



SMALL
BUSINESS
ADVOCACY
COUNCIL

SBAC AGENDA 2023

Representing the Small Business Community in Illinois

PREPARED FOR:

SBAC Members

PREPARED BY:

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THE SMALL BUSINESS ADVOCACY COUNCIL SUMMARY



Mission

The SBAC is a non-partisan, policy-driven organization that promotes the success of small businesses through advocacy, the facilitation of meaningful business connections and educational programming. We are laser-focused on formulating and fighting to pass policies that support small businesses and local communities.

What We Believe

- Small businesses drive our economy and support local communities.
- The small business community must have a powerful and unified voice to foster the growth of small businesses and create vibrant neighborhood business districts.
- Through cooperative networking, idea sharing and education, small businesses can flourish.

Why We're Here Today

We are here to ask policymakers to support the small business community and the policies we will talk about today. The next few weeks will be crucial to moving these policy initiatives forward. The small business community has an oversized voice when we work together. Let's make it happen!

HB 2368 and HB 3418 passed the House and now need to be advanced out of the Senate. SB 2192 passed the Senate and now needs to be advanced out of the House.

SB 2192

Procurement Bidding Reform

Small businesses play a critical role in Illinois' economy. Helping small businesses receive their fair share of state procurement contracts is important for job creation and the success of the state's small businesses.



SB2192 would require the chief procurement office for the respective agency that rejects four consecutive bids from a small business to provide the same services to the Department of Transportation, the Capital Development Board and the Illinois State Toll Highway authority with a written explanation with the reasons the four bids were rejected. The explanation would be submitted within the same quarter that the fourth bid was rejected.

The written explanation must include:



- A description of the agency's needs
- A determination that the anticipated cost will be fair and reasonable
- A listing of all responsible and responsive bidders
- The name of the bidder selected, the total contract price, and the reasons for selecting that bidder

Small business owners invest significant time and money in submitting bids for state contracts. They are entitled to understate where they fell short and why their bid was rejected.

SB 2192 passed the Senate and now needs House approval.



HB 3418

THE SAFER COMMUNITIES & SMALL BUSINESS ACT

Illinois businesses are struggling to hire qualified employees, impacting their operations and recovery from the pandemic. The unemployment rate among formerly incarcerated individuals is extremely high. This undermines public safety and contributes to high recidivism rates.

HB 3418 will support small businesses struggling to hire employees, foster opportunities for formerly incarcerated individuals, improve public safety, and reduce the costs of incarceration. This initiative will provide wage subsidies to businesses that hire formerly incarcerated individuals and increased tax incentives to small businesses that hire returning citizens. HB 3418 passed the House and now needs Senate approval.

WHAT WILL HB 3418 DO?

TAX INCENTIVES FOR SMALL BUSINESSES

TAX INCENTIVES FOR SMALL BUSINESS

HB 3418 would deliver economic relief to small businesses via tax credits of up to \$5,000 for every formerly incarcerated worker that is hired into a new position.



WAGE SUBSIDIES

HB 3418 creates wage subsidies for businesses that hire formerly incarcerated individuals to facilitate the entry of returning citizens back into the workforce.

IMPROVE ILLINOIS ECONOMY

ILLINOIS ECONOMY

Not only will HB 3418 support small businesses and formerly incarcerated individuals, but it will also save significant money in reduced reincarceration costs and increase revenue for the state through the income and sales taxes paid by returning citizens.



PUBLIC SAFETY

When individuals returning from incarceration become stably employed, their risk of recidivism drops by 62%. HB 3418 can reduce crime and improve public safety.

HB 2368

TRANSPARENCY BILL FOR GOVERNMENT CONTRACTS

Each year Illinois awards government contracts to businesses. These contracts cover everything from construction projects to professional services.

Small businesses that drive our economy often have difficulty competing for these government contracts. The same is true for minority and women-owned businesses.

Recognizing the important role that small, minority, and women-owned businesses play in the economy, the Illinois legislature has set goals for state agencies.

These goals state that:



- 10% of state contracts should be awarded to small businesses.
- 10% of state contracts should be awarded to Women-Owned businesses.
- 16% of state contracts should be awarded to Minority-Owned businesses

Chairman Will Davis has filed a transparency bill that will help determine whether these goals are being met.

HB 2368 will:



- Require each state agency to provide important information about how much money they spent on government contracts and the amounts awarded to small, minority, and women-owned businesses.
- Require this information be made public so that Illinoisans can see how their tax dollars are being spent.

A state contact can help a small, minority, and women-owned business grow and flourish. HB 2368 would provide transparency and that will ensure eligible and qualified small, minority, and women-owned businesses receive government contracts.

HB 2368 passed the House and now needs Senate approval.

SB 1912

SUPPORT THE HEALTH CARE CONSUMER AND SMALL BUSINESS AFFORDABILITY AND TRANSPARENCY ACT

Health insurance premiums have skyrocketed for many small businesses. As a result, business owners are struggling to afford health insurance for themselves and their employees. Action must be taken to address excessive premium increases that are hurting small businesses. The rising costs of health insurance are unsustainable.

SENATE BILL 1912 WILL...

- Give the Department of Insurance (DOI) the authority (called "prior approval") to modify or deny unreasonable premium increases on small businesses.
- Increase transparency so that small businesses, and everyone concerned with the cost of health insurance, can determine the reason for persistent premium increases. Adequate transparency does not exist in the small group market for health insurance.

By passing Senate Bill 1912, Illinois will join 41 states that have enacted measures to protect from excessive premium increases. In New York alone, small group rates were reduced by **52%** because of prior approval, saving small businesses **\$632.4** million.

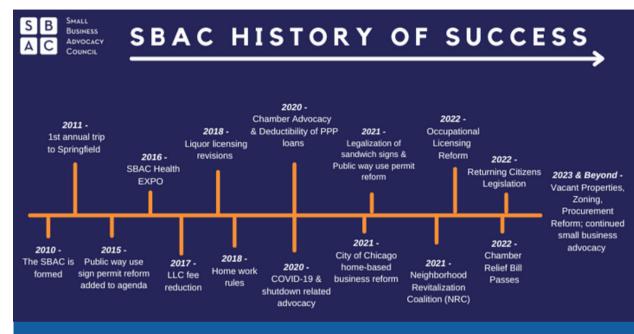
Small businesses drive the Illinois economy. Senate Bill 1912 will protect the small business community from excessive insurance premium so they can afford to offer health insurance benefits, compete for talent, and help grow the Illinois economy.



SBAC in the News

| Initiative | Date | Media |
|---|------------|----------------------|
| Transparency Will Empower the Small Business Community | 3/5/2023 | BUSINESS LEDGER |
| HB3418 | 11/23/2022 | NEWSY |
| Legislation to support small businesses and formerly incarcerated individuals and improve public safety in Illinois | 10/20/2022 | WBEZCHICAGO |
| Voice of Change: New Illinois legislation would help people find jobs after prison | 9/21/2022 | FOX 32 CHICAGO |
| To Reduce Labor Shortages, Chicago Tries to Ease the Path from Prison into Jobs | 9/12/2022 | Bloomberg |
| Our Chicago: Former IL inmates getting help staying out of jail and on the job | 8/28/2022 | abc |
| Why the Safer Communities & Small Business Act (HB3418) provides a solution to improve public safety | 8/9/2022 | WGN 72% |
| The Safer Communities & Small Business Act would provide support for Illinois small businesses and formerly incarcerated people | 8/4/2022 | 890 AM |

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THANK YOU!

Thank you for being an active voice for the SBAC and the small business community in Illinois. We appreciate your support as we are stronger together.







