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1 AMENDMENT TO SENATE BILL 51

2 AMENDMENT NO. _____. Amend Senate Bill 51 by replacing
3 everything after the enacting clause with the following:

4 "ARTICLE 1

5 Section 1-1. Short title. This Article may be cited as the
6 Local Government Electronic Reverse Auction Act.

7 Section 1-5. Unit of local government defined. As used in
8 this Article, "unit" and "unit of local government" mean a unit
9 of local government as defined in Section 1 of Article VII of
10 the Illinois Constitution.

11 Section 1-10. Reverse auction. Notwithstanding any other
12 provision of law and in accordance with rules adopted by the
13 unit, a unit of local government, whether or not it is a home
14 rule unit as defined in Section 6 of Article VII of the

1 Illinois Constitution, may procure supplies or services
2 through a competitive electronic auction bidding process after
3 the unit's purchasing officer explains in writing to the unit's
4 governing body his or her determination that the use of such a
5 process will be in the best interest of the unit.

6 The purchasing officer shall publish that determination in
7 the same manner required by law for the unit's invitations for
8 bids.

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

14 Public notice of the invitation for bids shall be given in
15 the same manner as required by law for the unit's other
16 invitations for bids.

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

24 After the auction period has terminated, withdrawal of bids
25 shall be permitted as otherwise provided by law.

26 The contract shall be awarded within 60 days after the

1 auction by written notice to the lowest responsible bidder, or
2 all bids shall be rejected except as otherwise provided by law.

3 Extensions of the date for the award may be made by mutual
4 written consent of the purchasing officer and the lowest
5 responsible bidder.

6 Section 1-15. Application. This Act does not apply to (i)
7 procurements of professional and artistic services, (ii)
8 telecommunications services, communication services, and
9 information services, and (iii) contracts for construction
10 projects.

11 ARTICLE 95

12 Section 95-10. The Deposit of State Moneys Act is amended
13 by changing Section 22.5 as follows:

14 (15 ILCS 520/22.5) (from Ch. 130, par. 41a)

15 (For force and effect of certain provisions, see Section 90
16 of P.A. 94-79)

17 Sec. 22.5. Permitted investments. The State Treasurer may,
18 with the approval of the Governor, invest and reinvest any
19 State money in the treasury which is not needed for current
20 expenditures due or about to become due, in obligations of the
21 United States government or its agencies or of National
22 Mortgage Associations established by or under the National

1 Housing Act, 1201 U.S.C. 1701 et seq., or in mortgage
2 participation certificates representing undivided interests in
3 specified, first-lien conventional residential Illinois
4 mortgages that are underwritten, insured, guaranteed, or
5 purchased by the Federal Home Loan Mortgage Corporation or in
6 Affordable Housing Program Trust Fund Bonds or Notes as defined
7 in and issued pursuant to the Illinois Housing Development Act.
8 All such obligations shall be considered as cash and may be
9 delivered over as cash by a State Treasurer to his successor.

10 The State Treasurer may, with the approval of the Governor,
11 purchase any state bonds with any money in the State Treasury
12 that has been set aside and held for the payment of the
13 principal of and interest on the bonds. The bonds shall be
14 considered as cash and may be delivered over as cash by the
15 State Treasurer to his successor.

16 The State Treasurer may, with the approval of the Governor,
17 invest or reinvest any State money in the treasury that is not
18 needed for current expenditure due or about to become due, or
19 any money in the State Treasury that has been set aside and
20 held for the payment of the principal of and the interest on
21 any State bonds, in shares, withdrawable accounts, and
22 investment certificates of savings and building and loan
23 associations, incorporated under the laws of this State or any
24 other state or under the laws of the United States; provided,
25 however, that investments may be made only in those savings and
26 loan or building and loan associations the shares and

1 withdrawable accounts or other forms of investment securities
2 of which are insured by the Federal Deposit Insurance
3 Corporation.

4 The State Treasurer may not invest State money in any
5 savings and loan or building and loan association unless a
6 commitment by the savings and loan (or building and loan)
7 association, executed by the president or chief executive
8 officer of that association, is submitted in the following
9 form:

10 The Savings and Loan (or Building
11 and Loan) Association pledges not to reject arbitrarily
12 mortgage loans for residential properties within any
13 specific part of the community served by the savings and
14 loan (or building and loan) association because of the
15 location of the property. The savings and loan (or building
16 and loan) association also pledges to make loans available
17 on low and moderate income residential property throughout
18 the community within the limits of its legal restrictions
19 and prudent financial practices.

20 The State Treasurer may, with the approval of the Governor,
21 invest or reinvest, at a price not to exceed par, any State
22 money in the treasury that is not needed for current
23 expenditures due or about to become due, or any money in the
24 State Treasury that has been set aside and held for the payment
25 of the principal of and interest on any State bonds, in bonds
26 issued by counties or municipal corporations of the State of

1 Illinois.

2 The State Treasurer may, with the approval of the Governor,
3 invest or reinvest any State money in the Treasury which is not
4 needed for current expenditure, due or about to become due, or
5 any money in the State Treasury which has been set aside and
6 held for the payment of the principal of and the interest on
7 any State bonds, in participations in loans, the principal of
8 which participation is fully guaranteed by an agency or
9 instrumentality of the United States government; provided,
10 however, that such loan participations are represented by
11 certificates issued only by banks which are incorporated under
12 the laws of this State or any other state or under the laws of
13 the United States, and such banks, but not the loan
14 participation certificates, are insured by the Federal Deposit
15 Insurance Corporation.

16 The State Treasurer may, with the approval of the Governor,
17 invest or reinvest any State money in the Treasury that is not
18 needed for current expenditure, due or about to become due, or
19 any money in the State Treasury that has been set aside and
20 held for the payment of the principal of and the interest on
21 any State bonds, in any of the following:

22 (1) Bonds, notes, certificates of indebtedness,
23 Treasury bills, or other securities now or hereafter issued
24 that are guaranteed by the full faith and credit of the
25 United States of America as to principal and interest.

26 (2) Bonds, notes, debentures, or other similar

1 obligations of the United States of America, its agencies,
2 and instrumentalities.

3 (2.5) Bonds, notes, debentures, or other similar
4 obligations of a foreign government, other than the
5 Republic of the Sudan, that are guaranteed by the full
6 faith and credit of that government as to principal and
7 interest, but only if the foreign government has not
8 defaulted and has met its payment obligations in a timely
9 manner on all similar obligations for a period of at least
10 25 years immediately before the time of acquiring those
11 obligations.

12 (3) Interest-bearing savings accounts,
13 interest-bearing certificates of deposit, interest-bearing
14 time deposits, or any other investments constituting
15 direct obligations of any bank as defined by the Illinois
16 Banking Act.

17 (4) Interest-bearing accounts, certificates of
18 deposit, or any other investments constituting direct
19 obligations of any savings and loan associations
20 incorporated under the laws of this State or any other
21 state or under the laws of the United States.

22 (5) Dividend-bearing share accounts, share certificate
23 accounts, or class of share accounts of a credit union
24 chartered under the laws of this State or the laws of the
25 United States; provided, however, the principal office of
26 the credit union must be located within the State of

1 Illinois.

2 (6) Bankers' acceptances of banks whose senior
3 obligations are rated in the top 2 rating categories by 2
4 national rating agencies and maintain that rating during
5 the term of the investment.

6 (7) Short-term obligations of corporations organized
7 in the United States with assets exceeding \$500,000,000 if
8 (i) the obligations are rated at the time of purchase at
9 one of the 3 highest classifications established by at
10 least 2 standard rating services and mature not later than
11 180 days from the date of purchase, (ii) the purchases do
12 not exceed 10% of the corporation's outstanding
13 obligations, (iii) no more than one-third of the public
14 agency's funds are invested in short-term obligations of
15 corporations, and (iv) the corporation has not been
16 identified as a forbidden entity, as that term is defined
17 in Section 1-110.6 of the Illinois Pension Code, by an
18 independent researching firm that specializes in global
19 security risk that has been engaged by the State Treasurer.

20 (8) Money market mutual funds registered under the
21 Investment Company Act of 1940, provided that the portfolio
22 of the money market mutual fund is limited to obligations
23 described in this Section and to agreements to repurchase
24 such obligations.

25 (9) The Public Treasurers' Investment Pool created
26 under Section 17 of the State Treasurer Act or in a fund

1 managed, operated, and administered by a bank.

2 (10) Repurchase agreements of government securities
3 having the meaning set out in the Government Securities Act
4 of 1986, as now or hereafter amended or succeeded, subject
5 to the provisions of that Act and the regulations issued
6 thereunder.

7 (11) Investments made in accordance with the
8 Technology Development Act.

9 For purposes of this Section, "agencies" of the United
10 States Government includes:

11 (i) the federal land banks, federal intermediate
12 credit banks, banks for cooperatives, federal farm credit
13 banks, or any other entity authorized to issue debt
14 obligations under the Farm Credit Act of 1971 (12 U.S.C.
15 2001 et seq.) and Acts amendatory thereto;

16 (ii) the federal home loan banks and the federal home
17 loan mortgage corporation;

18 (iii) the Commodity Credit Corporation; and

19 (iv) any other agency created by Act of Congress.

20 The Treasurer may, with the approval of the Governor, lend
21 any securities acquired under this Act. However, securities may
22 be lent under this Section only in accordance with Federal
23 Financial Institution Examination Council guidelines and only
24 if the securities are collateralized at a level sufficient to
25 assure the safety of the securities, taking into account market
26 value fluctuation. The securities may be collateralized by cash

1 or collateral acceptable under Sections 11 and 11.1.

2 (Source: P.A. 94-79, eff. 1-27-06; for force and effect of
3 certain provisions, see Section 90 of P.A. 94-79; 95-521, eff.
4 8-28-07.)

5 Section 95-15. The Department of Transportation Law of the
6 Civil Administrative Code of Illinois is amended by adding
7 Sections 2705-590, 2705-595, and 2705-600 as follows:

8 (20 ILCS 2705/2705-590 new)

9 Sec. 2705-590. Office of Business and Workforce Diversity.

10 (a) The Office of Business and Workforce Diversity is
11 established within the Department.

12 (b) The Office shall administer and be responsible for the
13 Department's efforts to achieve greater diversity in its
14 construction projects and in promoting equal opportunities
15 within the Department. The responsibilities of the Office shall
16 be administered between 2 distinct bureaus, designed to
17 establish policy, procedures, and monitoring efforts pursuant
18 to the governing regulations supporting minorities and those
19 supporting women in contracting and workforce activities.

20 (c) Applicant firms must be found eligible to be certified
21 as a Disadvantaged Business Enterprise (DBE) program under the
22 federal regulations contained in 49 CFR part 26 and part 23.
23 Only those businesses that are involved in highway
24 construction-related services (non-vertical), consultant, and

1 supplier/equipment rental/trucking services may be considered
2 for participation in the Department's DBE program. Once
3 certified, the firm's name shall be listed in the Illinois
4 Unified Certification Program's (IL UCP) DBE Directory
5 (Directory). The IL UCP's 5 participating agencies shall
6 maintain the Directory to provide a reference source to assist
7 bidders and proposers in meeting DBE contract goals. The
8 Directory shall list the firms in alphabetical order and
9 provides the industry categories/list and the districts in
10 which the firms have indicated they are available.

11 (20 ILCS 2705/2705-595 new)

12 Sec. 2705-595. Prequalification of minority-owned and
13 women-owned contractors. The Department shall, within 30 days
14 after the effective date of this amendatory Act of the 96th
15 General Assembly, establish a committee to review the rules for
16 prequalification of contractors adopted by the Department at 44
17 Illinois Administrative Code 650. The purpose of the review is
18 to determine whether the rules for prequalification operate as
19 a barrier to minority-owned and women-owned contractors
20 becoming prequalified to bid on or make proposals for
21 Department contracts. The committee shall, in addition to
22 Department staff, be constituted with membership representing
23 the construction industry and minority-owned and women-owned
24 contractors. The committee shall complete its work and make
25 recommendations for any changes to the rules for

1 prequalification to the Secretary of Transportation within 180
2 days after the effective date of this amendatory Act of the
3 96th General Assembly.

4 (20 ILCS 2705/2705-600 new)

5 Sec. 2705-600. Target market program. In order to achieve
6 all diversity goals, the Department's chief procurement
7 officer shall develop and coordinate a target market program
8 including the following elements:

9 (1) In January of each year, the chief procurement
10 officer shall estimate the dollar value of all contracts to
11 be awarded by the Department during that year and shall
12 multiply that total by the minority-owned business target
13 market percentage and the women-owned business target
14 market percentage for that year. Contracts with an
15 estimated dollar value equal to those products shall be set
16 aside (prior to advertisement in the case of contracts to
17 be awarded by bid) to be let only to qualified
18 minority-owned businesses and qualified women-owned
19 businesses, respectively.

20 (2) The chief procurement officer shall work with the
21 officers and divisions of the Department to determine the
22 appropriate designation of contracts as target market
23 contracts. To the extent practical, the chief procurement
24 officer shall divide the procurements so designated into
25 contract award units of economically feasible production

1 runs in order to facilitate offers or bids from
2 minority-owned businesses and women-owned businesses. In
3 making the annual designation of target market contracts,
4 the chief procurement officer shall attempt to vary the
5 included procurements so that a variety of goods and
6 services produced by different minority-owned businesses
7 and women-owned businesses shall be set aside each year.
8 Minority-owned businesses and women-owned businesses shall
9 remain eligible to seek the procurement award of contracts
10 that have not been designated as target market contracts.

11 (3) The Department shall develop a list of
12 minority-owned businesses and women-owned businesses that
13 are interested in participating in the target market
14 program, including the type of contract in which each
15 minority-owned businesses and women-owned businesses is
16 interested in participating. The Department may make
17 participation in the target market program dependent upon
18 submission to stricter compliance audits than are
19 generally applicable. No contract shall be eligible for
20 inclusion in the target market program unless the list
21 developed by the Department indicates that there are at
22 least 3 qualified minority-owned businesses or women-owned
23 businesses interested in participating in that type of
24 contract. The Department may develop guidelines to
25 regulate the level of participation of individual
26 minority-owned businesses and women-owned businesses in

1 the target market program in order to prevent the
2 domination of the target market program by a small number
3 of those entities. If necessary or useful, the Department
4 may require minority-owned businesses and women-owned
5 businesses to participate in training programs offered by
6 the Department or other State agencies as a condition to
7 participation in the target market program.

8 (4) Participation in the target market program shall be
9 limited to minority-owned businesses and women-owned
10 businesses and joint ventures consisting exclusively of
11 minority-owned businesses, women-owned businesses, or
12 both. The prime contractor on a target market contract may
13 subcontract up to 50% of the dollar value of the target
14 market contract to subcontractors who are not
15 minority-owned businesses or women-owned businesses.

16 (5) The Department may include in the target market
17 program contracts that are funded by the federal government
18 and may vary the standards of eligibility of the target
19 market program (for example, by allowing the participation
20 of businesses owned by a person with a disability) to the
21 extent necessary to comply with the federal funding
22 requirements.

23 (6) If no satisfactory bid or response is received with
24 respect to a contract that has been designated as part of
25 the target market program, the Department may delete that
26 contract from the target market program. In addition, the

1 chief procurement officer shall thereupon designate and
2 set aside for the target market program additional
3 contracts corresponding in approximate value to the
4 contract that was deleted from the target market program,
5 to the extent feasible.

6 (7) In order to facilitate the performance of target
7 market contracts by minority-owned businesses and
8 women-owned businesses, the chief procurement officer may
9 expedite payments under target market contracts, may
10 reduce retainages under target market contracts when
11 appropriate, and may pay the contractor a portion of the
12 value of a target market contract at the time of award as
13 an advance to cover start-up and mobilization costs.

14 Section 95-20. The Illinois Finance Authority Act is
15 amended by changing Section 801-40 as follows:

16 (20 ILCS 3501/801-40)

17 Sec. 801-40. In addition to the powers otherwise authorized
18 by law and in addition to the foregoing general corporate
19 powers, the Authority shall also have the following additional
20 specific powers to be exercised in furtherance of the purposes
21 of this Act.

22 (a) The Authority shall have power (i) to accept grants,
23 loans or appropriations from the federal government or the
24 State, or any agency or instrumentality thereof, to be used for

1 the operating expenses of the Authority, or for any purposes of
2 the Authority, including the making of direct loans of such
3 funds with respect to projects, and (ii) to enter into any
4 agreement with the federal government or the State, or any
5 agency or instrumentality thereof, in relationship to such
6 grants, loans or appropriations.

7 (b) The Authority shall have power to procure and enter
8 into contracts for any type of insurance and indemnity
9 agreements covering loss or damage to property from any cause,
10 including loss of use and occupancy, or covering any other
11 insurable risk.

12 (c) The Authority shall have the continuing power to issue
13 bonds for its corporate purposes. Bonds may be issued by the
14 Authority in one or more series and may provide for the payment
15 of any interest deemed necessary on such bonds, of the costs of
16 issuance of such bonds, of any premium on any insurance, or of
17 the cost of any guarantees, letters of credit or other similar
18 documents, may provide for the funding of the reserves deemed
19 necessary in connection with such bonds, and may provide for
20 the refunding or advance refunding of any bonds or for accounts
21 deemed necessary in connection with any purpose of the
22 Authority. The bonds may bear interest payable at any time or
23 times and at any rate or rates, notwithstanding any other
24 provision of law to the contrary, and such rate or rates may be
25 established by an index or formula which may be implemented or
26 established by persons appointed or retained therefor by the

1 Authority, or may bear no interest or may bear interest payable
2 at maturity or upon redemption prior to maturity, may bear such
3 date or dates, may be payable at such time or times and at such
4 place or places, may mature at any time or times not later than
5 40 years from the date of issuance, may be sold at public or
6 private sale at such time or times and at such price or prices,
7 may be secured by such pledges, reserves, guarantees, letters
8 of credit, insurance contracts or other similar credit support
9 or liquidity instruments, may be executed in such manner, may
10 be subject to redemption prior to maturity, may provide for the
11 registration of the bonds, and may be subject to such other
12 terms and conditions all as may be provided by the resolution
13 or indenture authorizing the issuance of such bonds. The holder
14 or holders of any bonds issued by the Authority may bring suits
15 at law or proceedings in equity to compel the performance and
16 observance by any person or by the Authority or any of its
17 agents or employees of any contract or covenant made with the
18 holders of such bonds and to compel such person or the
19 Authority and any of its agents or employees to perform any
20 duties required to be performed for the benefit of the holders
21 of any such bonds by the provision of the resolution
22 authorizing their issuance, and to enjoin such person or the
23 Authority and any of its agents or employees from taking any
24 action in conflict with any such contract or covenant.
25 Notwithstanding the form and tenor of any such bonds and in the
26 absence of any express recital on the face thereof that it is

1 non-negotiable, all such bonds shall be negotiable
2 instruments. Pending the preparation and execution of any such
3 bonds, temporary bonds may be issued as provided by the
4 resolution. The bonds shall be sold by the Authority in such
5 manner as it shall determine. The bonds may be secured as
6 provided in the authorizing resolution by the receipts,
7 revenues, income and other available funds of the Authority and
8 by any amounts derived by the Authority from the loan agreement
9 or lease agreement with respect to the project or projects; and
10 bonds may be issued as general obligations of the Authority
11 payable from such revenues, funds and obligations of the
12 Authority as the bond resolution shall provide, or may be
13 issued as limited obligations with a claim for payment solely
14 from such revenues, funds and obligations as the bond
15 resolution shall provide. The Authority may grant a specific
16 pledge or assignment of and lien on or security interest in
17 such rights, revenues, income, or amounts and may grant a
18 specific pledge or assignment of and lien on or security
19 interest in any reserves, funds or accounts established in the
20 resolution authorizing the issuance of bonds. Any such pledge,
21 assignment, lien or security interest for the benefit of the
22 holders of the Authority's bonds shall be valid and binding
23 from the time the bonds are issued without any physical
24 delivery or further act, and shall be valid and binding as
25 against and prior to the claims of all other parties having
26 claims against the Authority or any other person irrespective

1 of whether the other parties have notice of the pledge,
2 assignment, lien or security interest. As evidence of such
3 pledge, assignment, lien and security interest, the Authority
4 may execute and deliver a mortgage, trust agreement, indenture
5 or security agreement or an assignment thereof. A remedy for
6 any breach or default of the terms of any such agreement by the
7 Authority may be by mandamus proceedings in any court of
8 competent jurisdiction to compel the performance and
9 compliance therewith, but the agreement may prescribe by whom
10 or on whose behalf such action may be instituted. It is
11 expressly understood that the Authority may, but need not,
12 acquire title to any project with respect to which it exercises
13 its authority.

14 (d) With respect to the powers granted by this Act, the
15 Authority may adopt rules and regulations prescribing the
16 procedures by which persons may apply for assistance under this
17 Act. Nothing herein shall be deemed to preclude the Authority,
18 prior to the filing of any formal application, from conducting
19 preliminary discussions and investigations with respect to the
20 subject matter of any prospective application.

21 (e) The Authority shall have power to acquire by purchase,
22 lease, gift or otherwise any property or rights therein from
23 any person useful for its purposes, whether improved for the
24 purposes of any prospective project, or unimproved. The
25 Authority may also accept any donation of funds for its
26 purposes from any such source. The Authority shall have no

1 independent power of condemnation but may acquire any property
2 or rights therein obtained upon condemnation by any other
3 authority, governmental entity or unit of local government with
4 such power.

5 (f) The Authority shall have power to develop, construct
6 and improve either under its own direction, or through
7 collaboration with any approved applicant, or to acquire
8 through purchase or otherwise, any project, using for such
9 purpose the proceeds derived from the sale of its bonds or from
10 governmental loans or grants, and to hold title in the name of
11 the Authority to such projects.

12 (g) The Authority shall have power to lease pursuant to a
13 lease agreement any project so developed and constructed or
14 acquired to the approved tenant on such terms and conditions as
15 may be appropriate to further the purposes of this Act and to
16 maintain the credit of the Authority. Any such lease may
17 provide for either the Authority or the approved tenant to
18 assume initially, in whole or in part, the costs of
19 maintenance, repair and improvements during the leasehold
20 period. In no case, however, shall the total rentals from any
21 project during any initial leasehold period or the total loan
22 repayments to be made pursuant to any loan agreement, be less
23 than an amount necessary to return over such lease or loan
24 period (1) all costs incurred in connection with the
25 development, construction, acquisition or improvement of the
26 project and for repair, maintenance and improvements thereto

1 during the period of the lease or loan; provided, however, that
2 the rentals or loan repayments need not include costs met
3 through the use of funds other than those obtained by the
4 Authority through the issuance of its bonds or governmental
5 loans; (2) a reasonable percentage additive to be agreed upon
6 by the Authority and the borrower or tenant to cover a properly
7 allocable portion of the Authority's general expenses,
8 including, but not limited to, administrative expenses,
9 salaries and general insurance, and (3) an amount sufficient to
10 pay when due all principal of, interest and premium, if any on,
11 any bonds issued by the Authority with respect to the project.
12 The portion of total rentals payable under clause (3) of this
13 subsection (g) shall be deposited in such special accounts,
14 including all sinking funds, acquisition or construction
15 funds, debt service and other funds as provided by any
16 resolution, mortgage or trust agreement of the Authority
17 pursuant to which any bond is issued.

18 (h) The Authority has the power, upon the termination of
19 any leasehold period of any project, to sell or lease for a
20 further term or terms such project on such terms and conditions
21 as the Authority shall deem reasonable and consistent with the
22 purposes of the Act. The net proceeds from all such sales and
23 the revenues or income from such leases shall be used to
24 satisfy any indebtedness of the Authority with respect to such
25 project and any balance may be used to pay any expenses of the
26 Authority or be used for the further development, construction,

1 acquisition or improvement of projects. In the event any
2 project is vacated by a tenant prior to the termination of the
3 initial leasehold period, the Authority shall sell or lease the
4 facilities of the project on the most advantageous terms
5 available. The net proceeds of any such disposition shall be
6 treated in the same manner as the proceeds from sales or the
7 revenues or income from leases subsequent to the termination of
8 any initial leasehold period.

9 (i) The Authority shall have the power to make loans to
10 persons to finance a project, to enter into loan agreements
11 with respect thereto, and to accept guarantees from persons of
12 its loans or the resultant evidences of obligations of the
13 Authority.

14 (j) The Authority may fix, determine, charge and collect
15 any premiums, fees, charges, costs and expenses, including,
16 without limitation, any application fees, commitment fees,
17 program fees, financing charges or publication fees from any
18 person in connection with its activities under this Act.

19 (k) In addition to the funds established as provided
20 herein, the Authority shall have the power to create and
21 establish such reserve funds and accounts as may be necessary
22 or desirable to accomplish its purposes under this Act and to
23 deposit its available monies into the funds and accounts.

24 (l) At the request of the governing body of any unit of
25 local government, the Authority is authorized to market such
26 local government's revenue bond offerings by preparing bond

1 issues for sale, advertising for sealed bids, receiving bids at
2 its offices, making the award to the bidder that offers the
3 most favorable terms or arranging for negotiated placements or
4 underwritings of such securities. The Authority may, at its
5 discretion, offer for concurrent sale the revenue bonds of
6 several local governments. Sales by the Authority of revenue
7 bonds under this Section shall in no way imply State guarantee
8 of such debt issue. The Authority may require such financial
9 information from participating local governments as it deems
10 necessary in order to carry out the purposes of this subsection
11 (1).

12 (m) The Authority may make grants to any county to which
13 Division 5-37 of the Counties Code is applicable to assist in
14 the financing of capital development, construction and
15 renovation of new or existing facilities for hospitals and
16 health care facilities under that Act. Such grants may only be
17 made from funds appropriated for such purposes from the Build
18 Illinois Bond Fund.

19 (n) The Authority may establish an urban development action
20 grant program for the purpose of assisting municipalities in
21 Illinois which are experiencing severe economic distress to
22 help stimulate economic development activities needed to aid in
23 economic recovery. The Authority shall determine the types of
24 activities and projects for which the urban development action
25 grants may be used, provided that such projects and activities
26 are broadly defined to include all reasonable projects and

1 activities the primary objectives of which are the development
2 of viable urban communities, including decent housing and a
3 suitable living environment, and expansion of economic
4 opportunity, principally for persons of low and moderate
5 incomes. The Authority shall enter into grant agreements from
6 monies appropriated for such purposes from the Build Illinois
7 Bond Fund. The Authority shall monitor the use of the grants,
8 and shall provide for audits of the funds as well as recovery
9 by the Authority of any funds determined to have been spent in
10 violation of this subsection (n) or any rule or regulation
11 promulgated hereunder. The Authority shall provide technical
12 assistance with regard to the effective use of the urban
13 development action grants. The Authority shall file an annual
14 report to the General Assembly concerning the progress of the
15 grant program.

16 (o) The Authority may establish a Housing Partnership
17 Program whereby the Authority provides zero-interest loans to
18 municipalities for the purpose of assisting in the financing of
19 projects for the rehabilitation of affordable multi-family
20 housing for low and moderate income residents. The Authority
21 may provide such loans only upon a municipality's providing
22 evidence that it has obtained private funding for the
23 rehabilitation project. The Authority shall provide 3 State
24 dollars for every 7 dollars obtained by the municipality from
25 sources other than the State of Illinois. The loans shall be
26 made from monies appropriated for such purpose from the Build

1 Illinois Bond Fund. The total amount of loans available under
2 the Housing Partnership Program shall not exceed \$30,000,000.
3 State loan monies under this subsection shall be used only for
4 the acquisition and rehabilitation of existing buildings
5 containing 4 or more dwelling units. The terms of any loan made
6 by the municipality under this subsection shall require
7 repayment of the loan to the municipality upon any sale or
8 other transfer of the project.

9 (p) The Authority may award grants to universities and
10 research institutions, research consortiums and other
11 not-for-profit entities for the purposes of: remodeling or
12 otherwise physically altering existing laboratory or research
13 facilities, expansion or physical additions to existing
14 laboratory or research facilities, construction of new
15 laboratory or research facilities or acquisition of modern
16 equipment to support laboratory or research operations
17 provided that such grants (i) be used solely in support of
18 project and equipment acquisitions which enhance technology
19 transfer, and (ii) not constitute more than 60 percent of the
20 total project or acquisition cost.

21 (q) Grants may be awarded by the Authority to units of
22 local government for the purpose of developing the appropriate
23 infrastructure or defraying other costs to the local government
24 in support of laboratory or research facilities provided that
25 such grants may not exceed 40% of the cost to the unit of local
26 government.

1 (r) The Authority may establish a Direct Loan Program to
2 make loans to individuals, partnerships or corporations for the
3 purpose of an industrial project, as defined in Section 801-10
4 of this Act. For the purposes of such program and not by way of
5 limitation on any other program of the Authority, the Authority
6 shall have the power to issue bonds, notes, or other evidences
7 of indebtedness including commercial paper for purposes of
8 providing a fund of capital from which it may make such loans.
9 The Authority shall have the power to use any appropriations
10 from the State made especially for the Authority's Direct Loan
11 Program for additional capital to make such loans or for the
12 purposes of reserve funds or pledged funds which secure the
13 Authority's obligations of repayment of any bond, note or other
14 form of indebtedness established for the purpose of providing
15 capital for which it intends to make such loans under the
16 Direct Loan Program. For the purpose of obtaining such capital,
17 the Authority may also enter into agreements with financial
18 institutions and other persons for the purpose of selling loans
19 and developing a secondary market for such loans. Loans made
20 under the Direct Loan Program may be in an amount not to exceed
21 \$300,000 and shall be made for a portion of an industrial
22 project which does not exceed 50% of the total project. No loan
23 may be made by the Authority unless approved by the affirmative
24 vote of at least 8 members of the board. The Authority shall
25 establish procedures and publish rules which shall provide for
26 the submission, review, and analysis of each direct loan

1 application and which shall preserve the ability of each board
2 member to reach an individual business judgment regarding the
3 propriety of making each direct loan. The collective discretion
4 of the board to approve or disapprove each loan shall be
5 unencumbered. The Authority may establish and collect such fees
6 and charges, determine and enforce such terms and conditions,
7 and charge such interest rates as it determines to be necessary
8 and appropriate to the successful administration of the Direct
9 Loan Program. The Authority may require such interests in
10 collateral and such guarantees as it determines are necessary
11 to protect the Authority's interest in the repayment of the
12 principal and interest of each loan made under the Direct Loan
13 Program.

14 (s) The Authority may guarantee private loans to third
15 parties up to a specified dollar amount in order to promote
16 economic development in this State.

17 (t) The Authority may adopt rules and regulations as may be
18 necessary or advisable to implement the powers conferred by
19 this Act.

20 (u) The Authority shall have the power to issue bonds,
21 notes or other evidences of indebtedness, which may be used to
22 make loans to units of local government which are authorized to
23 enter into loan agreements and other documents and to issue
24 bonds, notes and other evidences of indebtedness for the
25 purpose of financing the protection of storm sewer outfalls,
26 the construction of adequate storm sewer outfalls, and the

1 provision for flood protection of sanitary sewage treatment
2 plans, in counties that have established a stormwater
3 management planning committee in accordance with Section
4 5-1062 of the Counties Code. Any such loan shall be made by the
5 Authority pursuant to the provisions of Section 820-5 to 820-60
6 of this Act. The unit of local government shall pay back to the
7 Authority the principal amount of the loan, plus annual
8 interest as determined by the Authority. The Authority shall
9 have the power, subject to appropriations by the General
10 Assembly, to subsidize or buy down a portion of the interest on
11 such loans, up to 4% per annum.

12 (v) The Authority may accept security interests as provided
13 in Sections 11-3 and 11-3.3 of the Illinois Public Aid Code.

14 (w) Moral Obligation. In the event that the Authority
15 determines that monies of the Authority will not be sufficient
16 for the payment of the principal of and interest on its bonds
17 during the next State fiscal year, the Chairperson, as soon as
18 practicable, shall certify to the Governor the amount required
19 by the Authority to enable it to pay such principal of and
20 interest on the bonds. The Governor shall submit the amount so
21 certified to the General Assembly as soon as practicable, but
22 no later than the end of the current State fiscal year. This
23 subsection shall apply only to any bonds or notes as to which
24 the Authority shall have determined, in the resolution
25 authorizing the issuance of the bonds or notes, that this
26 subsection shall apply. Whenever the Authority makes such a

1 determination, that fact shall be plainly stated on the face of
2 the bonds or notes and that fact shall also be reported to the
3 Governor. In the event of a withdrawal of moneys from a reserve
4 fund established with respect to any issue or issues of bonds
5 of the Authority to pay principal or interest on those bonds,
6 the Chairperson of the Authority, as soon as practicable, shall
7 certify to the Governor the amount required to restore the
8 reserve fund to the level required in the resolution or
9 indenture securing those bonds. The Governor shall submit the
10 amount so certified to the General Assembly as soon as
11 practicable, but no later than the end of the current State
12 fiscal year. The Authority shall obtain written approval from
13 the Governor for any bonds and notes to be issued under this
14 Section. In addition to any other bonds authorized to be issued
15 under Sections 825-60, 825-65(e), 830-25 and 845-5, the
16 principal amount of Authority bonds outstanding issued under
17 this Section 801-40(w) or under 20 ILCS 3850/1-80 or 30 ILCS
18 360/2-6(c), which have been assumed by the Authority, shall not
19 exceed \$150,000,000. This subsection (w) shall in no way be
20 applied to any bonds issued by the Authority on behalf of the
21 Illinois Power Agency under Section 825-90 of this Act.

22 (x) The Authority may enter into agreements or contracts
23 with any person necessary or appropriate to place the payment
24 obligations of the Authority under any of its bonds in whole or
25 in part on any interest rate basis, cash flow basis, or other
26 basis desired by the Authority, including without limitation

1 agreements or contracts commonly known as "interest rate swap
2 agreements", "forward payment conversion agreements", and
3 "futures", or agreements or contracts to exchange cash flows or
4 a series of payments, or agreements or contracts, including
5 without limitation agreements or contracts commonly known as
6 "options", "puts", or "calls", to hedge payment, rate spread,
7 or similar exposure; provided that any such agreement or
8 contract shall not constitute an obligation for borrowed money
9 and shall not be taken into account under Section 845-5 of this
10 Act or any other debt limit of the Authority or the State of
11 Illinois.

12 (y) The Authority shall publish summaries of projects and
13 actions approved by the members of the Authority on its
14 website. These summaries shall include, but not be limited to,
15 information regarding the:

16 (1) project;

17 (2) Board's action or actions;

18 (3) purpose of the project;

19 (4) Authority's program and contribution;

20 (5) volume cap;

21 (6) jobs retained;

22 (7) projected new jobs;

23 (8) construction jobs created;

24 (9) estimated sources and uses of funds;

25 (10) financing summary;

26 (11) project summary;

1 (12) business summary;

2 (13) ownership or economic disclosure statement;

3 (14) professional and financial information;

4 (15) service area; and

5 (16) legislative district.

6 The disclosure of information pursuant to this subsection
7 shall comply with the Freedom of Information Act.

8 (Source: P.A. 94-91, eff. 7-1-05; 95-470, eff. 8-27-07; 95-481,
9 eff. 8-28-07; 95-876, eff. 8-21-08.)

10 Section 95-30. The Fiscal Control and Internal Auditing Act
11 is amended by changing Sections 1003, 2001, and 2002 as
12 follows:

13 (30 ILCS 10/1003) (from Ch. 15, par. 1003)

14 Sec. 1003. Definitions.

15 (a) "Designated State agencies" include the offices of the
16 Secretary of State, the State Comptroller, the State Treasurer,
17 and the Attorney General, the State Board of Education, the
18 State colleges and universities, the Illinois Toll Highway
19 Authority, the Illinois Housing Development Authority, the
20 public retirement systems, the Illinois Student Assistance
21 Commission, the Illinois Finance Authority, the Environmental
22 Protection Agency, the Capital Development Board, the
23 Department of Military Affairs, the State Fire Marshal, and
24 each Department of State government created in Article 5,

1 Section 5-15 of the Civil Administrative Code of Illinois ~~and~~
2 ~~other State agencies designated by the Governor under Section~~
3 ~~2001.~~

4 (b) "State agency" means that term as defined in the
5 Illinois State Auditing Act, as now or hereafter amended,
6 except the judicial branch which shall be covered by subsection
7 (c) of Section 2001 and Section 3004 of this Act.

8 (c) "Chief executive officer" includes, respectively, the
9 Secretary of State, the State Comptroller, the State Treasurer,
10 the Attorney General, the State Superintendent of Education,
11 such chief executive officers as are designated by the
12 governing board of each State college and university, the
13 executive director of the Illinois Toll Highway Authority, and
14 the executive director of the Illinois Housing Development
15 Authority, as well as the chief executive officer of each
16 designated other State agency.

17 (Source: P.A. 86-936.)

18 (30 ILCS 10/2001) (from Ch. 15, par. 2001)

19 Sec. 2001. Program of internal auditing.

20 (a) Each designated State agency as defined in Section
21 1003(a) shall maintain ~~establish~~ a full-time program of
22 internal auditing. In the event that a designated State agency
23 is merged, abolished, reorganized, or renamed, the successor
24 State agency shall also be a designated State agency. ~~The~~
25 ~~Governor shall designate State agencies under this Act not~~

1 ~~later than April 1 of each odd numbered year. The designations~~
2 ~~shall be filed with the Index Division of the Office of the~~
3 ~~Secretary of State as a public record. The Legislative Audit~~
4 ~~Commission may make formal recommendations to the Governor that~~
5 ~~the Governor designate other State agencies under this Act.~~

6 (a-5) Within 30 days after the effective date of this
7 amendatory Act of the 96th General Assembly, each chief
8 internal auditor transferred under Executive Order 2003-10 to
9 the Department of Central Management Services shall be
10 transferred to the auditor's designated State agency, and if an
11 auditor does not have a designated State agency or has more
12 than one designated State agency, then the chief executive
13 officer of a State agency shall appoint such person as the
14 chief internal auditor of a State agency. A chief internal
15 auditor transferred under this amendatory Act of the 96th
16 General Assembly shall be appointed to a 5-year term beginning
17 on the effective date of this amendatory Act of the 96th
18 General Assembly.

19 The rights of employees and of the State and its agencies
20 under the Personnel Code and applicable collective bargaining
21 agreements or under any pension retirement or annuity plan
22 shall not be affected by this amendatory Act of the 96th
23 General Assembly.

24 All books, records, papers, documents, property (real and
25 personal), unexpended appropriations, and pending business
26 pertaining to the functions transferred by this amendatory Act

1 of the 96th General Assembly shall be delivered to the
2 respective State agency pursuant to the direction of the chief
3 executive officer of that State agency.

4 (b) The chief executive officer of a State agency is not
5 relieved from the responsibility for maintaining an effective
6 internal control system merely because that State agency is not
7 designated and required to have a full-time program of internal
8 auditing under this Act. Agencies which do not have full-time
9 internal audit programs may have internal audits performed by
10 the Department of Central Management Services.

11 (c) The Supreme Court will establish by its rulemaking
12 authority or by administrative order a full-time program of
13 internal auditing of State-funded activities of the judicial
14 branch, which is consistent with the intent of this Article.

15 (Source: P.A. 86-936.)

16 (30 ILCS 10/2002) (from Ch. 15, par. 2002)

17 Sec. 2002. Qualifications of chief internal auditor.

18 (a) The chief executive officer of each designated State
19 agency shall appoint a chief internal auditor with a bachelor's
20 degree, who is either:

21 (1) a certified internal auditor by examination or a
22 certified public accountant and who has at least 4 years of
23 progressively responsible professional auditing
24 experience; or

25 (2) an auditor with at least 5 years of progressively

1 responsible professional auditing experience.

2 (b) The chief internal auditor shall report directly to the
3 chief executive officer and shall have direct communications
4 with the chief executive officer and the governing board, if
5 applicable, in the exercise of auditing activities. All chief
6 internal auditors and all full-time members of an internal
7 audit staff shall be free of all operational duties.

8 (c) The chief internal auditor shall serve a 5-year term
9 beginning on the date of the appointment. A chief internal
10 auditor may be removed only for cause after a hearing before
11 the Executive Ethics Commission concerning the removal. Any
12 chief internal auditor who is appointed to replace a removed
13 chief internal auditor may serve only until the expiration of
14 the term of the removed chief internal auditor. The annual
15 salary of a chief internal auditor cannot be diminished during
16 the term of the chief internal auditor.

17 (Source: P.A. 86-936.)

18 Section 95-35. The Illinois Procurement Code is amended by
19 changing Sections 1-15.15, 1-15.30, 1-15.70, 1-15.80, 5-5,
20 5-25, 10-5, 10-10, 10-15, 15-25, 15-30, 20-10, 20-25, 20-30,
21 20-50, 20-60, 20-65, 20-70, 20-75, 20-80, 20-155, 20-160,
22 40-25, 50-5, 50-10, 50-10.5, 50-11, 50-12, 50-14, 50-14.5,
23 50-20, 50-30, 50-35, 50-37, 50-60, 50-65, 50-70, and 53-10 and
24 by adding Sections 1-15.107, 10-20, 10-25, 20-43, 20-120, 50-2,
25 50-21, 50-38, and 50-39 as follows:

1 (30 ILCS 500/1-15.15)

2 Sec. 1-15.15. Chief Procurement Officer. "Chief
3 Procurement Officer" means any of the 4 persons appointed by a
4 majority of the members of the Executive Ethics Commission for:

5 (1) ~~for~~ procurements for construction and
6 construction-related services committed by law to the
7 jurisdiction or responsibility of the Capital Development
8 Board, ~~the executive director of the Capital Development Board.~~

9 (2) ~~for~~ procurements for all construction,
10 construction-related services, operation of any facility, and
11 the provision of any service or activity committed by law to
12 the jurisdiction or responsibility of the Illinois Department
13 of Transportation, including the direct or reimbursable
14 expenditure of all federal funds for which the Department of
15 Transportation is responsible or accountable for the use
16 thereof in accordance with federal law, regulation, or
17 procedure, ~~the Secretary of Transportation.~~

18 (3) ~~for~~ all procurements made by a public institution of
19 higher education, ~~a representative designated by the Governor.~~

20 (4) (Blank). ~~for all procurements made by the Illinois~~
21 ~~Power Agency, the Director of the Illinois Power Agency.~~

22 (5) ~~for~~ all other procurements, ~~the Director of the~~
23 ~~Department of Central Management Services.~~

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

1 (30 ILCS 500/1-15.30)

2 Sec. 1-15.30. Contract. "Contract" means all types of State
3 agreements, including change orders and renewals, regardless
4 of what they may be called, for the procurement, use, or
5 disposal of supplies, services, professional or artistic
6 services, or construction or for leases of real property,
7 whether the State is lessor or lessee, or capital
8 improvements, and including master contracts, contracts for
9 financing through use of installment or lease-purchase
10 arrangements, renegotiated contracts, amendments to contracts,
11 and change orders.

12 (Source: P.A. 90-572, eff. 2-6-98.)

13 (30 ILCS 500/1-15.70)

14 Sec. 1-15.70. Purchasing agency. "Purchasing agency" means
15 a State agency that enters into a contract at the direction of
16 a State purchasing officer authorized by a chief procurement
17 officer or a chief procurement officer. ~~"Purchasing agency"~~
18 ~~means a State agency that is authorized by this Code, by its~~
19 ~~implementing rules, or by authorized delegation of a chief~~
20 ~~procurement officer to enter into contracts.~~

21 (Source: P.A. 90-572, eff. 2-6-98.)

22 (30 ILCS 500/1-15.80)

23 Sec. 1-15.80. Responsible bidder or offeror. "Responsible
24 bidder or offeror" means a person who has the capability in all

1 respects to perform fully the contract requirements and the
2 integrity and reliability that will assure good faith
3 performance. A responsible bidder or offeror shall not include
4 a business or other entity that does not exist as a legal
5 entity at the time a bid or proposal is submitted for a State
6 contract.

7 (Source: P.A. 90-572, eff. 2-6-98.)

8 (30 ILCS 500/1-15.107 new)

9 Sec. 1-15.107. Subcontract. "Subcontract" means a contract
10 between a person and a person who has or is seeking a contract
11 subject to this Code, pursuant to which the subcontractor
12 provides to the contractor or another subcontractor some or all
13 of the goods, services, property, remuneration, or other forms
14 of consideration that are the subject of the primary contract
15 and includes, among other things, subleases from a lessee of a
16 State agency.

17 (30 ILCS 500/5-5)

18 Sec. 5-5. Procurement Policy Board.

19 (a) Creation. There is created a Procurement Policy Board,
20 an agency of the State of Illinois.

21 (b) Authority and duties. The Board shall have the
22 authority and responsibility to review, comment upon, and
23 recommend, consistent with this Code, rules and practices
24 governing the procurement, management, control, and disposal

1 of supplies, services, professional or artistic services,
2 construction, and real property and capital improvement leases
3 procured by the State. The Board shall also have the authority
4 to recommend a program for professional development and provide
5 opportunities for training in procurement practices and
6 policies to chief procurement officers and their staffs in
7 order to ensure that all procurement is conducted in an
8 efficient, professional, and appropriately transparent manner.

9 Upon a three-fifths vote of its members, the Board may
10 review a contract. Upon a three-fifths vote of its members, the
11 Board may propose procurement rules for consideration by chief
12 procurement officers. These proposals shall be published in
13 each volume of the Procurement Bulletin. Except as otherwise
14 provided by law, the Board shall act upon the vote of a
15 majority of its members who have been appointed and are
16 serving.

17 (b-5) Reviews, studies, and hearings. The Board may review,
18 study, and hold public hearings concerning the implementation
19 and administration of this Code. Each chief procurement
20 officer, ~~associate procurement officer,~~ State purchasing
21 officer, procurement compliance monitor, and State agency
22 shall cooperate with the Board, provide information to the
23 Board, and be responsive to the Board in the Board's conduct of
24 its reviews, studies, and hearings.

25 (c) Members. The Board shall consist of 5 members appointed
26 one each by the 4 legislative leaders and the Governor. Each

1 member shall have demonstrated sufficient business or
2 professional experience in the area of procurement to perform
3 the functions of the Board. No member may be a member of the
4 General Assembly.

5 (d) Terms. Of the initial appointees, the Governor shall
6 designate one member, as Chairman, to serve a one-year term,
7 the President of the Senate and the Speaker of the House shall
8 each appoint one member to serve 3-year terms, and the Minority
9 Leader of the House and the Minority Leader of the Senate shall
10 each appoint one member to serve 2-year terms. Subsequent terms
11 shall be 4 years. Members may be reappointed for succeeding
12 terms.

13 (e) Reimbursement. Members shall receive no compensation
14 but shall be reimbursed for any expenses reasonably incurred in
15 the performance of their duties.

16 (f) Staff support. Upon a three-fifths vote of its members,
17 the Board may employ an executive director. Subject to
18 appropriation, the Board also may employ a reasonable and
19 necessary number of staff persons.

20 (g) Meetings. Meetings of the Board may be conducted
21 telephonically, electronically, or through the use of other
22 telecommunications. Written minutes of such meetings shall be
23 created and available for public inspection and copying.

24 (h) Procurement recommendations. Upon a three-fifths vote
25 of its members, the Board may review a proposal, bid, or
26 contract and issue a recommendation to void a contract or

1 reject a proposal or bid based on any violation of this Code or
2 the existence of a conflict of interest as described in
3 subsections (b) and (d) of Section 50-35. A chief procurement
4 officer or State purchasing officer shall notify the Board if a
5 conflict of interest is identified, discovered, or reasonably
6 suspected to exist. Any person or entity may notify the Board
7 of a conflict of interest. A recommendation of the Board shall
8 be delivered to the appropriate chief procurement officer and
9 Executive Ethics Commission within 5 days and must be published
10 in the next volume of the Procurement Bulletin.

11 (i) The Board shall refer any alleged violations of this
12 Code to the Executive Inspector General in addition to or
13 instead of issuing a recommendation to void a contract.

14 (Source: P.A. 93-839, eff. 7-30-04.)

15 (30 ILCS 500/5-25)

16 Sec. 5-25. Rulemaking authority; agency policy; agency
17 response.

18 (a) Rulemaking. A chief procurement officer ~~State agency~~
19 authorized to make procurements under this Code shall have the
20 authority to promulgate rules to carry out that authority. That
21 rulemaking on specific procurement topics is mentioned in
22 specific Sections of this Code shall not be construed as
23 prohibiting or limiting rulemaking on other procurement
24 topics.

25 All rules shall be promulgated in accordance with the

1 Illinois Administrative Procedure Act. Contractual provisions,
2 specifications, and procurement descriptions are not rules and
3 are not subject to the Illinois Administrative Procedure Act.
4 All rules other than those promulgated by the Board shall be
5 presented in writing to the Board and the Executive Procurement
6 Officer for ~~its~~ review and comment. The Board and the Executive
7 Procurement Officer shall express their ~~its~~ opinions and
8 recommendations in writing. The ~~Both the~~ proposed rules and
9 ~~Board~~ recommendations shall be made available for public
10 review. The rules shall also be approved by ~~the applicable~~
11 ~~chief procurement officer~~ and the Joint Committee on
12 Administrative Rules.

13 (b) Policy. Each chief procurement officer, ~~associate~~
14 ~~procurement officer,~~ and ~~State agency~~ shall promptly notify the
15 Procurement Policy Board in writing of any proposed new
16 procurement rule or policy or any proposed change in an
17 existing procurement rule or policy.

18 (c) Response. Each State agency must respond promptly in
19 writing to all inquiries and comments of the Procurement Policy
20 Board or Executive Procurement Officer.

21 (Source: P.A. 93-839, eff. 7-30-04.)

22 (30 ILCS 500/10-5)

23 Sec. 10-5. Exercise of procurement authority. The chief
24 procurement officer shall exercise all procurement authority
25 created by this Code. The State purchasing officers appointed

1 under this Code shall exercise procurement authority at the
2 direction of their respective chief procurement officer.
3 Decisions of a State purchasing officer are subject to review
4 by the respective chief procurement officer. ~~The State~~
5 ~~purchasing officers shall be appointed by their respective~~
6 ~~chief procurement officer and approved by the director of each~~
7 ~~State agency. The State purchasing officer of each State agency~~
8 ~~shall exercise the procurement authority created by this Code~~
9 ~~except as otherwise provided in this Code.~~

10 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

11 (30 ILCS 500/10-10)

12 Sec. 10-10. Independent State purchasing officers ~~General~~
13 ~~appointments.~~

14 (a) The chief procurement officer shall appoint ~~and the~~
15 ~~director of each State agency shall approve~~ a State purchasing
16 officer for each agency that the chief procurement officer is
17 responsible for under Section 1-15.15. A State purchasing
18 officer shall be located in the State agency that the officer
19 serves but shall report to his or her respective chief
20 procurement officer. The State purchasing officer shall have
21 direct communication with agency staff assigned to assist with
22 any procurement process. At the direction of his or her
23 respective chief procurement officer, a State purchasing
24 officer shall enter into contracts for a purchasing agency. All
25 actions of a State purchasing officer are subject to review by

1 a chief procurement officer in accordance with procedures and
2 policies established by the chief procurement officer.

3 (b) In addition to any other requirement or qualification
4 required by State law, within 18 months after appointment, a
5 State purchasing officer must be a Certified Professional
6 Public Buyer or a Certified Public Purchasing Officer, pursuant
7 to certification by the Universal Public Purchasing
8 Certification Council. A State purchasing officer shall serve a
9 term of 5-years beginning on the date of the officer's
10 appointment. A State purchasing officer shall have an office
11 located in the State agency that the officer serves but shall
12 report to the chief procurement officer. A State purchasing
13 officer may be removed by a chief procurement officer for cause
14 after a hearing by the Executive Ethics Commission. The chief
15 procurement officer or executive officer of the State agency
16 housing the State purchasing officer may institute a complaint
17 against the State purchasing officer by filing such a complaint
18 with the Commission and the Commission shall have a public
19 hearing based on the complaint. The State purchasing officer,
20 chief procurement officer, and executive officer of the State
21 agency shall receive notice of the hearing and shall be
22 permitted to present their respective arguments on the
23 complaint. After the hearing, the Commission shall make a
24 non-binding recommendation on whether the State purchasing
25 officer shall be removed ~~to exercise within his or her~~
26 ~~jurisdiction the procurement authority created by this Code.~~

1 The salary of a State purchasing officer shall be established
2 by the chief procurement officer and may not be diminished
3 during the officer's term. In the absence of an appointed ~~and~~
4 ~~approved~~ State purchasing officer, the applicable chief
5 procurement officer shall exercise the procurement authority
6 created by this Code and may appoint a temporary acting State
7 purchasing officer.

8 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

9 (30 ILCS 500/10-15)

10 Sec. 10-15. Procurement compliance monitors ~~Associate~~
11 ~~Procurement Officers.~~

12 (a) The Executive Ethics Commission shall appoint
13 procurement compliance monitors to oversee and review the
14 procurement processes. Each procurement compliance monitor
15 shall serve a term of 5 years beginning on the date of the
16 officer's appointment. Each procurement compliance monitor
17 shall have an office located in the State agency that the
18 monitor serves but shall report to the appropriate chief
19 procurement officer. The compliance monitor shall have direct
20 communications with the executive officer of a State agency in
21 exercising duties. A procurement compliance monitor may be
22 removed only for cause after a hearing by the Executive Ethics
23 Commission. The appropriate chief procurement officer or
24 executive officer of the State agency housing the procurement
25 compliance monitor may institute a complaint against the

1 procurement compliance monitor with the Commission and the
2 Commission shall hold a public hearing based on the complaint.
3 The procurement compliance monitor, State purchasing officer,
4 appropriate chief procurement officer, and executive officer
5 of the State agency shall receive notice of the hearing and
6 shall be permitted to present their respective arguments on the
7 complaint. After the hearing, the Commission shall determine
8 whether the procurement compliance monitor shall be removed.
9 The salary of a procurement compliance monitor shall be
10 established by the Executive Ethics Commission and may not be
11 diminished during the officer's term.

12 (b) The procurement compliance monitor may: (i) review each
13 contract or contract amendment prior to execution to ensure
14 that applicable procurement and contracting standards were
15 followed; (ii) attend any procurement meetings; (iii) access
16 any records or files related to procurement; (iv) issue reports
17 to the chief procurement officer on procurement issues that
18 present issues or that have not been corrected after
19 consultation with appropriate State officials; (v) ensure the
20 State agency is maintaining appropriate records; and (vi)
21 ensure transparency of the procurement process.

22 (c) If the procurement compliance monitor is aware of
23 misconduct, waste, or inefficiency with respect to State
24 procurement, the procurement compliance monitor shall advise
25 the State agency of the issue. If the State agency does not
26 correct the issue, the monitor shall report the problem to the

1 ~~chief procurement officer and Inspector General. The Governor,~~
2 ~~with the consent of the statutory chief procurement officers,~~
3 ~~may for proper and effective administration of this Code~~
4 ~~appoint associate procurement officers. All associate~~
5 ~~procurement officers shall be submitted to the Senate for~~
6 ~~advice and consent. For the purposes of this Code, duly~~
7 ~~appointed associate procurement officers shall function in all~~
8 ~~respects as chief procurement officers. Associate procurement~~
9 ~~officers shall serve at the pleasure of the Governor.~~

10 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

11 (30 ILCS 500/10-20 new)

12 Sec. 10-20. Independent chief procurement officers.

13 (a) Appointment. Within 60 days after the effective date of
14 this amendatory Act of the 96th General Assembly, the Executive
15 Ethics Commission, with the advice and consent of the Senate
16 shall appoint 4 chief procurement officers, one for each of the
17 following categories:

18 (1) for procurements for construction and
19 construction-related services committed by law to the
20 jurisdiction or responsibility of the Capital Development
21 Board;

22 (2) for procurements for all construction,
23 construction-related services, operation of any facility,
24 and the provision of any service or activity committed by
25 law to the jurisdiction or responsibility of the Illinois

1 Department of Transportation, including the direct or
2 reimbursable expenditure of all federal funds for which the
3 Department of Transportation is responsible or accountable
4 for the use thereof in accordance with federal law,
5 regulation, or procedure;

6 (3) for all procurements made by a public institution
7 of higher education; and

8 (4) for all other procurement needs of State agencies.

9 A chief procurement officer shall be responsible to the
10 Executive Ethics Commission but must be located within the
11 agency that the officer provides with procurement services. The
12 chief procurement officer for higher education shall have an
13 office located within the Board of Higher Education, unless
14 otherwise designated by the Executive Ethics Commission. The
15 chief procurement officer for all other procurement needs of
16 the State shall have an office located within the Department of
17 Central Management Services, unless otherwise designated by
18 the Executive Ethics Commission.

19 (b) Terms and independence. Each chief procurement officer
20 appointed under this Section shall serve for a term of 5 years
21 beginning on the date of the officer's appointment. The chief
22 procurement officer may be removed for cause after a hearing by
23 the Executive Ethics Commission. The Governor or the director
24 of a State agency directly responsible to the Governor may
25 institute a complaint against the officer by filing such
26 complaint with the Commission. The Commission shall have a

1 hearing based on the complaint. The officer and the complainant
2 shall receive reasonable notice of the hearing and shall be
3 permitted to present their respective arguments on the
4 complaint. After the hearing, the Commission shall make a
5 finding on the complaint and may take disciplinary action,
6 including but not limited to removal of the officer.

7 The salary of a chief procurement officer shall be
8 established by the Executive Ethics Commission and may not be
9 diminished during the officer's term. The salary may not exceed
10 the salary of the director of a State agency for which the
11 officer serves as chief procurement officer.

12 (c) Qualifications. In addition to any other requirement or
13 qualification required by State law, each chief procurement
14 officer must within 12 months of employment be a Certified
15 Professional Public Buyer or a Certified Public Purchasing
16 Officer, pursuant to certification by the Universal Public
17 Purchasing Certification Council, and must reside in Illinois.

18 (d) Fiduciary duty. Each chief procurement officer owes a
19 fiduciary duty to the State.

20 (30 ILCS 500/10-25 new)

21 Sec. 10-25. Executive Procurement Officer. The Governor
22 shall appoint an Executive Procurement Officer to conduct a
23 review of State procurement practices. The Executive
24 Procurement Officer shall provide advice to the chief
25 procurement officers in developing procurement practices that

1 represent the best interest of the State, including but not
2 limited to providing advice and assistance with advertising
3 opportunities to do business with Illinois, bid protests and
4 complaints, development of forms, and rules promulgated in
5 accordance with the Illinois Administrative Procedure Act. The
6 Officer may also provide advice to the Executive Ethics
7 Commission on the development of procurement related policies.
8 The Executive Procurement Officer is an advisory position and
9 does not have authority to supervise or direct chief
10 procurement officers, State procurement officers, procurement
11 compliance monitors, or their respective staffs. The Executive
12 Procurement Officer's compensation shall be established by the
13 Governor and paid from appropriations made to the Office of the
14 Governor.

15 This Section is repealed the second Monday of January 2011.

16 (30 ILCS 500/15-25)

17 Sec. 15-25. Bulletin content.

18 (a) Invitations for bids. Notice of each and every contract
19 that is offered, including renegotiated contracts and change
20 orders, shall be published in the Bulletin. The applicable
21 chief procurement officer may provide by rule an organized
22 format for the publication of this information, but in any case
23 it must include at least the date first offered, the date
24 submission of offers is due, the location that offers are to be
25 submitted to, the purchasing State agency, the responsible

1 State purchasing officer, a brief purchase description, the
2 method of source selection, information of how to obtain a
3 comprehensive purchase description and any disclosure and
4 contract forms, and encouragement to prospective vendors to
5 hire qualified veterans, as defined by Section 45-67 of this
6 Code, and Illinois residents discharged from any Illinois adult
7 correctional center.

8 (b) Contracts let or awarded. Notice of each and every
9 contract that is let or awarded, including renegotiated
10 contracts and change orders, shall be published in the next
11 available subsequent Bulletin, and the applicable chief
12 procurement officer may provide by rule an organized format for
13 the publication of this information, but in any case it must
14 include at least all of the information specified in subsection
15 (a), ~~as well as~~ the name of the successful responsible bidder
16 or offeror, the contract price, the number of unsuccessful
17 responsive bidders, the information required in subsection (g)
18 of Section 20-10 if applicable, and any other disclosure
19 specified in any Section of this Code. This notice must be
20 posted in the online electronic Bulletin no later than 10 days
21 after the contract is awarded ~~prior to execution of the~~
22 ~~contract.~~

23 (c) Emergency purchase disclosure. Any chief procurement
24 officer ~~or~~ State purchasing officer, ~~or designee~~ exercising
25 emergency purchase authority under this Code shall publish a
26 written description and reasons and the total cost, if known,

1 or an estimate if unknown and the name of the responsible chief
2 procurement officer and State purchasing officer, and the
3 business or person contracted with for all emergency purchases
4 in the next timely, practicable Bulletin. This notice must be
5 posted in the online electronic Bulletin no later than 3 ~~within~~
6 ~~3~~ business days after the ~~execution of the~~ contract is awarded.
7 Notice of a hearing to extend an emergency contract must be
8 posted in the online electronic Procurement Bulletin no later
9 than 5 business days prior to the hearing.

10 (c-5) Business Enterprise Program report. Each purchasing
11 agency shall post in the online electronic Bulletin a copy of
12 its annual report of utilization of businesses owned by
13 minorities, females, and persons with disabilities as
14 submitted to the Business Enterprise Council for Minorities,
15 Females, and Persons with Disabilities pursuant to Section 6(c)
16 of the Business Enterprise for Minorities, Females, and Persons
17 with Disabilities Act within 10 business days after its
18 submission of its report to the Council.

19 (c-10) Renewals. Notice of each contract renewal shall be
20 posted in the online electronic Bulletin within 10 days of the
21 determination to renew the contract and the next available
22 subsequent Bulletin. The notice shall include at least all of
23 the information required in subsection (b).

24 (c-15) Sole source procurements. Before entering into a
25 sole source contract, a chief procurement officer exercising
26 sole source procurement authority under this Code shall publish

1 a written description of intent to enter into a sole source
2 contract along with a description of the item to be procured
3 and the intended sole source contractor. This notice must be
4 posted in the online electronic Procurement Bulletin before a
5 sole source contract is awarded and at least 14 days before the
6 hearing required by Section 20-25.

7 (d) Other required disclosure. The applicable chief
8 procurement officer shall provide by rule for the organized
9 publication of all other disclosure required in other Sections
10 of this Code in a timely manner.

11 (e) The changes to subsections (b), (c), (c-5), (c-10), and
12 (c-15) of this Section made by this amendatory Act of the 96th
13 General Assembly apply to reports submitted, offers made, and
14 notices on contracts executed on or after its effective date.

15 (Source: P.A. 94-1067, eff. 8-1-06; 95-536, eff. 1-1-08.)

16 (30 ILCS 500/15-30)

17 Sec. 15-30. Electronic Bulletin clearinghouse.

18 (a) The Procurement Policy Board shall maintain on its
19 official website a searchable database containing all
20 information required to be included in the Illinois Procurement
21 Bulletin under subsections (b), ~~and~~ (c), (c-10), and (c-15) of
22 Section 15-25 and all information required to be disclosed
23 under Section 50-41. The posting of procurement information on
24 the website is subject to the same posting requirements as the
25 online electronic Bulletin.

1 (b) For the purposes of this Section, searchable means
2 searchable and sortable by successful responsible bidder or
3 offeror or, for emergency purchases, business or person
4 contracted with; the contract price or total cost; the service
5 or good; the purchasing State agency; and the date first
6 offered or announced.

7 (c) ~~The Department of Central Management Services, the~~
8 ~~Capital Development Board, the Department of Transportation,~~
9 ~~and the higher education~~ chief procurement officer shall
10 provide the Procurement Policy Board the information and
11 resources necessary, and in a manner, to effectuate the purpose
12 of this Section.

13 (Source: P.A. 95-536, eff. 1-1-08.)

14 (30 ILCS 500/20-10)

15 Sec. 20-10. Competitive sealed bidding.

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

19 (b) Invitation for bids. An invitation for bids shall be
20 issued and shall include a purchase description and the
21 material contractual terms and conditions applicable to the
22 procurement.

23 (c) Public notice. Public notice of the invitation for bids
24 shall be published in the Illinois Procurement Bulletin at
25 least 14 days before the date set in the invitation for the

1 opening of bids.

2 (d) Bid opening. Bids shall be opened publicly in the
3 presence of one or more witnesses at the time and place
4 designated in the invitation for bids. The name of each bidder,
5 the amount of each bid, and other relevant information as may
6 be specified by rule shall be recorded. After the award of the
7 contract, the winning bid and the record of each unsuccessful
8 bid shall be open to public inspection.

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

20 (f) Correction or withdrawal of bids. Correction or
21 withdrawal of inadvertently erroneous bids before or after
22 award, or cancellation of awards of contracts based on bid
23 mistakes, shall be permitted in accordance with rules. After
24 bid opening, no changes in bid prices or other provisions of
25 bids prejudicial to the interest of the State or fair
26 competition shall be permitted. All decisions to permit the

1 correction or withdrawal of bids based on bid mistakes shall be
2 supported by written determination made by a State purchasing
3 officer.

4 (g) Award. The contract shall be awarded with reasonable
5 promptness by written notice to the lowest responsible and
6 responsive bidder whose bid meets the requirements and criteria
7 set forth in the invitation for bids, except when a State
8 purchasing officer determines it is not in the best interest of
9 the State and by written explanation determines another bidder
10 shall receive the award. The explanation shall appear in the
11 appropriate volume of the Illinois Procurement Bulletin. The
12 written explanation must include:

13 (1) a description of the agency's needs;

14 (2) a determination that the anticipated cost will be
15 fair and reasonable;

16 (3) a listing of all responsible and responsive
17 bidders; and

18 (4) the name of the bidder selected, pricing, and the
19 reasons for selecting that bidder.

20 Each chief procurement officer may adopt guidelines to
21 implement the requirements of this subsection (g).

22 The written explanation shall be filed with the Legislative
23 Audit Commission and the Procurement Policy Board and be made
24 available for inspection by the public within 30 days after the
25 agency's decision to award the contract.

26 (h) Multi-step sealed bidding. When it is considered

1 impracticable to initially prepare a purchase description to
2 support an award based on price, an invitation for bids may be
3 issued requesting the submission of unpriced offers to be
4 followed by an invitation for bids limited to those bidders
5 whose offers have been qualified under the criteria set forth
6 in the first solicitation.

7 (i) Alternative procedures. Notwithstanding any other
8 provision of this Act to the contrary, the Director of the
9 Illinois Power Agency may create alternative bidding
10 procedures to be used in procuring professional services under
11 Section 1-75(a) of the Illinois Power Agency Act and Section
12 16-111.5(c) of the Public Utilities Act. These alternative
13 procedures shall be set forth together with the other criteria
14 contained in the invitation for bids, and shall appear in the
15 appropriate volume of the Illinois Procurement Bulletin.

16 (j) Reverse auction. Notwithstanding any other provision
17 of this Section and in accordance with rules adopted by the
18 chief procurement officer, that chief procurement officer may
19 procure supplies or services through a competitive electronic
20 auction bidding process after the chief procurement officer
21 determines that the use of such a process will be in the best
22 interest of the State. The chief procurement officer shall
23 publish that determination in his or her next volume of the
24 Illinois Procurement Bulletin.

25 An invitation for bids shall be issued and shall include
26 (i) a procurement description, (ii) all contractual terms,

1 whenever practical, and (iii) conditions applicable to the
2 procurement, including a notice that bids will be received in
3 an electronic auction manner.

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

6 Bids shall be accepted electronically at the time and in
7 the manner designated in the invitation for bids. During the
8 auction, a bidder's price shall be disclosed to other bidders.
9 Bidders shall have the opportunity to reduce their bid prices
10 during the auction. At the conclusion of the auction, the
11 record of the bid prices received and the name of each bidder
12 shall be open to public inspection.

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

15 The contract shall be awarded within 60 days after the
16 auction by written notice to the lowest responsible bidder, or
17 all bids shall be rejected except as otherwise provided in this
18 Code. Extensions of the date for the award may be made by
19 mutual written consent of the State purchasing officer and the
20 lowest responsible bidder.

21 This subsection does not apply to (i) procurements of
22 professional and artistic services, (ii) telecommunications
23 services, communication services, and information services,
24 and (iii) contracts for construction projects.

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

1 (30 ILCS 500/20-25)

2 Sec. 20-25. Sole source procurements.

3 (a) In accordance with standards set by rule, contracts may
4 be awarded without use of the specified method of source
5 selection when there is only one economically feasible source
6 for the item. A State contract may not be awarded as a sole
7 source procurement unless approved by the chief procurement
8 officer following a public hearing at which the chief
9 procurement officer and purchasing agency present written
10 justification for the procurement method. The Procurement
11 Policy Board and the public may present testimony.

12 (b) This Section may not be used as a basis for amending a
13 contract for professional or artistic services if the amendment
14 would result in an increase in the amount paid under the
15 contract of more than 5% of the initial award, or would extend
16 the contract term beyond the time reasonably needed for a
17 competitive procurement, not to exceed 2 months.

18 (c) Notice of intent to enter into a sole source contract
19 shall be provided to the Procurement Policy Board and published
20 in the online electronic Bulletin at least 14 days before the
21 public hearing required in subsection (a). The notice shall
22 include the sole source procurement justification form
23 prescribed by the Board, a description of the item to be
24 procured, the intended sole source contractor, and the date,
25 time, and location of the public hearing. A copy of the notice
26 and all documents provided at the hearing shall be included in

1 the subsequent Procurement Bulletin.

2 ~~At least 2 weeks before entering into a sole source~~
3 ~~contract, the purchasing agency shall publish in the Illinois~~
4 ~~Procurement Bulletin a notice of intent to do so along with a~~
5 ~~description of the item to be procured and the intended sole~~
6 ~~source contractor.~~

7 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

8 (30 ILCS 500/20-30)

9 Sec. 20-30. Emergency purchases.

10 (a) Conditions for use. In accordance with standards set by
11 rule, a purchasing agency may make emergency procurements
12 without competitive sealed bidding or prior notice when there
13 exists a threat to public health or public safety, or when
14 immediate expenditure is necessary for repairs to State
15 property in order to protect against further loss of or damage
16 to State property, to prevent or minimize serious disruption in
17 critical State services that affect health, safety, or
18 collection of substantial State revenues, or to ensure the
19 integrity of State records; provided, however, that the term of
20 the emergency purchase shall be limited to the time reasonably
21 needed for a competitive procurement, not to exceed 90 days. A
22 contract may be extended beyond 90 days if the chief
23 procurement officer determines additional time is necessary
24 and that the contract scope and duration are limited to the
25 emergency. Prior to execution of the extension, the chief

1 procurement officer must hold a public hearing and provide
2 written justification for all emergency contracts. Members of
3 the public may present testimony. Emergency procurements shall
4 be made with as much competition as is practicable under the
5 circumstances. A written description of the basis for the
6 emergency and reasons for the selection of the particular
7 contractor shall be included in the contract file.

8 (b) Notice. Notice of all emergency procurements shall be
9 provided to the Procurement Policy Board and published in the
10 online electronic Bulletin no later than 3 business days after
11 the contract is awarded. Notice of intent to extend an
12 emergency contract shall be provided to the Procurement Policy
13 Board and published in the online electronic Bulletin at least
14 14 days before the public hearing. Notice shall include at
15 least a description of the need for the emergency purchase, the
16 contractor, and if applicable, the date, time, and location of
17 the public hearing. A copy of this notice and all documents
18 provided at the hearing shall be included in the subsequent
19 Procurement Bulletin. Before the next appropriate volume of the
20 Illinois Procurement Bulletin, the purchasing agency shall
21 publish in the Illinois Procurement Bulletin a copy of each
22 written description and reasons and the total cost of each
23 emergency procurement made during the previous month. When only
24 an estimate of the total cost is known at the time of
25 publication, the estimate shall be identified as an estimate
26 and published. When the actual total cost is determined, it

1 shall also be published in like manner before the 10th day of
2 the next succeeding month.

3 (c) Affidavits. A chief procurement officer ~~purchasing~~
4 ~~agency~~ making a procurement under this Section shall file
5 affidavits with the Procurement Policy Board ~~chief procurement~~
6 ~~officer~~ and the Auditor General within 10 days after the
7 procurement setting forth the amount expended, the name of the
8 contractor involved, and the conditions and circumstances
9 requiring the emergency procurement. When only an estimate of
10 the cost is available within 10 days after the procurement, the
11 actual cost shall be reported immediately after it is
12 determined. At the end of each fiscal quarter, the Auditor
13 General shall file with the Legislative Audit Commission and
14 the Governor a complete listing of all emergency procurements
15 reported during that fiscal quarter. The Legislative Audit
16 Commission shall review the emergency procurements so reported
17 and, in its annual reports, advise the General Assembly of
18 procurements that appear to constitute an abuse of this
19 Section.

20 (d) Quick purchases. The chief procurement officer may
21 promulgate rules extending the circumstances by which a
22 purchasing agency may make purchases under this Section,
23 including but not limited to the procurement of items available
24 at a discount for a limited period of time.

25 (e) The changes to this Section made by this amendatory Act
26 of the 96th General Assembly apply to procurements executed on

1 or after its effective date.

2 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

3 (30 ILCS 500/20-43 new)

4 Sec. 20-43. Bidder or offeror authorized to do business in
5 Illinois. In addition to meeting any other requirement of law
6 or rule, a person (other than an individual acting as a sole
7 proprietor) may qualify as a bidder or offeror under this Code
8 only if the person is a legal entity authorized to do business
9 in Illinois prior to submitting the bid, offer, or proposal.

10 (30 ILCS 500/20-50)

11 Sec. 20-50. Specifications. Specifications shall be
12 prepared in accordance with consistent standards that are
13 promulgated by the chief procurement officer and reviewed by
14 the Board and the Joint Committee on Administrative Rules.
15 Those standards shall include a prohibition against the use of
16 brand-name only products, except for products intended for
17 retail sale or as specified by rule, ~~and shall include a~~
18 ~~restriction on the use of specifications drafted by a potential~~
19 ~~bidder.~~ All specifications shall seek to promote overall
20 economy for the purposes intended and encourage competition in
21 satisfying the State's needs and shall not be unduly
22 restrictive.

23 A solicitation or specification for a contract or a
24 contract, including a contract but not limited to of a college,

1 university, or institution under the jurisdiction of a
2 governing board listed in Section 1-15.100, may not require,
3 stipulate, suggest, or encourage a monetary or other financial
4 contribution or donation, cash bonus or incentive, or economic
5 investment as an explicit or implied term or condition for
6 awarding or completing the contract. The contract,
7 solicitation, or specification also may not include a
8 requirement that an individual or individuals employed by such
9 a college, university, or institution receive a consulting
10 contract for professional services.

11 (Source: P.A. 90-572, eff. date - See Sec. 99-5; 91-627, eff.
12 8-19-99.)

13 (30 ILCS 500/20-60)

14 Sec. 20-60. Duration of contracts.

15 (a) Maximum duration. A contract, other than a contract
16 entered into pursuant to the State University Certificates of
17 Participation Act, may be entered into for any period of time
18 deemed to be in the best interests of the State but not
19 exceeding 10 years inclusive of proposed contract renewals. The
20 length of a lease for real property or capital improvements
21 shall be in accordance with the provisions of Section 40-25. A
22 contract for bond or mortgage insurance awarded by the Illinois
23 Housing Development Authority, however, may be entered into for
24 any period of time less than or equal to the maximum period of
25 time that the subject bond or mortgage may remain outstanding.

1 (b) Subject to appropriation. All contracts made or entered
2 into shall recite that they are subject to termination and
3 cancellation in any year for which the General Assembly fails
4 to make an appropriation to make payments under the terms of
5 the contract.

6 (Source: P.A. 95-344, eff. 8-21-07.)

7 (30 ILCS 500/20-65)

8 Sec. 20-65. Right to audit records.

9 (a) Maintenance of books and records. Every contract and
10 subcontract shall require the contractor or subcontractor, as
11 applicable, to maintain books and records relating to the
12 performance of the contract or subcontract and necessary to
13 support amounts charged to the State under the contract or
14 subcontract. The books and records shall be maintained by the
15 contractor for a period of 3 years from the later of the date
16 of final payment under the contract or completion of the
17 contract and by the subcontractor for a period of 3 years from
18 the later of the date of final payment under the subcontract or
19 completion of the subcontract. However, the 3-year period shall
20 be extended for the duration of any audit in progress at the
21 time of that period's expiration.

22 (b) Audit. Every contract and subcontract shall provide
23 that all books and records required to be maintained under
24 subsection (a) shall be available for review and audit by the
25 Auditor General, chief procurement officer, internal auditor,

1 and the purchasing agency. Every contract and subcontract shall
2 require the contractor and subcontractor, as applicable, to
3 cooperate fully with any audit.

4 (c) Failure to maintain books and records. Failure to
5 maintain the books and records required by this Section shall
6 establish a presumption in favor of the State for the recovery
7 of any funds paid by the State for which required books and
8 records are not available.

9 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

10 (30 ILCS 500/20-70)

11 Sec. 20-70. Finality of determinations. Except as
12 otherwise provided in this Code, determinations ~~Determinations~~
13 made by a chief procurement officer, State purchasing officer,
14 or a purchasing agency under this Code are final and conclusive
15 unless they are clearly erroneous, arbitrary, capricious, or
16 contrary to law.

17 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

18 (30 ILCS 500/20-75)

19 Sec. 20-75. Disputes and protests. The chief procurement
20 officers shall by rule establish procedures to be followed ~~by~~
21 ~~purchasing agencies~~ in resolving protested solicitations and
22 awards and contract controversies, for debarment or suspension
23 of contractors, and for resolving other procurement-related
24 disputes.

1 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

2 (30 ILCS 500/20-80)

3 Sec. 20-80. Contract files.

4 (a) Written determinations. All written determinations
5 required under this Article shall be placed in the contract
6 file maintained by the chief procurement officer.

7 (b) Filing with Comptroller. Whenever a grant, defined
8 pursuant to accounting standards established by the
9 Comptroller, or a contract liability, except for: (1) contracts
10 paid from personal services, or (2) contracts between the State
11 and its employees to defer compensation in accordance with
12 Article 24 of the Illinois Pension Code, exceeding \$10,000 is
13 incurred by any State agency, a copy of the contract, purchase
14 order, grant, or lease shall be filed with the Comptroller
15 within 15 days thereafter. Any cancellation or modification to
16 any such contract liability shall be filed with the Comptroller
17 within 15 days of its execution.

18 (c) Late filing affidavit. When a contract, purchase order,
19 grant, or lease required to be filed by this Section has not
20 been filed within 30 days of execution, the Comptroller shall
21 refuse to issue a warrant for payment thereunder until the
22 agency files with the Comptroller the contract, purchase order,
23 grant, or lease and an affidavit, signed by the chief executive
24 officer of the agency or his or her designee, setting forth an
25 explanation of why the contract liability was not filed within

1 30 days of execution. A copy of this affidavit shall be filed
2 with the Auditor General.

3 (d) Timely execution of ~~Professional and artistic services~~
4 contracts. No voucher shall be submitted to the Comptroller for
5 a warrant to be drawn for the payment of money from the State
6 treasury or from other funds held by the State Treasurer on
7 account of any contract ~~for services involving professional or~~
8 ~~artistic skills involving an expenditure of more than \$5,000~~
9 ~~for the same type of service at the same location during any~~
10 ~~fiscal year~~ unless the contract is reduced to writing before
11 the services are performed and filed with the Comptroller.
12 Vendors shall not be paid for any goods that were received or
13 services that were rendered before the contract was reduced to
14 writing and signed by all necessary parties. A chief
15 procurement officer may request an exception to this subsection
16 by submitting a written statement to the Comptroller and
17 Treasurer setting forth the circumstances and reasons why the
18 contract could not be reduced to writing before the supplies
19 were received or services were performed. A waiver of this
20 subsection must be approved by the Comptroller and Treasurer.
21 ~~When a contract for professional or artistic skills in excess~~
22 ~~of \$5,000 was not reduced to writing before the services were~~
23 ~~performed, the Comptroller shall refuse to issue a warrant for~~
24 ~~payment for the services until the State agency files with the~~
25 ~~Comptroller:~~

26 ~~(1) a written contract covering the services, and~~

1 ~~(2) an affidavit, signed by the chief executive officer~~
2 ~~of the State agency or his or her designee, stating that~~
3 ~~the services for which payment is being made were agreed to~~
4 ~~before commencement of the services and setting forth an~~
5 ~~explanation of why the contract was not reduced to writing~~
6 ~~before the services commenced.~~

7 A copy of this affidavit shall be filed with the Auditor
8 General. This Section shall not apply to emergency purchases if
9 notice of the emergency purchase is filed with the Procurement
10 Policy Board and published in the Bulletin as required by this
11 Code. ~~The Comptroller shall maintain professional or artistic~~
12 ~~service contracts filed under this Section separately from~~
13 ~~other filed contracts.~~

14 (e) Method of source selection. When a contract is filed
15 with the Comptroller under this Section, the Comptroller's file
16 shall identify the method of source selection used in obtaining
17 the contract.

18 (Source: P.A. 90-572, eff. date - See Sec. 99-5; 91-904, eff.
19 7-6-00.)

20 (30 ILCS 500/20-120 new)

21 Sec. 20-120. Subcontractors.

22 (a) Any contract granted under this Code shall state
23 whether the services of a subcontractor will or may be used. To
24 the extent that the information is known, the contract shall
25 include the names and addresses of all subcontractors and the

1 expected amount of money each will receive under the contract.
2 The contractor shall provide the chief procurement officer or
3 State purchasing officer a copy of any subcontract so
4 identified within 20 days after the execution of the State
5 contract or after execution of the subcontract, whichever is
6 later.

7 (b) If at any time during the term of a contract, a
8 contractor adds or changes any subcontractors, he or she shall
9 promptly notify, in writing, the chief procurement officer,
10 State purchasing officer, or their designee of the names and
11 addresses and the expected amount of money each new or replaced
12 subcontractor will receive. The contractor shall provide to the
13 responsible chief procurement officer a copy of the subcontract
14 within 20 days after the execution of the subcontract.

15 (c) In addition to any other requirements of this Code, a
16 subcontract subject to this Section must include all of the
17 subcontractor's certifications required by Article 50 of the
18 Code.

19 (d) This Section applies to procurements executed on or
20 after the effective date of this amendatory Act of the 96th
21 General Assembly.

22 (30 ILCS 500/20-155)

23 Sec. 20-155. Solicitation and contract documents.

24 (a) After award of a contract and subject to provisions of
25 the Freedom of Information Act, the procuring agency shall make

1 available for public inspection and copying all pre-award,
2 post-award, administration, and close-out documents relating
3 to that particular contract.

4 (b) A procurement file shall be maintained for all
5 contracts, regardless of the method of procurement. The
6 procurement file shall contain the basis on which the award is
7 made, all submitted bids and proposals, all evaluation
8 materials, score sheets and all other documentation related to
9 or prepared in conjunction with evaluation, negotiation, and
10 the award process. The procurement file shall contain a written
11 determination, signed by the chief procurement officer or State
12 purchasing officer, setting forth the reasoning for the
13 contract award decision. The procurement file shall be open to
14 public inspection within 7 business days following award of the
15 contract.

16 (Source: P.A. 94-978, eff. 6-30-06.)

17 (30 ILCS 500/20-160)

18 Sec. 20-160. Business entities; certification;
19 registration with the State Board of Elections.

20 (a) For purposes of this Section, the terms "business
21 entity", "contract", "State contract", "contract with a State
22 agency", "State agency", "affiliated entity", and "affiliated
23 person" have the meanings ascribed to those terms in Section
24 50-37.

25 (b) Every bid submitted to and every contract executed by

1 the State on or after the effective date of this amendatory Act
2 of the 95th General Assembly shall contain (1) a certification
3 by the bidder or contractor that either (i) the bidder or
4 contractor is not required to register as a business entity
5 with the State Board of Elections pursuant to this Section or
6 (ii) the bidder or contractor has registered as a business
7 entity with the State Board of Elections and acknowledges a
8 continuing duty to update the registration and (2) a statement
9 that the contract is voidable under Section 50-60 for the
10 bidder's or contractor's failure to comply with this Section.

11 (c) Within 30 days after the effective date of this
12 amendatory Act of the 95th General Assembly, each business
13 entity (i) whose aggregate bids and proposals on State
14 contracts annually total more than \$50,000, (ii) whose
15 aggregate bids and proposals on State contracts combined with
16 the business entity's aggregate annual total value of State
17 contracts exceed \$50,000, or (iii) whose contracts with State
18 agencies, in the aggregate, annually total more than \$50,000
19 shall register with the State Board of Elections in accordance
20 with Section 9-35 of the Election Code. A business entity
21 required to register under this subsection shall submit a copy
22 of the certificate of registration to the applicable chief
23 procurement officer within 90 days after the effective date of
24 this amendatory Act of the 95th General Assembly. A business
25 entity required to register under this subsection due to item
26 (i) or (ii) has a continuing duty to ensure that the

1 registration is accurate during the period beginning on the
2 date of registration and ending on the day after the date the
3 contract is awarded; any change in information must be reported
4 to the State Board of Elections 5 business days following such
5 change or no later than a day before the contract is awarded,
6 whichever date is earlier ~~within 2 business days following such~~
7 ~~change~~. A business entity required to register under this
8 subsection due to item (iii) has a continuing duty to report
9 any changes in information to the State Board of Elections on
10 the final day of January, April, July, and October of each
11 year, or the first business day after such dates, if such dates
12 do not fall on a business day ~~ensure that the registration is~~
13 ~~accurate in accordance with subsection (f)~~.

14 (d) Any business entity, not required under subsection (c)
15 to register within 30 days after the effective date of this
16 amendatory Act of the 95th General Assembly, whose aggregate
17 bids and proposals on State contracts annually total more than
18 \$50,000, or whose aggregate bids and proposals on State
19 contracts combined with the business entity's aggregate annual
20 total value of State contracts exceed \$50,000, shall register
21 with the State Board of Elections in accordance with Section
22 9-35 of the Election Code prior to submitting to a State agency
23 the bid or proposal whose value causes the business entity to
24 fall within the monetary description of this subsection. A
25 business entity required to register under this subsection has
26 a continuing duty to ensure that the registration is accurate

1 during the period beginning on the date of registration and
2 ending on the day after the date the contract is awarded. Any
3 change in information must be reported to the State Board of
4 Elections within 5 business days following such change or no
5 later than a day before the contract is awarded, whichever date
6 is earlier ~~2 business days following such change.~~

7 (e) A business entity whose contracts with State agencies,
8 in the aggregate, annually total more than \$50,000 must
9 maintain its registration under this Section and has a
10 continuing duty to ensure that the registration is accurate for
11 the duration of the term of office of the incumbent
12 officeholder awarding the contracts or for a period of 2 years
13 following the expiration or termination of the contracts,
14 whichever is longer. Any change in information shall be
15 reported to the State Board of Elections on the final day of
16 January, April, July, and October of each year, or the first
17 business day after such dates, if such dates do not fall on a
18 business day. ~~If within 10 days following such change; however,~~
19 ~~if~~ a business entity required to register under this subsection
20 has a pending bid or proposal, any change in information shall
21 be reported to the State Board of Elections within 5 business
22 days following such change or no later than a day before the
23 contract is awarded, whichever date is earlier ~~2 business days.~~

24 (f) A business entity's continuing duty under this Section
25 to ensure the accuracy of its registration includes the
26 requirement that the business entity notify the State Board of

1 Elections of any change in information, including but not
2 limited to changes of affiliated entities or affiliated
3 persons.

4 (g) A copy of a certificate of registration must accompany
5 any bid or proposal for a contract with a State agency by a
6 business entity required to register under this Section. A
7 chief procurement officer shall not accept a bid or proposal
8 unless the certificate is submitted to the agency with the bid
9 or proposal.

10 (h) A registration, and any changes to a registration, must
11 include the business entity's verification of accuracy and
12 subjects the business entity to the penalties of the laws of
13 this State for perjury.

14 In addition to any penalty under Section 9-35 of the
15 Election Code, intentional, willful, or material failure to
16 disclose information required for registration shall render
17 the contract, bid, proposal, or other procurement relationship
18 voidable by the chief procurement officer if he or she deems it
19 to be in the best interest of the State of Illinois.

20 (i) This Section applies regardless of the method of source
21 selection used in awarding the contract.

22 (Source: P.A. 95-971, eff. 1-1-09.)

23 (30 ILCS 500/40-25)

24 Sec. 40-25. Length of leases.

25 (a) Maximum term. Leases shall be for a term not to exceed

1 10 years inclusive of proposed contract renewals and shall
2 include a termination option in favor of the State after 5
3 years.

4 (b) Renewal. Leases may include a renewal option. An option
5 to renew may be exercised only when a State purchasing officer
6 determines in writing that renewal is in the best interest of
7 the State and notice of the exercise of the option is published
8 in the appropriate volume of the Procurement Bulletin at least
9 60 days prior to the exercise of the option.

10 (c) Subject to appropriation. All leases shall recite that
11 they are subject to termination and cancellation in any year
12 for which the General Assembly fails to make an appropriation
13 to make payments under the terms of the lease.

14 (d) Holdover. Beginning January 1, 2010, no lease may
15 continue on a month-to-month or other holdover basis for a
16 total of more than 6 months. Beginning July 1, 2010, the
17 Comptroller shall withhold payment of leases beyond this
18 holdover period.

19 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

20 (30 ILCS 500/50-2 new)

21 Sec. 50-2. Continuing disclosure; false certification.
22 Every person that has entered into a multi-year contract and
23 every subcontractor with a multi-year subcontract shall
24 certify, by July 1 of each fiscal year covered by the contract
25 after the initial fiscal year, to the responsible chief

1 procurement officer whether it continues to satisfy the
2 requirements of this Article pertaining to eligibility for a
3 contract award. If a contractor or subcontractor is not able to
4 truthfully certify that it continues to meet all requirements,
5 it shall provide with its certification a detailed explanation
6 of the circumstances leading to the change in certification
7 status. A contractor or subcontractor that makes a false
8 statement material to any given certification required under
9 this Article is, in addition to any other penalties or
10 consequences prescribed by law, subject to liability under the
11 Whistleblower Reward and Protection Act for submission of a
12 false claim.

13 (30 ILCS 500/50-5)

14 Sec. 50-5. Bribery.

15 (a) Prohibition. No person or business shall be awarded a
16 contract or subcontract under this Code who:

17 (1) has been convicted under the laws of Illinois or
18 any other state of bribery or attempting to bribe an
19 officer or employee of the State of Illinois or any other
20 state in that officer's or employee's official capacity; or

21 (2) has made an admission of guilt of that conduct that
22 is a matter of record but has not been prosecuted for that
23 conduct.

24 (b) Businesses. No business shall be barred from
25 contracting with any unit of State or local government, or

1 subcontracting under such a contract, as a result of a
2 conviction under this Section of any employee or agent of the
3 business if the employee or agent is no longer employed by the
4 business and:

5 (1) the business has been finally adjudicated not
6 guilty; or

7 (2) the business demonstrates to the governmental
8 entity with which it seeks to contract or which is a
9 signatory to the contract to which the subcontract relates,
10 and that entity finds that the commission of the offense
11 was not authorized, requested, commanded, or performed by a
12 director, officer, or high managerial agent on behalf of
13 the business as provided in paragraph (2) of subsection (a)
14 of Section 5-4 of the Criminal Code of 1961.

15 (c) Conduct on behalf of business. For purposes of this
16 Section, when an official, agent, or employee of a business
17 committed the bribery or attempted bribery on behalf of the
18 business and in accordance with the direction or authorization
19 of a responsible official of the business, the business shall
20 be chargeable with the conduct.

21 (d) Certification. Every bid submitted to and contract
22 executed by the State and every subcontract subject to Section
23 20-120 of this Code shall contain a certification by the
24 contractor or the subcontractor, respectively, that the
25 contractor or subcontractor is not barred from being awarded a
26 contract or subcontract under this Section and acknowledges

1 that the chief procurement officer may declare the related
2 contract void if any certifications required by this Section
3 are false. A contractor who makes a false statement, material
4 to the certification, commits a Class 3 felony.

5 (Source: P.A. 90-572, eff. 2-6-98.)

6 (30 ILCS 500/50-10)

7 Sec. 50-10. Felons.

8 (a) Unless otherwise provided, no person or business
9 convicted of a felony shall do business with the State of
10 Illinois or any State agency, or enter into a subcontract, from
11 the date of conviction until 5 years after the date of
12 completion of the sentence for that felony, unless no person
13 held responsible by a prosecutorial office for the facts upon
14 which the conviction was based continues to have any
15 involvement with the business.

16 (b) Every bid submitted to and contract executed by the
17 State and every subcontract subject to Section 20-120 of this
18 Code shall contain a certification by the bidder or contractor
19 or subcontractor, respectively, that the bidder, contractor,
20 or subcontractor is not barred from being awarded a contract or
21 subcontract under this Section and acknowledges that the chief
22 procurement officer may declare the related contract void if
23 any of the certifications required by this Section are false.

24 (Source: P.A. 90-572, eff. 2-6-98.)

1 (30 ILCS 500/50-10.5)

2 Sec. 50-10.5. Prohibited bidders and contractors.

3 (a) Unless otherwise provided, no business shall bid or
4 enter into a contract or subcontract under this Code ~~with the~~
5 ~~State of Illinois or any State agency~~ if the business or any
6 officer, director, partner, or other managerial agent of the
7 business has been convicted of a felony under the
8 Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under
9 the Illinois Securities Law of 1953 for a period of 5 years
10 from the date of conviction.

11 (b) Every bid submitted to and contract executed by the
12 State and every subcontract subject to Section 20-120 of this
13 Code shall contain a certification by the bidder, ~~or~~
14 contractor, or subcontractor, respectively, that the bidder,
15 contractor, or subcontractor is not barred from being awarded a
16 contract or subcontract under this Section and ~~that the~~
17 ~~contractor~~ acknowledges that the chief procurement officer
18 ~~contracting State agency~~ shall declare the related contract
19 void if any of the certifications ~~certification~~ completed
20 pursuant to this subsection (b) are ~~is~~ false.

21 (c) If a business is not a natural person, the prohibition
22 in subsection (a) applies only if:

23 (1) the business itself is convicted of a felony
24 referenced in subsection (a); or

25 (2) the business is ordered to pay punitive damages
26 based on the conduct of any officer, director, partner, or

1 other managerial agent who has been convicted of a felony
2 referenced in subsection (a).

3 (d) A natural person who is convicted of a felony
4 referenced in subsection (a) remains subject to Section 50-10.

5 (e) No person or business shall bid or enter into a
6 contract under this Code if the person or business:

7 (1) assisted the State of Illinois or a State agency in
8 determining whether there is a need for a contract except
9 as part of a response to a publicly issued request for
10 information; or

11 (2) assisted the State of Illinois or a State agency by
12 reviewing, drafting, or preparing a request for proposals
13 or request for information or provided similar assistance.

14 For purposes of this subsection (e), "business" includes
15 all individuals with whom a business is affiliated, including,
16 but not limited to, any officer, agent, employee, consultant,
17 independent contractor, director, partner, manager, or
18 shareholder of a business.

19 (Source: P.A. 93-600, eff. 1-1-04.)

20 (30 ILCS 500/50-11)

21 Sec. 50-11. Debt delinquency.

22 (a) No person shall submit a bid for or enter into a
23 contract or subcontract ~~with a State agency~~ under this Code if
24 that person knows or should know that he or she or any
25 affiliate is delinquent in the payment of any debt to the

1 State, unless the person or affiliate has entered into a
2 deferred payment plan to pay off the debt. For purposes of this
3 Section, the phrase "delinquent in the payment of any debt"
4 shall be determined by the Debt Collection Board. For purposes
5 of this Section, the term "affiliate" means any entity that (1)
6 directly, indirectly, or constructively controls another
7 entity, (2) is directly, indirectly, or constructively
8 controlled by another entity, or (3) is subject to the control
9 of a common entity. For purposes of this subsection (a), a
10 person controls an entity if the person owns, directly or
11 individually, more than 10% of the voting securities of that
12 entity. As used in this subsection (a), the term "voting
13 security" means a security that (1) confers upon the holder the
14 right to vote for the election of members of the board of
15 directors or similar governing body of the business or (2) is
16 convertible into, or entitles the holder to receive upon its
17 exercise, a security that confers such a right to vote. A
18 general partnership interest is a voting security.

19 (b) Every bid submitted to and contract executed by the
20 State and every subcontract subject to Section 20-120 of this
21 Code shall contain a certification by the bidder, ~~or~~
22 contractor, or subcontractor, respectively, that the
23 contractor or the subcontractor and its affiliate is not barred
24 from being awarded a contract or subcontract under this Section
25 and ~~that the contractor~~ acknowledges that the chief procurement
26 officer ~~contracting State agency~~ may declare the related

1 contract void if any of the certifications ~~certification~~
2 completed pursuant to this subsection (b) are ~~is~~ false.

3 (Source: P.A. 92-404, eff. 7-1-02; 93-25, eff. 6-20-03.)

4 (30 ILCS 500/50-12)

5 Sec. 50-12. Collection and remittance of Illinois Use Tax.

6 (a) No person shall enter into a contract with a State
7 agency or enter into a subcontract under this Code unless the
8 person and all affiliates of the person collect and remit
9 Illinois Use Tax on all sales of tangible personal property
10 into the State of Illinois in accordance with the provisions of
11 the Illinois Use Tax Act regardless of whether the person or
12 affiliate is a "retailer maintaining a place of business within
13 this State" as defined in Section 2 of the Use Tax Act. For
14 purposes of this Section, the term "affiliate" means any entity
15 that (1) directly, indirectly, or constructively controls
16 another entity, (2) is directly, indirectly, or constructively
17 controlled by another entity, or (3) is subject to the control
18 of a common entity. For purposes of this subsection (a), an
19 entity controls another entity if it owns, directly or
20 individually, more than 10% of the voting securities of that
21 entity. As used in this subsection (a), the term "voting
22 security" means a security that (1) confers upon the holder the
23 right to vote for the election of members of the board of
24 directors or similar governing body of the business or (2) is
25 convertible into, or entitles the holder to receive upon its

1 exercise, a security that confers such a right to vote. A
2 general partnership interest is a voting security.

3 (b) Every bid submitted and contract executed by the State
4 and every subcontract subject to Section 20-120 of this Code
5 shall contain a certification by the bidder, ~~or~~ contractor, or
6 subcontractor, respectively, that the bidder, ~~or~~ contractor, or
7 or subcontractor is not barred from bidding for or entering
8 into a contract under subsection (a) of this Section and ~~that~~
9 ~~the bidder or contractor~~ acknowledges that the chief
10 procurement officer ~~contracting State agency~~ may declare the
11 related contract void if any of the certifications
12 ~~certification~~ completed pursuant to this subsection (b) are ~~is~~
13 false.

14 (Source: P.A. 93-25, eff. 6-20-03.)

15 (30 ILCS 500/50-14)

16 Sec. 50-14. Environmental Protection Act violations.

17 (a) Unless otherwise provided, no person or business found
18 by a court or the Pollution Control Board to have committed a
19 willful or knowing violation of the Environmental Protection
20 Act shall do business with the State of Illinois or any State
21 agency or enter into a subcontract that is subject to this Code
22 from the date of the order containing the finding of violation
23 until 5 years after that date, unless the person or business
24 can show that no person involved in the violation continues to
25 have any involvement with the business.

1 (b) A person or business otherwise barred from doing
2 business with the State of Illinois or any State agency or
3 subcontracting under this Code by subsection (a) may be allowed
4 to do business with the State of Illinois or any State agency
5 if it is shown that there is no practicable alternative to the
6 State to contracting with that person or business.

7 (c) Every bid submitted to and contract executed by the
8 State and every subcontract subject to Section 20-120 of this
9 Code shall contain a certification by the bidder, ~~or~~
10 contractor, or subcontractor, respectively, that the bidder, ~~or~~
11 ~~or~~ contractor, or subcontractor is not barred from being
12 awarded a contract or subcontract under this Section and ~~that~~
13 ~~the contractor~~ acknowledges that the contracting State agency
14 may declare the related contract void if any of the
15 certifications ~~certification~~ completed pursuant to this
16 subsection (c) are ~~is~~ false.

17 (Source: P.A. 93-575, eff. 1-1-04; 93-826, eff. 7-28-04.)

18 (30 ILCS 500/50-14.5)

19 Sec. 50-14.5. Lead Poisoning Prevention Act violations.
20 Owners of residential buildings who have committed a willful or
21 knowing violation of the Lead Poisoning Prevention Act are
22 prohibited from doing business with the State of Illinois or
23 any State agency, or subcontracting under this Code, until the
24 violation is mitigated.

25 (Source: P.A. 94-879, eff. 6-20-06.)

1 (30 ILCS 500/50-20)

2 Sec. 50-20. Exemptions. ~~The~~ ~~With the approval of the~~
3 appropriate chief procurement officer ~~involved, the Governor,~~
4 ~~or an executive ethics board or commission he or she~~
5 ~~designates,~~ may file a request with the Executive Ethics
6 Commission to exempt named individuals from the prohibitions of
7 Section 50-13 when, in his or, her, ~~or its~~ judgment, the public
8 interest in having the individual in the service of the State
9 outweighs the public policy evidenced in that Section. The
10 Executive Ethics Commission may grant an exemption after a
11 public hearing at which any person may present testimony. The
12 chief procurement officer shall publish notice of the date,
13 time, and location of the hearing in the online electronic
14 Bulletin at least 14 days prior to the hearing and provide
15 notice to the individual subject to the waiver and the
16 Procurement Policy Board. The Executive Ethics Commission
17 shall also provide public notice of the date, time, and
18 location of the hearing on its website. If the Commission
19 grants an exemption, the ~~An~~ exemption is effective only if ~~when~~
20 it is filed with the Secretary of State and the Comptroller
21 prior to the execution of any contract and includes a statement
22 setting forth the name of the individual and all the pertinent
23 facts that would make that Section applicable, setting forth
24 the reason for the exemption, and declaring the individual
25 exempted from that Section. Notice of each exemption shall be

1 published in the Illinois Procurement Bulletin. A contract for
2 which a waiver has been issued but has not been filed in
3 accordance with this Section is voidable by the State. The
4 changes to this Section made by this amendatory Act of the 96th
5 General Assembly shall apply to exemptions granted on or after
6 its effective date.

7 (Source: P.A. 90-572, eff. 2-6-98.)

8 (30 ILCS 500/50-21 new)

9 Sec. 50-21. Bond issuances.

10 (a) A State agency shall not enter into a contract with
11 respect to the issuance of bonds or other securities by the
12 State or a State agency with any entity that uses an
13 independent consultant.

14 As used in this subsection, "independent consultant" means
15 a person used by the entity to obtain or retain securities
16 business through direct or indirect communication by the person
17 with a State official or employee on behalf of the entity when
18 the communication is undertaken by the person in exchange for
19 or with the understanding of receiving payment from the entity
20 or another person. "Independent consultant" does not include
21 (i) a finance professional employed by the entity or (ii) a
22 person whose sole basis of compensation from the entity is the
23 actual provision of legal, accounting, or engineering advice,
24 services, or assistance in connection with the securities
25 business that the entity seeks to obtain or retain.

1 (b) Prior to entering into a contract with a State agency
2 with respect to the issuance of bonds or other securities by
3 the State or a State agency, a contracting party subject to the
4 Municipal Securities Rulemaking Board's Rule G-37, or a
5 successor rule, shall include a certification that the
6 contracting entity is and shall remain for the duration of the
7 contract in compliance with the Rule's requirements for
8 reporting political contributions. Subsequent failure to
9 remain in compliance shall make the contract voidable by the
10 State.

11 (c) If a federal agency finds that an entity has knowingly
12 violated in Illinois the Municipal Securities Rulemaking
13 Board's Rule G-37 (or any successor rule) with respect to the
14 making of prohibited political contributions or payments, then
15 the chief procurement officer shall impose a penalty that is at
16 least twice the fine assessed against that entity by the
17 federal agency. The chief procurement officer shall also bar
18 that entity from participating in any State agency contract
19 with respect to the issuance of bonds or other securities for a
20 period of one year. The one-year period shall begin upon the
21 expiration of any debarment period imposed by a federal agency.
22 If no debarment is imposed by a federal agency, then the
23 one-year period shall begin on the date the chief procurement
24 officer is advised of the violation.

25 If a federal agency finds that an entity has knowingly
26 violated in Illinois the Municipal Securities Rulemaking

1 Board's Rule G-38 (or any successor rule) with respect to the
2 prohibition on obtaining or retaining municipal securities
3 business, then the chief procurement officer shall bar that
4 entity from participating in any State agency contract with
5 respect to the issuance of bonds or other securities for a
6 period of one year. The one-year period shall begin upon the
7 expiration of any debarment period imposed by a federal agency.
8 If no debarment is imposed by a federal agency, then the
9 one-year period shall begin on the date the chief procurement
10 officer is advised of the violation.

11 (d) Nothing in this Section shall be construed to apply
12 retroactively, but shall apply prospectively on and after the
13 effective date of this amendatory Act of the 96th General
14 Assembly.

15 (30 ILCS 500/50-30)

16 Sec. 50-30. Revolving door prohibition.

17 (a) Chief procurement officers, ~~associate procurement~~
18 ~~officers,~~ State purchasing officers, procurement compliance
19 monitors, their designees whose principal duties are directly
20 related to State procurement, and executive officers confirmed
21 by the Senate are expressly prohibited for a period of 2 years
22 after terminating an affected position from engaging in any
23 procurement activity relating to the State agency most recently
24 employing them in an affected position for a period of at least
25 6 months. The prohibition includes but is not limited to:

1 lobbying the procurement process; specifying; bidding;
2 proposing bid, proposal, or contract documents; on their own
3 behalf or on behalf of any firm, partnership, association, or
4 corporation. This subsection applies only to persons who
5 terminate an affected position on or after January 15, 1999.

6 (b) In addition to any other provisions of this Code,
7 employment of former State employees is subject to the State
8 Officials and Employees Ethics Act.

9 (Source: P.A. 93-615, eff. 11-19-03.)

10 (30 ILCS 500/50-35)

11 Sec. 50-35. Financial disclosure ~~Disclosure~~ and potential
12 conflicts of interest.

13 (a) All offers from responsive bidders or offerors with an
14 annual value of more than \$10,000, and all subcontracts, copies
15 of which must be provided by Section 20-120 of this Code, shall
16 be accompanied by disclosure of the financial interests of the
17 contractor, bidder, or proposer and each subcontractor to be
18 used. The financial disclosure of each successful bidder or
19 offeror and its subcontractors shall be incorporated as a
20 material term of the contract and shall become part of the
21 publicly available contract or procurement file maintained by
22 the appropriate chief procurement officer. Each disclosure
23 under this Section and Section 50-34 shall be signed and made
24 under penalty of perjury by an authorized officer or employee
25 on behalf of the bidder or offeror, and must be filed with the

1 Procurement Policy Board.

2 (b) Disclosure ~~by the responsive bidders or offerors~~ shall
3 include any ownership or distributive income share that is in
4 excess of 5%, or an amount greater than 60% of the annual
5 salary of the Governor, of the disclosing ~~bidding~~ entity or its
6 parent entity, whichever is less, unless the contractor, ~~or~~
7 bidder, or subcontractor (i) is a publicly traded entity
8 subject to Federal 10K reporting, in which case it may submit
9 its 10K disclosure in place of the prescribed disclosure, or
10 (ii) is a privately held entity that is exempt from Federal 10k
11 reporting but has more than 400 shareholders, in which case it
12 may submit the information that Federal 10k reporting companies
13 are required to report under 17 CFR 229.401 and list the names
14 of any person or entity holding any ownership share that is in
15 excess of 5% in place of the prescribed disclosure. The form of
16 disclosure shall be prescribed by the applicable chief
17 procurement officer and must include at least the names,
18 addresses, and dollar or proportionate share of ownership of
19 each person identified in this Section, their instrument of
20 ownership or beneficial relationship, and notice of any
21 potential conflict of interest resulting from the current
22 ownership or beneficial relationship of each person identified
23 in this Section having in addition any of the following
24 relationships:

25 (1) State employment, currently or in the previous 3
26 years, including contractual employment of services.

1 (2) State employment of spouse, father, mother, son, or
2 daughter, including contractual employment for services in
3 the previous 2 years.

4 (3) Elective status; the holding of elective office of
5 the State of Illinois, the government of the United States,
6 any unit of local government authorized by the Constitution
7 of the State of Illinois or the statutes of the State of
8 Illinois currently or in the previous 3 years.

9 (4) Relationship to anyone holding elective office
10 currently or in the previous 2 years; spouse, father,
11 mother, son, or daughter.

12 (5) Appointive office; the holding of any appointive
13 government office of the State of Illinois, the United
14 States of America, or any unit of local government
15 authorized by the Constitution of the State of Illinois or
16 the statutes of the State of Illinois, which office
17 entitles the holder to compensation in excess of expenses
18 incurred in the discharge of that office currently or in
19 the previous 3 years.

20 (6) Relationship to anyone holding appointive office
21 currently or in the previous 2 years; spouse, father,
22 mother, son, or daughter.

23 (7) Employment, currently or in the previous 3 years,
24 as or by any registered lobbyist of the State government.

25 (8) Relationship to anyone who is or was a registered
26 lobbyist in the previous 2 years; spouse, father, mother,

1 son, or daughter.

2 (9) Compensated employment, currently or in the
3 previous 3 years, by any registered election or re-election
4 committee registered with the Secretary of State or any
5 county clerk in the State of Illinois, or any political
6 action committee registered with either the Secretary of
7 State or the Federal Board of Elections.

8 (10) Relationship to anyone; spouse, father, mother,
9 son, or daughter; who is or was a compensated employee in
10 the last 2 years of any registered election or re-election
11 committee registered with the Secretary of State or any
12 county clerk in the State of Illinois, or any political
13 action committee registered with either the Secretary of
14 State or the Federal Board of Elections.

15 (b-1) The disclosure required under this Section must also
16 include the name and address of each lobbyist and other agent
17 of the bidder or offeror who is not identified under
18 subsections (a) and (b) and who has communicated, is
19 communicating, or may communicate with any State officer or
20 employee concerning the bid or offer. The disclosure under this
21 subsection is a continuing obligation and must be promptly
22 supplemented for accuracy throughout the process and
23 throughout the term of the contract if the bid or offer is
24 successful.

25 (b-2) The disclosure required under this Section must also
26 include, for each of the persons identified in subsection (b)

1 or (b-1), each of the following that occurred within the
2 previous 10 years: debarment from contracting with any
3 governmental entity; professional licensure discipline;
4 bankruptcies; adverse civil judgments and administrative
5 findings; and criminal felony convictions. The disclosure
6 under this subsection is a continuing obligation and must be
7 promptly supplemented for accuracy throughout the process and
8 throughout the term of the contract if the bid or offer is
9 successful.

10 (c) The disclosure in subsection (b) is not intended to
11 prohibit or prevent any contract. The disclosure is meant to
12 fully and publicly disclose any potential conflict to the chief
13 procurement officers, State purchasing officers, their
14 designees, and executive officers so they may adequately
15 discharge their duty to protect the State.

16 (d) When a potential for a conflict of interest is
17 identified, discovered, or reasonably suspected, the chief
18 procurement officer or State procurement officer shall send the
19 contract to the Procurement Policy Board. The Board shall
20 recommend, in writing, whether to allow or void the contract,
21 bid, offer, or subcontract weighing the best interest of the
22 State of Illinois. All recommendations shall be submitted to
23 the chief procurement officer. The chief procurement officer
24 must hold a public hearing if the Procurement Policy Board
25 makes a recommendation to (i) void a contract or (ii) void a
26 bid or offer and the chief procurement officer selected or

1 intends to award the contract to the bidder or offeror. A chief
2 procurement officer is prohibited from awarding a contract
3 before a hearing if the Board recommendation does not support a
4 bid or offer. The recommendation and proceedings of any
5 hearing, if applicable, shall become part of the contract, bid,
6 or proposal file and shall be available to the public.

7 ~~(d) In the case of any contract for personal services in~~
8 ~~excess of \$50,000; any contract competitively bid in excess of~~
9 ~~\$250,000; any other contract in excess of \$50,000; when a~~
10 ~~potential for a conflict of interest is identified, discovered,~~
11 ~~or reasonably suspected it shall be reviewed and commented on~~
12 ~~in writing by the Governor of the State of Illinois, or by an~~
13 ~~executive ethics board or commission he or she might designate.~~
14 ~~The comment shall be returned to the responsible chief~~
15 ~~procurement officer who must rule in writing whether to void or~~
16 ~~allow the contract, bid, offer, or proposal weighing the best~~
17 ~~interest of the State of Illinois. The comment and~~
18 ~~determination shall become a publicly available part of the~~
19 ~~contract, bid, or proposal file.~~

20 (e) These thresholds and disclosure do not relieve the
21 chief procurement officer, the State purchasing officer, or
22 their designees from reasonable care and diligence for any
23 contract, bid, offer, or proposal. The chief procurement
24 officer, the State purchasing officer, or their designees shall
25 be responsible for using any reasonably known and publicly
26 available information to discover any undisclosed potential

1 conflict of interest and act to protect the best interest of
2 the State of Illinois.

3 (f) Inadvertent or accidental failure to fully disclose
4 shall render the contract, bid, proposal, subcontract, or
5 relationship voidable by the chief procurement officer if he or
6 she deems it in the best interest of the State of Illinois and,
7 at his or her discretion, may be cause for barring from future
8 contracts, bids, proposals, subcontracts, or relationships
9 with the State for a period of up to 2 years.

10 (g) Intentional, willful, or material failure to disclose
11 shall render the contract, bid, proposal, subcontract, or
12 relationship voidable by the chief procurement officer if he or
13 she deems it in the best interest of the State of Illinois and
14 shall result in debarment from future contracts, bids,
15 proposals, subcontracts, or relationships for a period of not
16 less than 2 years and not more than 10 years. Reinstatement
17 after 2 years and before 10 years must be reviewed and
18 commented on in writing by the Governor of the State of
19 Illinois, or by an executive ethics board or commission he or
20 she might designate. The comment shall be returned to the
21 responsible chief procurement officer who must rule in writing
22 whether and when to reinstate.

23 (h) In addition, all disclosures shall note any other
24 current or pending contracts, proposals, subcontracts, leases,
25 or other ongoing procurement relationships the bidding,
26 proposing, ~~or~~ offering, or subcontracting entity has with any

1 other unit of State government and shall clearly identify the
2 unit and the contract, proposal, lease, or other relationship.

3 (i) The contractor or bidder has a continuing obligation to
4 supplement the disclosure required by this Section throughout
5 the bidding process or during the term of any contract.

6 (Source: P.A. 95-331, eff. 8-21-07.)

7 (30 ILCS 500/50-37)

8 Sec. 50-37. Prohibition of political contributions.

9 (a) As used in this Section:

10 The terms "contract", "State contract", and "contract
11 with a State agency" each mean any contract, as defined in
12 this Code, between a business entity and a State agency let
13 or awarded pursuant to this Code. The terms "contract",
14 "State contract", and "contract with a State agency" do not
15 include cost reimbursement contracts; purchase of care
16 agreements as defined in Section 1-15.68 of this Code;
17 contracts for projects eligible for full or partial
18 federal-aid funding reimbursements authorized by the
19 Federal Highway Administration; grants, including but are
20 not limited to grants for job training or transportation;
21 and grants, loans, or tax credit agreements for economic
22 development purposes.

23 "Contribution" means a contribution as defined in
24 Section 9-1.4 of the Election Code.

25 "Declared candidate" means a person who has filed a

1 statement of candidacy and petition for nomination or
2 election in the principal office of the State Board of
3 Elections.

4 "State agency" means and includes all boards,
5 commissions, agencies, institutions, authorities, and
6 bodies politic and corporate of the State, created by or in
7 accordance with the Illinois Constitution or State
8 statute, of the executive branch of State government and
9 does include colleges, universities, public employee
10 retirement systems, and institutions under the
11 jurisdiction of the governing boards of the University of
12 Illinois, Southern Illinois University, Illinois State
13 University, Eastern Illinois University, Northern Illinois
14 University, Western Illinois University, Chicago State
15 University, Governors State University, Northeastern
16 Illinois University, and the Illinois Board of Higher
17 Education.

18 "Officeholder" means the Governor, Lieutenant
19 Governor, Attorney General, Secretary of State,
20 Comptroller, or Treasurer. The Governor shall be
21 considered the officeholder responsible for awarding all
22 contracts by all officers and employees of, and vendors and
23 others doing business with, executive branch State
24 agencies under the jurisdiction of the Executive Ethics
25 Commission and not within the jurisdiction of the Attorney
26 General, the Secretary of State, the Comptroller, or the

1 Treasurer.

2 "Sponsoring entity" means a sponsoring entity as
3 defined in Section 9-3 of the Election Code.

4 "Affiliated person" means (i) any person with any
5 ownership interest or distributive share of the bidding or
6 contracting business entity in excess of 7.5%, (ii)
7 executive employees of the bidding or contracting business
8 entity, and (iii) the spouse ~~and minor children~~ of any such
9 persons.

10 "Affiliated entity" means (i) any corporate parent and
11 each operating subsidiary of the bidding or contracting
12 business entity, (ii) each operating subsidiary of the
13 corporate parent of the bidding or contracting business
14 entity ~~any member of the same unitary business group~~, (iii)
15 any organization recognized by the United States Internal
16 Revenue Service as a tax-exempt organization described in
17 Section 501(c) of the Internal Revenue Code of 1986 (or any
18 successor provision of federal tax law) established by the
19 bidding or contracting business entity, any affiliated
20 entity of that business entity, or any affiliated person of
21 that business entity, or (iv) any political committee for
22 which the bidding or contracting business entity, or any
23 501(c) organization described in item (iii) related to that
24 business entity, is the sponsoring entity.

25 "Business entity" means any entity doing business for
26 profit, whether organized as a corporation, partnership,

1 sole proprietorship, limited liability company or
2 partnership, or otherwise.

3 "Executive employee" means (i) the President,
4 Chairman, or Chief Executive Officer of a business entity
5 and any other individual that fulfills equivalent duties as
6 the President, Chairman of the Board, or Chief Executive
7 Officer of a business entity; and (ii) any employee of a
8 business entity whose compensation is determined directly,
9 in whole or in part, by the award or payment of contracts
10 by a State agency to the entity employing the employee. A
11 regular salary that is paid irrespective of the award or
12 payment of a contract with a State agency shall not
13 constitute "compensation" under item (ii) of this
14 definition, or other employee with executive
15 decision making authority over the long term and
16 day to day affairs of the entity employing the employee, or
17 an employee whose compensation is determined directly, in
18 whole or in part, by the award or payment of contracts by a
19 State agency to the entity employing the employee.

20 (b) Any business entity whose contracts with State
21 agencies, in the aggregate, annually total more than \$50,000,
22 and any affiliated entities or affiliated persons of such
23 business entity, are prohibited from making any contributions
24 to any political committees established to promote the
25 candidacy of (i) the officeholder responsible for awarding the
26 contracts or (ii) any other declared candidate for that office.

1 This prohibition shall be effective for the duration of the
2 term of office of the incumbent officeholder awarding the
3 contracts or for a period of 2 years following the expiration
4 or termination of the contracts, whichever is longer.

5 (c) Any business entity whose aggregate pending bids and
6 proposals on State contracts total more than \$50,000, or whose
7 aggregate pending bids and proposals on State contracts
8 combined with the business entity's aggregate annual total
9 value of State contracts exceed \$50,000, and any affiliated
10 entities or affiliated persons of such business entity, are
11 prohibited from making any contributions to any political
12 committee established to promote the candidacy of the
13 officeholder responsible for awarding the contract on which the
14 business entity has submitted a bid or proposal during the
15 period beginning on the date the invitation for bids or request
16 for proposals is issued and ending on the day after the date
17 the contract is awarded.

18 (d) All contracts between State agencies and a business
19 entity that violate subsection (b) or (c) shall be voidable
20 under Section 50-60. If a business entity violates subsection
21 (b) 3 or more times within a 36-month period, then all
22 contracts between State agencies and that business entity shall
23 be void, and that business entity shall not bid or respond to
24 any invitation to bid or request for proposals from any State
25 agency or otherwise enter into any contract with any State
26 agency for 3 years from the date of the last violation. A

1 notice of each violation and the penalty imposed shall be
2 published in both the Procurement Bulletin and the Illinois
3 Register.

4 (e) Any political committee that has received a
5 contribution in violation of subsection (b) or (c) shall pay an
6 amount equal to the value of the contribution to the State no
7 more than 30 days after notice of the violation concerning the
8 contribution appears in the Illinois Register. Payments
9 received by the State pursuant to this subsection shall be
10 deposited into the general revenue fund.

11 (Source: P.A. 95-971, eff. 1-1-09; 95-1038, eff. 3-11-09.)

12 (30 ILCS 500/50-38 new)

13 Sec. 50-38. Lobbying restrictions.

14 (a) A person or business that is let or awarded a contract
15 is not entitled to receive any payment, compensation, or other
16 remuneration from the State to compensate the person or
17 business for any expenses related to travel, lodging, or meals
18 that are paid by the person or business to any officer, agent,
19 employee, consultant, independent contractor, director,
20 partner, manager, or shareholder.

21 (b) Any bidder or offeror on a State contract that hires a
22 person required to register under the Lobbyist Registration Act
23 to assist in obtaining a contract shall (i) disclose all costs,
24 fees, compensation, reimbursements, and other remunerations
25 paid or to be paid to the lobbyist related to the contract,

1 (ii) not bill or otherwise cause the State of Illinois to pay
2 for any of the lobbyist's costs, fees, compensation,
3 reimbursements, or other remuneration, and (iii) sign a
4 verification certifying that none of the lobbyist's costs,
5 fees, compensation, reimbursements, or other remuneration were
6 billed to the State. This information, along with all
7 supporting documents, shall be filed with the agency awarding
8 the contract and with the Secretary of State. The chief
9 procurement officer shall post this information, together with
10 the contract award notice, in the online Procurement Bulletin.

11 (c) Ban on contingency fee. No person or entity shall
12 retain a person or entity to attempt to influence the outcome
13 of a procurement decision made under this Code for compensation
14 contingent in whole or in part upon the decision or
15 procurement. Any person who violates this subsection is guilty
16 of a business offense and shall be fined not more than \$10,000.

17 (30 ILCS 500/50-39 new)

18 Sec. 50-39. Procurement communications reporting
19 requirement.

20 (a) Any written or oral communication received by a State
21 employee that imparts or requests material information or makes
22 a material argument regarding potential action concerning a
23 procurement matter, including, but not limited to, an
24 application, a contract, or a project, shall be reported to the
25 Procurement Policy Board.

1 (b) The report required by subsection (a) shall be
2 submitted monthly and include at least the following: (i) the
3 date and time of each communication; (ii) the identity of each
4 person from whom the written or oral communication was
5 received, the individual or entity represented by that person,
6 and any action the person requested or recommended; (iii) the
7 identity and job title of the person to whom each communication
8 was made; (iv) if a response is made, the identity and job
9 title of the person making each response; (v) a detailed
10 summary of the points made by each person involved in the
11 communication; (vi) the duration of the communication; (vii)
12 the location or locations of all persons involved in the
13 communication and, if the communication occurred by telephone,
14 the telephone numbers for the callers and recipients of the
15 communication; and (viii) any other pertinent information.

16 (c) Additionally, when an oral communication made by a
17 person required to register under the Lobbyist Registration Act
18 is received by a State employee that is covered under this
19 Section, all individuals who initiate or participate in the
20 oral communication shall submit a written report to that State
21 employee that memorializes the communication and includes, but
22 is not limited to, the items listed in subsection (b).

23 (d) The Procurement Policy Board shall make each report
24 submitted pursuant to this Section available on its website
25 within 7 days after its receipt of the report. The Procurement
26 Policy Board may promulgate rules to ensure compliance with

1 this Section.

2 (e) An employee who knowingly and intentionally violates
3 this Section shall be subject to suspension or discharge.

4 (30 ILCS 500/50-60)

5 Sec. 50-60. Voidable contracts.

6 (a) If any contract or amendment thereto is entered into or
7 purchase or expenditure of funds is made at any time in
8 violation of this Code or any other law, the contract or
9 amendment thereto may be declared void by the chief procurement
10 officer or may be ratified and affirmed, provided the chief
11 procurement officer determines that ratification is in the best
12 interests of the State. If the contract is ratified and
13 affirmed, it shall be without prejudice to the State's rights
14 to any appropriate damages.

15 (b) If, during the term of a contract, the chief
16 procurement officer ~~contracting agency~~ determines that the
17 contractor is delinquent in the payment of debt as set forth in
18 Section 50-11 of this Code, the chief procurement officer ~~State~~
19 ~~agency~~ may declare the contract void if it determines that
20 voiding the contract is in the best interests of the State. The
21 Debt Collection Board shall adopt rules for the implementation
22 of this subsection (b).

23 (c) If, during the term of a contract, the chief
24 procurement officer ~~contracting agency~~ determines that the
25 contractor is in violation of Section 50-10.5 of this Code, the

1 chief procurement officer ~~contracting agency~~ shall declare the
2 contract void.

3 (d) If, during the term of a contract, the contracting
4 agency learns from an annual certification or otherwise
5 determines that the contractor no longer qualifies to enter
6 into State contracts by reason of Section 50-5, 50-10, 50-12,
7 50-14, or 50-14.5 of this Article, the chief procurement
8 officer may declare the contract void if it determines that
9 voiding the contract is in the best interests of the State.

10 (e) If, during the term of a contract, the chief
11 procurement officer learns from an annual certification or
12 otherwise determines that a subcontractor subject to Section
13 20-120 no longer qualifies to enter into State contracts by
14 reason of Section 50-5, 50-10, 50-10.5, 50-11, 50-12, 50-14, or
15 50-14.5 of this Article, the chief procurement officer may
16 declare the related contract void if it determines that voiding
17 the contract is in the best interests of the State.

18 (f) The changes to this Section made by this amendatory Act
19 of the 96th General Assembly apply to actions taken by the
20 chief procurement officer on or after its effective date.

21 (Source: P.A. 92-404, eff. 7-1-02; 93-600, eff. 1-1-04.)

22 (30 ILCS 500/50-65)

23 Sec. 50-65. Suspension ~~Contractor~~ ~~suspension~~. Any
24 contractor or subcontractor may be suspended for violation of
25 this Code or for failure to conform to specifications or terms

1 of delivery. Suspension shall be for cause and may be for a
2 period of up to 10 years at the discretion of the applicable
3 chief procurement officer. Contractors or subcontractors may
4 be debarred in accordance with rules promulgated by the chief
5 procurement officer or as otherwise provided by law.

6 (Source: P.A. 93-77, eff. 7-2-03.)

7 (30 ILCS 500/50-70)

8 Sec. 50-70. Additional provisions. This Code is subject to
9 applicable provisions of the following Acts:

- 10 (1) Article 33E of the Criminal Code of 1961;
11 (2) the Illinois Human Rights Act;
12 (3) the Discriminatory Club Act;
13 (4) the Illinois Governmental Ethics Act;
14 (5) the State Prompt Payment Act;
15 (6) the Public Officer Prohibited Activities Act;
16 (7) the Drug Free Workplace Act;
17 (8) the Illinois Power Agency Act; ~~and~~
18 (9) the Employee Classification Act; and -
19 (10) the State Officials and Employees Ethics Act.

20 (Source: P.A. 95-26, eff. 1-1-08; 95-481, eff. 8-28-07; 95-876,
21 eff. 8-21-08.)

22 (30 ILCS 500/53-10)

23 Sec. 53-10. Concessions and leases of State property.

24 (a) Except for property under the jurisdiction of a public

1 institution of higher education, concessions, including the
2 assignment, license, sale, or transfer of interests in or
3 rights to discoveries, inventions, patents, or copyrightable
4 works, may be entered into by the State agency with
5 jurisdiction over the property, whether tangible or
6 intangible.

7 (b) Except for property under the jurisdiction of a public
8 institution of higher education, all leases of State property
9 and concessions shall be reduced to writing and shall be
10 awarded under the provisions of Article 20, except that the
11 contract shall be awarded to the highest and best bidder or
12 offeror.

13 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

14 (30 ILCS 500/1-15.03 rep.)

15 Section 95-36. The Illinois Procurement Code is amended by
16 repealing Section 1-15.03.

17 Section 95-38. The Business Enterprise for Minorities,
18 Females, and Persons with Disabilities Act is amended by
19 changing Sections 2 and 4 as follows:

20 (30 ILCS 575/2) (from Ch. 127, par. 132.602)

21 (Section scheduled to be repealed on June 30, 2010)

22 Sec. 2. Definitions.

23 (A) For the purpose of this Act, the following terms shall

1 have the following definitions:

2 (1) "Minority person" shall mean a person who is a citizen
3 or lawful permanent resident of the United States and who is:

4 (a) African American (a person having origins in any of
5 the black racial groups in Africa);

6 (b) Hispanic (a person of Spanish or Portuguese culture
7 with origins in Mexico, South or Central America, or the
8 Caribbean Islands, regardless of race);

9 (c) Asian American (a person having origins in any of
10 the original peoples of the Far East, Southeast Asia, the
11 Indian Subcontinent or the Pacific Islands); or

12 (d) Native American or Alaskan Native (a person having
13 origins in any of the original peoples of North America).

14 (2) "Female" shall mean a person who is a citizen or lawful
15 permanent resident of the United States and who is of the
16 female gender.

17 (2.05) "Person with a disability" means a person who is a
18 citizen or lawful resident of the United States and is a person
19 qualifying as being disabled under subdivision (2.1) of this
20 subsection (A).

21 (2.1) "Disabled" means a severe physical or mental
22 disability that:

23 (a) results from:

24 amputation,

25 arthritis,

26 autism,

1 blindness,
2 burn injury,
3 cancer,
4 cerebral palsy,
5 cystic fibrosis,
6 deafness,
7 head injury,
8 heart disease,
9 hemiplegia,
10 hemophilia,
11 respiratory or pulmonary dysfunction,
12 mental retardation,
13 mental illness,
14 multiple sclerosis,
15 muscular dystrophy,
16 musculoskeletal disorders,
17 neurological disorders, including stroke and epilepsy,
18 paraplegia,
19 quadriplegia and other spinal cord conditions,
20 sickle cell anemia,
21 specific learning disabilities, or
22 end stage renal failure disease; and
23 (b) substantially limits one or more of the person's major
24 life activities.
25 Another disability or combination of disabilities may also
26 be considered as a severe disability for the purposes of item

1 (a) of this subdivision (2.1) if it is determined by an
2 evaluation of rehabilitation potential to cause a comparable
3 degree of substantial functional limitation similar to the
4 specific list of disabilities listed in item (a) of this
5 subdivision (2.1).

6 (3) "Minority owned business" means a business concern
7 which is at least 51% owned by one or more minority persons, or
8 in the case of a corporation, at least 51% of the stock in
9 which is owned by one or more minority persons; and the
10 management and daily business operations of which are
11 controlled by one or more of the minority individuals who own
12 it.

13 (4) "Female owned business" means a business concern which
14 is at least 51% owned by one or more females, or, in the case of
15 a corporation, at least 51% of the stock in which is owned by
16 one or more females; and the management and daily business
17 operations of which are controlled by one or more of the
18 females who own it.

19 (4.1) "Business owned by a person with a disability" means
20 a business concern that is at least 51% owned by one or more
21 persons with a disability and the management and daily business
22 operations of which are controlled by one or more of the
23 persons with disabilities who own it. A not-for-profit agency
24 for persons with disabilities that is exempt from taxation
25 under Section 501 of the Internal Revenue Code of 1986 is also
26 considered a "business owned by a person with a disability".

1 (4.2) "Council" means the Business Enterprise Council for
2 Minorities, Females, and Persons with Disabilities created
3 under Section 5 of this Act.

4 (5) "State contracts" shall mean all State contracts,
5 funded exclusively with State funds which are not subject to
6 federal reimbursement, whether competitively bid or negotiated
7 as defined by the Secretary of the Council and approved by the
8 Council.

9 "State construction contracts" means all State contracts
10 entered into by a State agency or State university for the
11 repair, remodeling, renovation or construction of a building or
12 structure, or for the construction or maintenance of a highway
13 defined in Article 2 of the Illinois Highway Code.

14 (6) "State agencies" shall mean all departments, officers,
15 boards, commissions, institutions and bodies politic and
16 corporate of the State, but does not include the Board of
17 Trustees of the University of Illinois, the Board of Trustees
18 of Southern Illinois University, the Board of Trustees of
19 Chicago State University, the Board of Trustees of Eastern
20 Illinois University, the Board of Trustees of Governors State
21 University, the Board of Trustees of Illinois State University,
22 the Board of Trustees of Northeastern Illinois University, the
23 Board of Trustees of Northern Illinois University, the Board of
24 Trustees of Western Illinois University, municipalities or
25 other local governmental units, or other State constitutional
26 officers.

1 (7) "State universities" shall mean the Board of Trustees
2 of the University of Illinois, the Board of Trustees of
3 Southern Illinois University, the Board of Trustees of Chicago
4 State University, the Board of Trustees of Eastern Illinois
5 University, the Board of Trustees of Governors State
6 University, the Board of Trustees of Illinois State University,
7 the Board of Trustees of Northeastern Illinois University, the
8 Board of Trustees of Northern Illinois University, and the
9 Board of Trustees of Western Illinois University.

10 (8) "Certification" means a determination made by the
11 Council or by one delegated authority from the Council to make
12 certifications, or by a State agency with statutory authority
13 to make such a certification, that a business entity is a
14 business owned by a minority, female, or person with a
15 disability for whatever purpose. A business owned and
16 controlled by females shall select and designate whether such
17 business is to be certified as a "Female-owned business" or
18 "Minority-owned business" if the females are also minorities.

19 (9) "Control" means the exclusive or ultimate and sole
20 control of the business including, but not limited to, capital
21 investment and all other financial matters, property,
22 acquisitions, contract negotiations, legal matters,
23 officer-director-employee selection and comprehensive hiring,
24 operating responsibilities, cost-control matters, income and
25 dividend matters, financial transactions and rights of other
26 shareholders or joint partners. Control shall be real,

1 substantial and continuing, not pro forma. Control shall
2 include the power to direct or cause the direction of the
3 management and policies of the business and to make the
4 day-to-day as well as major decisions in matters of policy,
5 management and operations. Control shall be exemplified by
6 possessing the requisite knowledge and expertise to run the
7 particular business and control shall not include simple
8 majority or absentee ownership.

9 (10) "Business concern or business" means a business that
10 has ~~average~~ annual gross sales of less than \$75,000,000 ~~over~~
11 ~~the 3 most recent calendar years of less than \$31,400,000~~ as
12 evidenced by the federal income tax return of the business. A
13 firm with gross sales in excess of this cap may apply to the
14 Council for certification for a particular contract if the firm
15 can demonstrate that the contract would have significant impact
16 on businesses owned by minorities, females, or persons with
17 disabilities as suppliers or subcontractors or in employment of
18 minorities, females, or persons with disabilities.

19 (B) When a business concern is owned at least 51% by any
20 combination of minority persons, females, or persons with
21 disabilities, even though none of the 3 classes alone holds at
22 least a 51% interest, the ownership requirement for purposes of
23 this Act is considered to be met. The certification category
24 for the business is that of the class holding the largest
25 ownership interest in the business. If 2 or more classes have
26 equal ownership interests, the certification category shall be

1 determined by the business concern ~~Department of Central~~
2 ~~Management Services~~.

3 (Source: P.A. 95-344, eff. 8-21-07.)

4 (30 ILCS 575/4) (from Ch. 127, par. 132.604)

5 (Section scheduled to be repealed on June 30, 2010)

6 Sec. 4. Award of State contracts.

7 (a) Except as provided in subsections (b) and (c), not less
8 than 20% ~~12%~~ of the total dollar amount of State contracts, as
9 defined by the Secretary of the Council and approved by the
10 Council, shall be established as a goal to be awarded to
11 businesses owned by minorities, females, and persons with
12 disabilities; provided, however, that ~~contracts representing~~
13 ~~at least five twelfths~~ of the total amount of all State
14 contracts awarded to businesses owned by minorities, females,
15 and persons with disabilities pursuant to this Section,
16 contracts representing at least 11% shall be awarded to
17 businesses owned by minorities, contracts representing at
18 least 7% shall be awarded to female-owned businesses, and
19 contracts representing at least 2% shall be awarded to
20 businesses owned by persons with disabilities ~~shall be awarded~~
21 ~~to female owned businesses, and that contracts representing at~~
22 ~~least one-sixth of the total amount of all State contracts~~
23 ~~awarded to businesses owned by minorities, females, and persons~~
24 ~~with disabilities pursuant to this Section shall be awarded to~~
25 ~~businesses owned by persons with disabilities.~~

1 The above percentage relates to the total dollar amount of
2 State contracts during each State fiscal year, calculated by
3 examining independently each type of contract for each agency
4 or university which lets such contracts. Only that percentage
5 of arrangements which represents the participation of
6 businesses owned by minorities, females, and persons with
7 disabilities on such contracts shall be included.

8 (b) In the case of State construction contracts, the
9 provisions of subsection (a) requiring a portion of State
10 contracts to be awarded to businesses owned and controlled by
11 persons with disabilities do not apply. Not less than 10% of
12 the total dollar amount of State construction contracts is
13 established as a goal to be awarded to minority and female
14 owned businesses, and contracts representing 50% of the amount
15 of all State construction contracts awarded to minority and
16 female owned businesses shall be awarded to female owned
17 businesses.

18 (c) In the case of all work undertaken by the University of
19 Illinois related to the planning, organization, and staging of
20 the games, the University of Illinois shall establish a goal of
21 awarding not less than 25% of the annual dollar value of all
22 contracts, purchase orders, and other agreements (collectively
23 referred to as "the contracts") to minority-owned businesses or
24 businesses owned by a person with a disability and 5% of the
25 annual dollar value the contracts to female-owned businesses.
26 For purposes of this subsection, the term "games" has the

1 meaning set forth in the Olympic Games and Paralympic Games
2 (2016) Law.

3 (d) ~~(e)~~ Within one year after April 28, 2009 (the effective
4 date of Public Act 96-8) ~~this amendatory Act of the 96th~~
5 ~~General Assembly,~~ the Department of Central Management
6 Services shall conduct a social scientific study that measures
7 the impact of discrimination on minority and female business
8 development in Illinois. Within 18 months after April 28, 2009
9 (the effective date of Public Act 96-8) ~~this amendatory Act,~~
10 the Department shall issue a report of its findings and any
11 recommendations on whether to adjust the goals for minority and
12 female participation established in this Act. Copies of this
13 report and the social scientific study shall be filed with the
14 Governor and the General Assembly.

15 (Source: P.A. 96-7, eff. 4-3-09; 96-8, eff. 4-28-09; revised
16 4-30-09.)

17 Section 95-40. The Illinois Grant Funds Recovery Act is
18 amended by changing Section 4 and by adding Section 4.1 as
19 follows:

20 (30 ILCS 705/4) (from Ch. 127, par. 2304)

21 Sec. 4. Grant Application and Agreement Requirements
22 ~~Requirement.~~

23 (a) Any person or organization, public or private, desiring
24 to receive grant funds must submit a grant application to the

1 appropriate grantor agency. Applications for grant funds shall
2 be made on prescribed forms developed by the grantor agency,
3 and shall include, without being limited to, the following
4 provisions:

5 (1) the name, address, chief officers, and general
6 description of the applicant;

7 (2) a general description of the program, project, or
8 use for which grant funding is requested;

9 (3) such plans, equipment lists, and other documents as
10 may be required to show the type, structure, and general
11 character of the program, project, or use for which grant
12 funding is requested;

13 (4) cost estimates of developing, constructing,
14 operating, or completing the program, project, or use for
15 which grant funding is requested; and

16 (5) a program of proposed expenditures for the grant
17 funds.

18 (b) Grant funds may not be used except pursuant to a
19 written grant agreement, and any disbursement of grant funds
20 without a grant agreement is void. At a minimum, a grant
21 agreement must:

22 (1) ~~(a)~~ describe the purpose of the grant and be signed
23 by the grantor agency making the grant and all grantees of
24 the grant;

25 (2) ~~(b)~~ specify how payments shall be made, what
26 constitutes permissible expenditure of the grant funds,

1 and the financial controls applicable to the grant,
2 including, for those grants in excess of \$25,000, the
3 filing of quarterly reports describing the progress of the
4 program, project, or use and the expenditure of the grant
5 funds related thereto;

6 (3) ~~(c)~~ specify the period of time for which the grant
7 is valid and, subject to the limitation of Section 5, the
8 period of time during which grant funds may be expended by
9 the grantee; ~~and~~

10 (4) contain a provision that any grantees receiving
11 grant funds are required to permit the grantor agency, the
12 Auditor General, or the Attorney General to inspect and
13 audit any books, records, or papers related to the program,
14 project, or use for which grant funds were provided;

15 (5) ~~(d)~~ contain a provision that all funds remaining at
16 the end of the grant agreement or at the expiration of the
17 period of time grant funds are available for expenditure or
18 obligation by the grantee shall be returned to the State
19 within 45 days; and

20 (6) contain a provision in which the grantee certifies
21 under oath that all information in the grant agreement is
22 true and correct to the best of the grantee's knowledge,
23 information, and belief; that the funds shall be used only
24 for the purposes described in the grant agreement; and that
25 the award of grant funds is conditioned upon such
26 certification.

1 (Source: P.A. 83-640.)

2 (30 ILCS 705/4.1 new)

3 Sec. 4.1. Grant Fund Distribution Suspension. Grantor
4 agencies may withhold or suspend the distribution of grant
5 funds for failure to file required reports.

6 ARTICLE 99

7 Section 99-99. Effective date. This Act takes effect upon
8 becoming law.".