

AN ACT concerning regulation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Commission on Equity and Inclusion Act is amended by changing Section 40-10 as follows:

(30 ILCS 574/40-10)

Sec. 40-10. Powers and duties. In addition to the other powers and duties which may be prescribed in this Act or elsewhere, the Commission shall have the following powers and duties:

(1) The Commission shall have a role in all State and university procurement by facilitating and streamlining communications between the Business Enterprise Council for Minorities, Women, and Persons with Disabilities, the purchasing entities, the Chief Procurement Officers, and others.

(2) The Commission may create a scoring evaluation for State agency directors, public university presidents and chancellors, and public community college presidents. The scoring shall be based on the following 3 principles: (i) increasing capacity; (ii) growing revenue; and (iii) enhancing credentials. These principles should be the foundation of the agency compliance plan required under

Section 6 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

(3) The Commission shall exercise the authority and duties provided to it under Section 5-7 of the Illinois Procurement Code.

(4) The Commission, working with State agencies, shall provide support for diversity in State hiring.

(5) The Commission shall oversee the implementation of diversity training of the State workforce.

(6) Each January, and as otherwise frequently as may be deemed necessary and appropriate by the Commission, the Commission shall propose and submit to the Governor and the General Assembly legislative changes to increase inclusion and diversity in State government.

(7) The Commission shall have oversight over the following entities:

(A) the Illinois African-American Family Commission;

(B) the Illinois Latino Family Commission;

(C) the Asian American Family Commission;

(D) the Illinois Muslim American Advisory Council;

(E) the Illinois African-American Fair Contracting Commission created under Executive Order 2018-07; and

(F) the Business Enterprise Council for Minorities, Women, and Persons with Disabilities.

(8) The Commission shall adopt any rules necessary for

the implementation and administration of the requirements of this Act.

(9) The Commission shall exercise the authority and duties provided to it under Section 45-57 of the Illinois Procurement Code.

(10) The Commission is responsible for completing studies as required by Section 35-15 of the Illinois Community Reinvestment Act.

(Source: P.A. 101-657, eff. 1-1-22; 102-29, eff. 6-25-21; 102-671, eff. 11-30-21.)

Section 10. The Illinois Community Reinvestment Act is amended by changing Sections 35-5 and 35-15 as follows:

(205 ILCS 735/35-5)

Sec. 35-5. Definitions. As used in this Act:

"Commission" means the Commission on Equity and Inclusion.

"Covered financial institution" means a bank chartered under the Illinois Banking Act, a savings bank chartered under the Illinois Savings Bank Act, a credit union incorporated under the Illinois Credit Union Act, an entity licensed under the Illinois Residential Mortgage License Act of 1987 which lent or originated 50 or more residential mortgage loans in the previous calendar year, and any other financial institution under the jurisdiction of the Department as designated by rule by the Secretary.

"Department" means the Department of Financial and Professional Regulation.

"Division of Banking" means the Division of Banking within the Department.

"Division of Financial Institutions" means the Division of Financial Institutions within the Department.

"Secretary" means the Secretary of Financial and Professional Regulation, or his or her designee, including the Director of the Division of Banking or the Director of the Division of Financial Institutions.

(Source: P.A. 101-657, eff. 3-23-21.)

(205 ILCS 735/35-15)

Sec. 35-15. Examinations.

(a) The Secretary shall have the authority to examine each covered financial institution for compliance with this Act, in consultation with State and federal regulators with an appropriate regulatory interest, for and in compliance with applicable State and federal fair lending laws, including, but not limited to, the Illinois Human Rights Act, the federal Equal Credit Opportunity Act, and the federal Home Mortgage Disclosure Act, as often as the Secretary deems necessary and proper. The Secretary may adopt rules with respect to the frequency and manner of examination including the imposition of examination fees. The Secretary shall appoint a suitable person to perform such examination. The Secretary and his or

her appointees may examine the entire books, records, documents, and operations of each covered financial institution, its parent company, and its subsidiaries, affiliates, or agents, and may examine any of the covered financial institution's, its parent company's or its subsidiaries', affiliates', or agents' officers, directors, employees, and agents under oath. Any document or record prepared or obtained in connection with or relating to any such examination, and any record prepared or obtained by the Secretary to the extent that the record summarizes or contains information derived from any document or record described in this subsection (a), shall not be disclosed to the public unless otherwise provided by this Act.

(b) Upon the completion of the examination of a covered financial institution under this Section, the Secretary shall prepare a written evaluation of the covered financial institution's record of performance relative to this Act. Each written evaluation required under this subsection (b) shall have a public section, which shall include no less information than would be disclosed in a written evaluation under the federal Community Reinvestment Act, and a confidential section. The Secretary shall give the covered financial institution an opportunity to comment on the evaluation, and then shall make the public section of the written evaluation open to public inspection upon request. The written evaluation shall include, but is not limited to:

(1) the assessment factors utilized to determine the covered financial institution's descriptive rating;

(2) the Secretary's conclusions with respect to each such assessment factor;

(3) a discussion of the facts supporting such conclusions;

(4) the covered financial institution's descriptive rating and the basis therefor; and

(5) a summary of public comments.

(c) Based upon the examination, the covered financial institution shall be assigned one of the following ratings:

(1) outstanding record of performance in meeting its community financial services needs;

(2) satisfactory record of performance in meeting its community financial services needs;

(3) needs to improve record of performance in meeting its community services needs; or

(4) substantial noncompliance in meeting its community financial services needs.

(d) Notwithstanding the foregoing provisions of this Section, the Secretary may establish an alternative examination procedure for any covered financial institution, which, as of the most recent examination, has been assigned a rating of outstanding or satisfactory for its record of performance in meeting its community financial services needs.

(e) The Commission shall conduct studies to:

(1) identify and delineate geographies in Illinois exhibiting significant disparities by protected classes as identified by the Human Rights Act with respect to:

(A) access to financial products or services, including, but not limited to, physical branches of covered financial institutions; and

(B) lending and investments by covered financial institutions;

(2) identify policies, procedures, patterns, or practices that have or may have a disparate impact or discriminatory effect; and

(3) identify opportunities for establishing and growing Banking Development Districts in geographic locations where there are the greatest underbanked and unbanked populations and opportunities for partnerships between depository institutions and local communities.

(f) The Secretary may implement the findings and other results from such studies into the examination process through rules adopted in accordance with the Illinois Administrative Procedure Act.

(g) Any costs incurred by the Commission in conducting such studies shall be subject to appropriation and not funded by the examination fees paid by covered financial institutions under subsection (a).

(h) The Commission shall provide reports of its findings and shall furnish copies of the reports to the General

Assembly and the Secretary.

(i) The results of every study performed under this Act shall be publicly available on the websites of the Commission and the Department.

(j) The Commission may contract with a qualified person or entity to design and conduct the studies authorized under subsection (e).

(Source: P.A. 101-657, eff. 3-23-21.)

Section 99. Effective date. This Act takes effect January 1, 2025.