

HB0379



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB0379

Introduced 1/30/2009, by Rep. Michael Connelly

SYNOPSIS AS INTRODUCED:

30 ILCS 500/20-10

Amends the Illinois Procurement Code. Authorizes State purchasing officers under the jurisdiction of the Director of Central Management Services to use an electronic reverse auction procurement method for purchases of supplies and services other than professional and artistic services. Requires that the method comply with rules adopted by the Director and that the purchasing officer first explain in writing to the Director his or her determination that use of the method will be in the State's best interest. Effective immediately.

LRB096 05843 JAM 15923 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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 20-10 as follows:

6 (30 ILCS 500/20-10)

7 Sec. 20-10. Competitive sealed bidding; reverse auction.

8 (a) Conditions for use. All contracts shall be awarded by
9 competitive sealed bidding except as otherwise provided in
10 Section 20-5.

11 (b) Invitation for bids. An invitation for bids shall be
12 issued and shall include a purchase description and the
13 material contractual terms and conditions applicable to the
14 procurement.

15 (c) Public notice. Public notice of the invitation for bids
16 shall be published in the Illinois Procurement Bulletin at
17 least 14 days before the date set in the invitation for the
18 opening of bids.

19 (d) Bid opening. Bids shall be opened publicly in the
20 presence of one or more witnesses at the time and place
21 designated in the invitation for bids. The name of each bidder,
22 the amount of each bid, and other relevant information as may
23 be specified by rule shall be recorded. After the award of the

1 contract, the winning bid and the record of each unsuccessful
2 bid shall be open to public inspection.

3 (e) Bid acceptance and bid evaluation. Bids shall be
4 unconditionally accepted without alteration or correction,
5 except as authorized in this Code. Bids shall be evaluated
6 based on the requirements set forth in the invitation for bids,
7 which may include criteria to determine acceptability such as
8 inspection, testing, quality, workmanship, delivery, and
9 suitability for a particular purpose. Those criteria that will
10 affect the bid price and be considered in evaluation for award,
11 such as discounts, transportation costs, and total or life
12 cycle costs, shall be objectively measurable. The invitation
13 for bids shall set forth the evaluation criteria to be used.

14 (f) Correction or withdrawal of bids. Correction or
15 withdrawal of inadvertently erroneous bids before or after
16 award, or cancellation of awards of contracts based on bid
17 mistakes, shall be permitted in accordance with rules. After
18 bid opening, no changes in bid prices or other provisions of
19 bids prejudicial to the interest of the State or fair
20 competition shall be permitted. All decisions to permit the
21 correction or withdrawal of bids based on bid mistakes shall be
22 supported by written determination made by a State purchasing
23 officer.

24 (g) Award. The contract shall be awarded with reasonable
25 promptness by written notice to the lowest responsible and
26 responsive bidder whose bid meets the requirements and criteria

1 set forth in the invitation for bids, except when a State
2 purchasing officer determines it is not in the best interest of
3 the State and by written explanation determines another bidder
4 shall receive the award. The explanation shall appear in the
5 appropriate volume of the Illinois Procurement Bulletin.

6 (h) Multi-step sealed bidding. When it is considered
7 impracticable to initially prepare a purchase description to
8 support an award based on price, an invitation for bids may be
9 issued requesting the submission of unpriced offers to be
10 followed by an invitation for bids limited to those bidders
11 whose offers have been qualified under the criteria set forth
12 in the first solicitation.

13 (i) Alternative procedures. Notwithstanding any other
14 provision of this Act to the contrary, the Director of the
15 Illinois Power Agency may create alternative bidding
16 procedures to be used in procuring professional services under
17 Section 1-75(a) of the Illinois Power Agency Act and Section
18 16-111.5(c) of the Public Utilities Act. These alternative
19 procedures shall be set forth together with the other criteria
20 contained in the invitation for bids, and shall appear in the
21 appropriate volume of the Illinois Procurement Bulletin.

22 (j) Reverse auction. Notwithstanding any other provision
23 of this Section and in accordance with rules adopted by the
24 Director of Central Management Services as chief procurement
25 officer, a State purchasing officer under that chief
26 procurement officer's jurisdiction may procure supplies or

1 services through a competitive electronic auction bidding
2 process after the purchasing officer explains in writing to the
3 chief procurement officer his or her determination that the use
4 of such a process will be in the best interest of the State.
5 The chief procurement officer shall publish that determination
6 in his or her next volume of the Illinois Procurement Bulletin.

7 An invitation for bids shall be issued and shall include
8 (i) a procurement description, (ii) all contractual terms,
9 whenever practical, and (iii) conditions applicable to the
10 procurement, including a notice that bids will be received in
11 an electronic auction manner.

12 Public notice of the invitation for bids shall be given in
13 the same manner as provided in subsection (c).

14 Bids shall be accepted electronically at the time and in
15 the manner designated in the invitation for bids. During the
16 auction, a bidder's price shall be disclosed to other bidders.
17 Bidders shall have the opportunity to reduce their bid prices
18 during the auction. At the conclusion of the auction, the
19 record of the bid prices received and the name of each bidder
20 shall be open to public inspection.

21 After the auction period has terminated, withdrawal of bids
22 shall be permitted as provided in subsection (f).

23 The contract shall be awarded within 60 days after the
24 auction by written notice to the lowest responsible bidder, or
25 all bids shall be rejected except as otherwise provided in this
26 Code. Extensions of the date for the award may be made by

1 mutual written consent of the State purchasing officer and the
2 lowest responsible bidder.

3 This subsection does not apply to procurements of
4 professional and artistic services.

5 (Source: P.A. 95-481, eff. 8-28-07.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.