



Department of Commerce and Economic Opportu

Rod R. Blagojevich, Governor / Jack Lavin, Director

For Immediate Release
04/09/2003

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DCEO Budget Proposal To Enhance Workforce Training, Increase Business Investment

SPRINGFIELD, ILL. - Gov. Rod R. Blagojevich today proposed a fiscal year 2004 budget of \$1.8 billion for the Illinois Department of Commerce and Economic Opportunity (DCEO), down 25 percent from its FY03 budget.

The proposed spending means the agency will operate with less money. However, by streamlining many of its operations and instituting cost-saving measures, DCEO will be able to take on new responsibilities and to provide new services to Illinois entrepreneurs and workers.

"Illinois' economic development agency not only has a new name, but a new mission," said Jack Lavin, DCEO acting director. "The budget plan directs the department to focus on nurturing our state's entrepreneurial spirit and on ensuring our workers get the skills they need to compete in the global economy."

The proposed DCEO budget includes \$250 million in federal workforce training funds that are currently administered by the Illinois Department of Employment Security (IDES). Other job training programs administered by the Illinois Community College Board and Prairie State 2000 Authority also will be moved to DCEO. Shifting these job training programs to DCEO, thereby eliminating overlapping services will save Illinois taxpayers almost \$16 million.

The governor's budget includes funding for new initiatives that will spur the creation of new businesses and enhance the development of new technologies.

In an effort to increase the amount of venture capital for start-up companies, \$250,000 will be earmarked to launch the Illinois Opportunity Fund. Another \$2.8 million will be set aside to establish 10 new Entrepreneurship Centers around the state. They will augment the state's Small Business Development Centers and Illinois Technology Enterprise Centers, which will continue to be funded through DCEO.

An additional \$17 million in state funds will be used to leverage \$126 million in federal money over the next five years to complete the Center for Nanoscale Materials at Argonne National Laboratory in Lemont. It is anticipated that, in the first years of operation, the facility—one of

only five in the country—will attract approximately \$200 million in nanoscience and nanotechnology research.

The governor's budget calls for DCEO to aggressively promote the development of new technologies for renewable energy resources. The department's energy division will receive more than \$31 million to foster the state's growing ethanol, wind and solar power industries. Recycling programs will get \$14 million.

Illinois' coal industry will receive a significant boost under Blagojevich's proposed budget. DCEO's Office of Coal Development and Marketing will receive \$108 million, including \$56 million in new coal bond funding that will be tapped for projects that allow Illinois coal to be burned cleanly.

"Innovation is the cornerstone of every successful business," Lavin said. This agency will have the resources to support the development of new technologies that will help our manufacturers become more efficient and ensure our state continues to have an abundant and affordable supply of energy to power its economy."

The department's Bureau of Business Development, working to fulfill the governor's promise to improve the Illinois economy, will spend \$150 million to keep businesses in Illinois. The money will be awarded as incentive grants for businesses that relocate to Illinois, or to retain businesses that are considering relocating outside of the state.

The budget for DCEO's Bureau of Tourism is \$45 million, down 22 percent from the previous year. Cuts included \$5 million from the International Tourism Fund and \$5 million from the Tourism Promotion Fund for the Metropolitan Pier and Exposition Authority. The Illinois Trade Office will continue to market the state overseas and to provide export assistance to Illinois companies through its \$5.6 million budget.

"Just as businesses must do more with less during tough times, so must state government," Lavin said. "Under this budget proposal, the department will become more flexible and better able to meet the needs of business and labor."

[<-- Back to Index](#)
[<-- Close Window](#)