 and every April 15 thereafter, in a searchable Adobe
3 PDF format, on all procurement goals and actual spending for
4 female-owned, minority-owned, veteran-owned, person with a
5 disability-owned, and small business enterprises, as well as
6 minority-led not-for-profit organizations, woman-led
7 not-for-profit organizations, and not-for-profit
8 organizations led by a person with a disability, in the
9 previous calendar year. These goals shall be expressed as a
10 percentage of the total work performed by the entity
11 submitting the report, and the actual spending for all
12 female-owned, minority-owned, veteran-owned, person with a
13 disability-owned, and small business enterprises, as well as
14 minority-led not-for-profit organizations, woman-led
15 not-for-profit organizations, and not-for-profit
16 organizations led by a person with a disability, shall also be
17 expressed as a percentage of the total work performed by the
18 entity submitting the report.

19 (c) Each participating company in its annual report shall
20 include the following information:

21 (1) an explanation of the plan for the next year to
22 increase participation;

23 (2) an explanation of the plan to increase the goals;

24 (3) the areas of procurement each company shall be
25 actively seeking more participation in ~~in~~ the next year;

26 (4) an outline of the plan to alert and encourage

1 potential vendors in that area to seek business from the
2 company;

3 (5) an explanation of the challenges faced in finding
4 quality vendors and offer any suggestions for what the
5 Commission could do to be helpful to identify those
6 vendors;

7 (6) a list of the certifications the company
8 recognizes;

9 (7) the point of contact for any potential vendor who
10 wishes to do business with the company and explain the
11 process for a vendor to enroll with the company as a
12 minority-owned, women-owned, ~~or~~ veteran-owned, or person
13 with a disability-owned company, or a minority-led
14 not-for-profit organization, a woman-led not-for-profit
15 organization, or a not-for-profit organization led by a
16 person with a disability; and

17 (8) any particular success stories to encourage other
18 companies to emulate best practices.

19 (d) Each annual report shall include as much
20 State-specific data as possible. If the submitting entity does
21 not submit State-specific data, then the company shall include
22 any national data it does have and explain why it could not
23 submit State-specific data and how it intends to do so in
24 future reports, if possible.

25 (e) Each annual report shall include the rules,
26 regulations, and definitions used for the procurement goals in

1 the company's annual report.

2 (f) The Commission and all participating entities shall
3 hold an annual workshop open to the public in 2015 and every
4 year thereafter on the state of supplier diversity to
5 collaboratively seek solutions to structural impediments to
6 achieving stated goals, including testimony from each
7 participating entity as well as subject matter experts and
8 advocates. The Commission shall publish a database on its
9 website of the point of contact for each participating entity
10 for supplier diversity, along with a list of certifications
11 each company recognizes from the information submitted in each
12 annual report. The Commission shall publish each annual report
13 on its website and shall maintain each annual report for at
14 least 5 years.

15 (Source: P.A. 98-1056, eff. 8-26-14; 99-906, eff. 6-1-17;
16 revised 7-22-19.)".