

Business Enterprise Act

The Business Enterprise for Minorities, Females and Persons with Disabilities Act helps state government promote the economic development of businesses certified as owned and controlled by minorities, females and persons with disabilities. It does so by establishing a goal that at least 19 percent of procurement contracts let by the state go to businesses certified under the Act. There are currently 62 agencies and nine universities letting contracts subject to the Act.

Program Activities

Day-to-day activities designed to help meet the contracting goal:

- Agency Training Program staff work with each agency's purchasing group to educate them about the Act and provide them with information about BEP-certified businesses interested in contracting with the state.
- Compliance and Monitoring Program staff help ensure that agencies actively consider BEP-certified businesses when issuing bids/proposals or when entering into contracts.

Program Eligibility

The program is open to:

Minority Business Enterprise (MBE): A business concern which is at least 51 percent owned by one or more minority persons or, in the case of a corporation, at least 51 percent of the stock of which is owned by one or more minority persons, and the management and daily business operations of which are controlled by one or more minority individuals who own it. The 51 percent owners must be U.S. citizens or resident aliens.

Minority is defined as:

- Black/African American: A person having origins in any of the black racial groups in Africa
- Hispanic: A person of Spanish or Portuguese culture with origins in Mexico, South or Central America or the Caribbean Islands, Spain or Portugal regardless of race
- Asian American: A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific
- Native American or Alaskan Native: A person having origins in any of the original peoples of North America

Female Business Enterprise (FBE): A business concern which is at least 51 percent owned by one or more females or, in the case of a corporation, at least 51 percent of the stock of which is owned by one or more females, and the management and daily business operations of which are controlled by one or more females who own it. The 51 percent owners must be U.S. citizens or resident aliens.

Person with a Disability (PBE): A business concern which is at least 51 percent owned by one or more persons with a disability or, in the case of a corporation, at least 51 percent of the stock of which is owned by one or more persons with a disability, and the management and daily business operations of which are controlled by one or more persons with a disability who own it. The 51 percent owners must be U.S. citizens or resident aliens. The Act also

Business Enterprise Act

qualifies not-for-profit agencies for persons with a disability organized pursuant to Section 501 of the Internal Revenue Code of 1954 (this is the only instance in which not-forprofit entities are eligible under the Act).

Combinations: When a business concern is owned by at least 51 percent of any combination of minority persons, females, or persons with disabilities, even though none of the three classes alone holds at least a 51 percent interest, the ownership requirement for purposes of the Business Enterprise Act is considered to be met. The certification category for the business is that of the class holding the largest ownership in the business.

Annual Sales Limitation

Eligible businesses must have annual gross sales of \$27 million or less for the most recent fiscal period. However, businesses with gross sales over \$27 million can apply for a waiver to participate in the program on an individual contract basis, if the contract will provide significant employment and/or subcontracting opportunities for minorities, females and persons with disabilities.

For More Information

You can obtain more information about the program and the necessary forms by contacting:

Business Enterprise Program for Minorities, Females, and Persons with Disabilities
James R. Thompson Center
100 West Randolph Street
Suite 3-350
Chicago, Illinois 60601

Telephone: (312) 814-4190 (Voice or TDD/TTY)
(800) 356-9206 (BEP Toll-Free Line)
(800) 526-0844 (Illinois Relay Center)
(312) 814-5539 (Fax)