

1 AN ACT concerning government.

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

4 Section 5. The Illinois Procurement Code is amended by
5 changing Section 20-60 and by adding Sections 20-7 and 50-80 as
6 follows:

7 (30 ILCS 500/20-7 new)

8 Sec. 20-7. Method of scoring.

9 (a) All procurement scoring rubrics for contracts entered
10 into under this Code shall account for and allocate 20% of the
11 total available points towards evaluation of each respondent's
12 commitment to diversity, and shall require supporting
13 documentation to that purpose.

14 (b) The scoring rubric requirements established under this
15 Section shall include, but not be limited to, the following:

16 (1) for publicly owned businesses, the number and
17 percentage of members of the respondent's governance board
18 who are women, minorities, or persons with disabilities;

19 (2) for privately owned businesses, the respondent
20 shall identify whether it or its affiliates are managed by
21 women, minorities, or persons with disabilities. For the
22 purposes of this paragraph (2), "managed by women,
23 minorities, or persons with disabilities" means being

1 owned or managed by a 51% or more combination of women,
2 minorities, or persons with disabilities;

3 (3) the respondent shall provide the number and
4 percentage of the respondent's owners and managers who are
5 women, minorities, or persons with disabilities;

6 (4) the number and percentage of the respondent's
7 senior executive leaders, including partner, president,
8 chief operating officer, managing director, or other
9 senior executives, who are women, minorities, military
10 veterans, or persons with disabilities;

11 (5) the number and percentage of the respondent's
12 staff, including both full-time and part-time employees,
13 who are women, minorities, or persons with disabilities;
14 and

15 (6) the respondent's intended use of subcontractors
16 for a project, if any, that are women, minorities, or
17 persons with disabilities.

18 (c) When a solicitation, including solicitations for sole
19 source contracts and contracts with group purchasing
20 organizations, is issued by any State agency or public
21 institution of higher education and falls within a service or
22 product offering that has a history of disparate awards to a
23 class of business owners that are identified under the Business
24 Enterprise Program Act, the scoring rubric allocation
25 identified under subsection (a) shall be 30% of the total
26 available points towards evaluation of each respondent's

1 commitment to diversity.

2 (d) If any State agency contract is eligible to be paid
3 for, in whole or in part, with federal-aid funds, grants, or
4 loans, and the provisions of this Section would result in the
5 loss of those federal-aid funds, grants, or loans, then the
6 contract is exempt from the provisions of this Section in order
7 to remain eligible for those federal-aid funds, grants, or
8 loans.

9 (30 ILCS 500/20-60)

10 Sec. 20-60. Duration of contracts.

11 (a) Maximum duration. A contract may be entered into for
12 any period of time deemed to be in the best interests of the
13 State but not exceeding 10 years inclusive, beginning January
14 1, 2010, of proposed contract renewals. The length of a lease
15 for real property or capital improvements shall be in
16 accordance with the provisions of Section 40-25. The length of
17 energy conservation program contracts or energy savings
18 contracts or leases shall be in accordance with the provisions
19 of Section 25-45. A contract for bond or mortgage insurance
20 awarded by the Illinois Housing Development Authority,
21 however, may be entered into for any period of time less than
22 or equal to the maximum period of time that the subject bond or
23 mortgage may remain outstanding.

24 (b) Subject to appropriation. All contracts made or entered
25 into shall recite that they are subject to termination and

1 cancellation in any year for which the General Assembly fails
2 to make an appropriation to make payments under the terms of
3 the contract.

4 (c) The chief procurement officer shall file a proposed
5 extension or renewal of a contract with the Procurement Policy
6 Board prior to entering into any extension or renewal if the
7 cost associated with the extension or renewal exceeds \$249,999.
8 The Procurement Policy Board may object to the proposed
9 extension or renewal within 30 calendar days and require a
10 hearing before the Board prior to entering into the extension
11 or renewal. If the Procurement Policy Board does not object
12 within 30 calendar days or takes affirmative action to
13 recommend the extension or renewal, the chief procurement
14 officer may enter into the extension or renewal of a contract.
15 This subsection does not apply to any emergency procurement,
16 any procurement under Article 40, or any procurement exempted
17 by Section 1-10(b) of this Code. If any State agency contract
18 is paid for in whole or in part with federal-aid funds, grants,
19 or loans and the provisions of this subsection would result in
20 the loss of those federal-aid funds, grants, or loans, then the
21 contract is exempt from the provisions of this subsection in
22 order to remain eligible for those federal-aid funds, grants,
23 or loans, and the State agency shall file notice of this
24 exemption with the Procurement Policy Board prior to entering
25 into the proposed extension or renewal. Nothing in this
26 subsection permits a chief procurement officer to enter into an

1 extension or renewal in violation of subsection (a). By August
2 1 each year, the Procurement Policy Board shall file a report
3 with the General Assembly identifying for the previous fiscal
4 year (i) the proposed extensions or renewals that were filed
5 with the Board and whether the Board objected and (ii) the
6 contracts exempt from this subsection.

7 (d) No vendor shall be eligible for renewal of a contract
8 when that vendor has failed to meet the Business Enterprise
9 Program spending goal specified under the contract, and that
10 vendor is not otherwise excused from compliance under the
11 Business Enterprise Program Act. This subsection (d) does not
12 apply to the renewal of contracts for construction or
13 construction-related services.

14 (Source: P.A. 100-23, eff. 7-6-17.)

15 (30 ILCS 500/50-80 new)

16 Sec. 50-80. Diversity training; report.

17 (a) All employees under each Chief Procurement Officer, as
18 defined under Section 1-15.15, shall complete annual training
19 for diversity and inclusion as prescribed by the Chief
20 Procurement Officer in consultation with the Business
21 Enterprise Council.

22 (b) Each Chief Procurement Officer shall submit to the
23 Business Enterprise Council an annual report that summarizes
24 diversity training that was completed during the previous year,
25 and lays out the plan for the diversity training programs in

1 the coming year. Each Chief Procurement Officer shall also
2 submit to the Executive Ethics Commission an annual report
3 detailing the current status of its diversity efforts, and an
4 action plan to increase diversity internally within their
5 respective offices.

6 Section 10. The Business Enterprise for Minorities, Women,
7 and Persons with Disabilities Act is amended by changing
8 Sections 4f and 6 as follows:

9 (30 ILCS 575/4f)

10 (Section scheduled to be repealed on June 30, 2020)

11 Sec. 4f. Award of State contracts.

12 (1) It is hereby declared to be the public policy of the
13 State of Illinois to promote and encourage each State agency
14 and public institution of higher education to use businesses
15 owned by minorities, women, and persons with disabilities in
16 the area of goods and services, including, but not limited to,
17 insurance services, investment management services,
18 information technology services, accounting services,
19 architectural and engineering services, and legal services.
20 Furthermore, each State agency and public institution of higher
21 education shall utilize such firms to the greatest extent
22 feasible within the bounds of financial and fiduciary prudence,
23 and take affirmative steps to remove any barriers to the full
24 participation of such firms in the procurement and contracting

1 opportunities afforded.

2 (a) When a State agency or public institution of higher
3 education, other than a community college, awards a
4 contract for insurance services, for each State agency or
5 public institution of higher education, it shall be the
6 aspirational goal to use insurance brokers owned by
7 minorities, women, and persons with disabilities as
8 defined by this Act, for not less than 20% of the total
9 annual premiums or fees.

10 (b) When a State agency or public institution of higher
11 education, other than a community college, awards a
12 contract for investment services, for each State agency or
13 public institution of higher education, it shall be the
14 aspirational goal to use emerging investment managers
15 owned by minorities, women, and persons with disabilities
16 as defined by this Act, for not less than 20% of the total
17 funds under management. Furthermore, it is the
18 aspirational goal that not less than 20% of the direct
19 asset managers of the State funds be minorities, women, and
20 persons with disabilities.

21 (c) When a State agency or public institution of higher
22 education, other than a community college, awards
23 contracts for information technology services, accounting
24 services, architectural and engineering services, and
25 legal services, for each State agency and public
26 institution of higher education, it shall be the

1 aspirational goal to use such firms owned by minorities,
2 women, and persons with disabilities as defined by this Act
3 and lawyers who are minorities, women, and persons with
4 disabilities as defined by this Act, for not less than 20%
5 of the total dollar amount of State contracts. In the case
6 of State contracts for architectural and engineering
7 services, the provisions of this subsection (c) requiring a
8 portion of State contracts to be awarded to businesses
9 owned and controlled by persons with disabilities do not
10 apply.

11 (d) When a community college awards a contract for
12 insurance services, investment services, information
13 technology services, accounting services, architectural
14 and engineering services, and legal services, it shall be
15 the aspirational goal of each community college to use
16 businesses owned by minorities, women, and persons with
17 disabilities as defined in this Act for not less than 20%
18 of the total amount spent on contracts for these services
19 collectively. When a community college awards contracts
20 for investment services, contracts awarded to investment
21 managers who are not emerging investment managers as
22 defined in this Act shall not be considered businesses
23 owned by minorities, women, or persons with disabilities
24 for the purposes of this Section.

25 (e) When a State agency or public institution of higher
26 education issues requests for proposals or solicitations,

1 including requests and solicitations for sole source
2 contracts and contracts with group purchasing
3 organizations, that fall within a service or product
4 offering that has a history of disparate awards to a class
5 of business owners that are underrepresented in contract
6 awards, it shall be the aspirational goal to use service or
7 product providers owned by minorities, women, and persons
8 with disabilities as defined by this Act for not less than
9 20% of the total dollar amount of State contracts. If the
10 State agency or public institution of higher education
11 believes that it may be difficult to properly assess the
12 minimum 20% aspirational goal, then it may appear before
13 the Council to seek a modification of the goal requirement
14 provided under this paragraph (e).

15 If any State agency contract is eligible to be paid
16 for, in whole or in part, with federal-aid funds, grants,
17 or loans, and the provisions of this paragraph (e) would
18 result in the loss of those federal-aid funds, grants, or
19 loans, then the contract is exempt from the provisions of
20 this paragraph (e) in order to remain eligible for those
21 federal-aid funds, grants, or loans.

22 (2) As used in this Section:

23 "Accounting services" means the measurement,
24 processing and communication of financial information
25 about economic entities including, but is not limited to,
26 financial accounting, management accounting, auditing,

1 cost containment and auditing services, taxation and
2 accounting information systems.

3 "Architectural and engineering services" means
4 professional services of an architectural or engineering
5 nature, or incidental services, that members of the
6 architectural and engineering professions, and individuals
7 in their employ, may logically or justifiably perform,
8 including studies, investigations, surveying and mapping,
9 tests, evaluations, consultations, comprehensive planning,
10 program management, conceptual designs, plans and
11 specifications, value engineering, construction phase
12 services, soils engineering, drawing reviews, preparation
13 of operating and maintenance manuals, and other related
14 services.

15 "Emerging investment manager" means an investment
16 manager or claims consultant having assets under
17 management below \$10 billion or otherwise adjudicating
18 claims.

19 "Information technology services" means, but is not
20 limited to, specialized technology-oriented solutions by
21 combining the processes and functions of software,
22 hardware, networks, telecommunications, web designers,
23 cloud developing resellers, and electronics.

24 "Insurance broker" means an insurance brokerage firm,
25 claims administrator, or both, that procures, places all
26 lines of insurance, or administers claims with annual

1 premiums or fees of at least \$5,000,000 but not more than
2 \$10,000,000.

3 "Legal services" means work performed by a lawyer
4 including, but not limited to, contracts in anticipation of
5 litigation, enforcement actions, or investigations.

6 (3) Each State agency and public institution of higher
7 education shall adopt policies that identify its plan and
8 implementation procedures for increasing the use of service
9 firms owned by minorities, women, and persons with
10 disabilities.

11 (4) Except as provided in subsection (5), the Council shall
12 file no later than March 1 of each year an annual report to the
13 Governor and the General Assembly. The report to the General
14 Assembly shall be filed with the Clerk of the House of
15 Representatives and the Secretary of the Senate in electronic
16 form only, in the manner that the Clerk and the Secretary shall
17 direct ~~The report filed with the General Assembly shall be~~
18 ~~filed as required in Section 3.1 of the General Assembly~~
19 ~~Organization Act.~~ This report shall: (i) identify the service
20 firms used by each State agency and public institution of
21 higher education, (ii) identify the actions it has undertaken
22 to increase the use of service firms owned by minorities,
23 women, and persons with disabilities, including encouraging
24 non-minority-owned firms to use other service firms owned by
25 minorities, women, and persons with disabilities as
26 subcontractors when the opportunities arise, (iii) state any

1 recommendations made by the Council to each State agency and
2 public institution of higher education to increase
3 participation by the use of service firms owned by minorities,
4 women, and persons with disabilities, and (iv) include the
5 following:

6 (A) For insurance services: the names of the insurance
7 brokers or claims consultants used, the total of risk
8 managed by each State agency and public institution of
9 higher education by insurance brokers, the total
10 commissions, fees paid, or both, the lines or insurance
11 policies placed, and the amount of premiums placed; and the
12 percentage of the risk managed by insurance brokers, the
13 percentage of total commission, fees paid, or both, the
14 lines or insurance policies placed, and the amount of
15 premiums placed with each by the insurance brokers owned by
16 minorities, women, and persons with disabilities by each
17 State agency and public institution of higher education.

18 (B) For investment management services: the names of
19 the investment managers used, the total funds under
20 management of investment managers; the total commissions,
21 fees paid, or both; the total and percentage of funds under
22 management of emerging investment managers owned by
23 minorities, women, and persons with disabilities,
24 including the total and percentage of total commissions,
25 fees paid, or both by each State agency and public
26 institution of higher education.

1 (C) The names of service firms, the percentage and
2 total dollar amount paid for professional services by
3 category by each State agency and public institution of
4 higher education.

5 (D) The names of service firms, the percentage and
6 total dollar amount paid for services by category to firms
7 owned by minorities, women, and persons with disabilities
8 by each State agency and public institution of higher
9 education.

10 (E) The total number of contracts awarded for services
11 by category and the total number of contracts awarded to
12 firms owned by minorities, women, and persons with
13 disabilities by each State agency and public institution of
14 higher education.

15 (5) For community college districts, the Business
16 Enterprise Council shall only report the following information
17 for each community college district: (i) the name of the
18 community colleges in the district, (ii) the name and contact
19 information of a person at each community college appointed to
20 be the single point of contact for vendors owned by minorities,
21 women, or persons with disabilities, (iii) the policy of the
22 community college district concerning certified vendors, (iv)
23 the certifications recognized by the community college
24 district for determining whether a business is owned or
25 controlled by a minority, woman, or person with a disability,
26 (v) outreach efforts conducted by the community college

1 district to increase the use of certified vendors, (vi) the
2 total expenditures by the community college district in the
3 prior fiscal year in the divisions of work specified in
4 paragraphs (a), (b), and (c) of subsection (1) of this Section
5 and the amount paid to certified vendors in those divisions of
6 work, and (vii) the total number of contracts entered into for
7 the divisions of work specified in paragraphs (a), (b), and (c)
8 of subsection (1) of this Section and the total number of
9 contracts awarded to certified vendors providing these
10 services to the community college district. The Business
11 Enterprise Council shall not make any utilization reports under
12 this Act for community college districts for Fiscal Year 2015
13 and Fiscal Year 2016, but shall make the report required by
14 this subsection for Fiscal Year 2017 and for each fiscal year
15 thereafter. The Business Enterprise Council shall report the
16 information in items (i), (ii), (iii), and (iv) of this
17 subsection beginning in September of 2016. The Business
18 Enterprise Council may collect the data needed to make its
19 report from the Illinois Community College Board.

20 (6) The status of the utilization of services shall be
21 discussed at each of the regularly scheduled Business
22 Enterprise Council meetings. Time shall be allotted for the
23 Council to receive, review, and discuss the progress of the use
24 of service firms owned by minorities, women, and persons with
25 disabilities by each State agency and public institution of
26 higher education; and any evidence regarding past or present

1 racial, ethnic, or gender-based discrimination which directly
2 impacts a State agency or public institution of higher
3 education contracting with such firms. If after reviewing such
4 evidence the Council finds that there is or has been such
5 discrimination against a specific group, race or sex, the
6 Council shall establish sheltered markets or adjust existing
7 sheltered markets tailored to address the Council's specific
8 findings for the divisions of work specified in paragraphs (a),
9 (b), and (c) of subsection (1) of this Section.

10 (Source: P.A. 99-462, eff. 8-25-15; 99-642, eff. 7-28-16;
11 100-391, eff. 8-25-17.)

12 (30 ILCS 575/6) (from Ch. 127, par. 132.606)

13 (Section scheduled to be repealed on June 30, 2020)

14 Sec. 6. Agency compliance plans. Each State agency and
15 public institutions of higher education under the jurisdiction
16 of this Act shall file with the Council an annual compliance
17 plan which shall outline the goals of the State agency or
18 public institutions of higher education for contracting with
19 businesses owned by minorities, women, and persons with
20 disabilities for the then current fiscal year, the manner in
21 which the agency intends to reach these goals and a timetable
22 for reaching these goals. The Council shall review and approve
23 the plan of each State agency and public institutions of higher
24 education and may reject any plan that does not comply with
25 this Act or any rules or regulations promulgated pursuant to

1 this Act.

2 (a) The compliance plan shall also include, but not be
3 limited to, (1) a policy statement, signed by the State agency
4 or public institution of higher education head, expressing a
5 commitment to encourage the use of businesses owned by
6 minorities, women, and persons with disabilities, (2) the
7 designation of the liaison officer provided for in Section 5 of
8 this Act, (3) procedures to distribute to potential contractors
9 and vendors the list of all businesses legitimately classified
10 as businesses owned by minorities, women, and persons with
11 disabilities and so certified under this Act, (4) procedures to
12 set separate contract goals on specific prime contracts and
13 purchase orders with subcontracting possibilities based upon
14 the type of work or services and subcontractor availability,
15 (5) procedures to assure that contractors and vendors make good
16 faith efforts to meet contract goals, (6) procedures for
17 contract goal exemption, modification and waiver, and (7) the
18 delineation of separate contract goals for businesses owned by
19 minorities, women, and persons with disabilities.

20 (b) Approval of the compliance plans shall include such
21 delegation of responsibilities to the requesting State agency
22 or public institution of higher education as the Council deems
23 necessary and appropriate to fulfill the purpose of this Act.
24 Such responsibilities may include, but need not be limited to
25 those outlined in subsections (1), (2) and (3) of Section 7,
26 paragraph (a) of Section 8, and Section 8a of this Act.

1 (c) Each State agency and public institution of higher
2 education under the jurisdiction of this Act shall file with
3 the Council an annual report of its utilization of businesses
4 owned by minorities, women, and persons with disabilities
5 during the preceding fiscal year including lapse period
6 spending and a mid-fiscal year report of its utilization to
7 date for the then current fiscal year. The reports shall
8 include a self-evaluation of the efforts of the State agency or
9 public institution of higher education to meet its goals under
10 the Act, as well as a plan to increase the diversity of their
11 vendors engaged in contracts, with a particular focus on those
12 most underrepresented in contract awards.

13 (d) Notwithstanding any provisions to the contrary in this
14 Act, any State agency or public institution of higher education
15 which administers a construction program, for which federal law
16 or regulations establish standards and procedures for the
17 utilization of minority-owned and women-owned businesses and
18 disadvantaged businesses, shall implement a disadvantaged
19 business enterprise program to include minority-owned and
20 women-owned businesses and disadvantaged businesses, using the
21 federal standards and procedures for the establishment of goals
22 and utilization procedures for the State-funded, as well as the
23 federally assisted, portions of the program. In such cases,
24 these goals shall not exceed those established pursuant to the
25 relevant federal statutes or regulations. Notwithstanding the
26 provisions of Section 8b, the Illinois Department of

1 Transportation is authorized to establish sheltered markets
2 for the State-funded portions of the program consistent with
3 federal law and regulations. Additionally, a compliance plan
4 which is filed by such State agency or public institution of
5 higher education pursuant to this Act, which incorporates
6 equivalent terms and conditions of its federally-approved
7 compliance plan, shall be deemed approved under this Act.

8 (Source: P.A. 99-462, eff. 8-25-15; 100-391, eff. 8-25-17.)