

1 AN ACT concerning finance.

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

4 Section 5. The State Finance Act is amended by changing
5 Section 6z-64 as follows:

6 (30 ILCS 105/6z-64)

7 Sec. 6z-64. The Workers' Compensation Revolving Fund.

8 (a) The Workers' Compensation Revolving Fund is created as
9 a revolving fund, not subject to fiscal year limitations, in
10 the State treasury. The following moneys shall be deposited
11 into the Fund:

12 (1) amounts authorized for transfer to the Fund from
13 the General Revenue Fund and other State funds (except for
14 funds classified by the Comptroller as federal trust funds
15 or State trust funds) pursuant to State law or Executive
16 Order;

17 (2) federal funds received by the Department of Central
18 Management Services (the "Department") as a result of
19 expenditures from the Fund;

20 (3) interest earned on moneys in the Fund;

21 (4) receipts or inter-fund transfers resulting from
22 billings issued to State agencies and universities for the
23 cost of workers' compensation services that are not

1 compensated through the specific fund transfers authorized
2 by this Section, if any;

3 (5) amounts received from a State agency or university
4 for workers' compensation payments for temporary total
5 disability, as provided in Section 405-105 of the
6 Department of Central Management Services Law of the Civil
7 Administrative Code of Illinois; and

8 (6) amounts recovered through subrogation in workers'
9 compensation and workers' occupational disease cases.

10 (b) Moneys in the Fund may be used by the Department for
11 reimbursement or payment for:

12 (1) providing workers' compensation services to State
13 agencies and State universities; or

14 (2) providing for payment of administrative and other
15 expenses (and, beginning January 1, 2013, fees and charges
16 made pursuant to a contract with a private vendor) incurred
17 in providing workers' compensation services. The
18 Department, or any successor agency designated to enter
19 into contracts with one or more private vendors for the
20 administration of the workers' compensation program for
21 State employees pursuant to subsection 10b of Section
22 405-105 of the Department of Central Management Services
23 Law of the Civil Administrative Code of Illinois, is
24 authorized to establish one or more special funds, as
25 separate accounts provided by any bank or banks as defined
26 by the Illinois Banking Act, any savings and loan

1 association or associations as defined by the Illinois
2 Savings and Loan Act of 1985, or any credit union as
3 defined by the Illinois Credit Union Act, to be held by the
4 Director outside of the State treasury, for the purpose of
5 receiving the transfer of moneys from the Workers'
6 Compensation Revolving Fund. The Department may promulgate
7 rules further defining the methodology for the transfers.
8 Any interest earned by moneys in the funds or accounts
9 shall be deposited into the Workers' Compensation
10 Revolving Fund. The transferred moneys, and interest
11 accrued thereon, shall be used exclusively for transfers to
12 contracted private vendors or their financial institutions
13 for payments to workers' compensation claimants and
14 providers for workers' compensation services, claims, and
15 benefits pursuant to this Section and subsection 9 of
16 Section 405-105 of the Department of Central Management
17 Services Law of the Civil Administrative Code of Illinois.
18 The transferred moneys, and interest accrued thereon,
19 shall not be used for any other purpose including, but not
20 limited to, reimbursement or payment of administrative
21 fees due the contracted vendor pursuant to its contract or
22 contracts with the Department.

23 (c) State agencies may direct the Comptroller to process
24 inter-fund transfers or make payment through the voucher and
25 warrant process to the Workers' Compensation Revolving Fund in
26 satisfaction of billings issued under subsection (a) of this

1 Section.

2 (d) Reconciliation. For the fiscal year beginning on July
3 1, 2004 only, the Director of Central Management Services (the
4 "Director") shall order that each State agency's payments and
5 transfers made to the Fund be reconciled with actual Fund costs
6 for workers' compensation services provided by the Department
7 and attributable to the State agency and relevant fund on no
8 less than an annual basis. The Director may require reports
9 from State agencies as deemed necessary to perform this
10 reconciliation.

11 (d-5) Notwithstanding any other provision of State law to
12 the contrary, on or after July 1, 2005 and until June 30, 2006,
13 in addition to any other transfers that may be provided for by
14 law, at the direction of and upon notification of the Director
15 of Central Management Services, the State Comptroller shall
16 direct and the State Treasurer shall transfer amounts into the
17 Workers' Compensation Revolving Fund from the designated funds
18 not exceeding the following totals:

19	Mental Health Fund	\$17,694,000
20	Statistical Services Revolving Fund	\$1,252,600
21	Department of Corrections Reimbursement	
22	and Education Fund	\$1,198,600
23	Communications Revolving Fund	\$535,400
24	Child Support Administrative Fund	\$441,900
25	Health Insurance Reserve Fund	\$238,900
26	Fire Prevention Fund	\$234,100

1	Park and Conservation Fund	\$142,000
2	Motor Fuel Tax Fund	\$132,800
3	Illinois Workers' Compensation	
4	Commission Operations Fund	\$123,900
5	State Boating Act Fund	\$112,300
6	Public Utility Fund	\$106,500
7	State Lottery Fund	\$101,300
8	Traffic and Criminal Conviction	
9	Surcharge Fund	\$88,500
10	State Surplus Property Revolving Fund.....	\$82,700
11	Natural Areas Acquisition Fund	\$65,600
12	Securities Audit and Enforcement Fund	\$65,200
13	Agricultural Premium Fund	\$63,400
14	Capital Development Fund	\$57,500
15	State Gaming Fund	\$54,300
16	Underground Storage Tank Fund	\$53,700
17	Illinois State Medical Disciplinary Fund	\$53,000
18	Personal Property Tax Replacement Fund	\$53,000
19	General Professions Dedicated Fund	\$51,900
20	Total	\$23,003,100

21 (d-10) Notwithstanding any other provision of State law to
 22 the contrary and in addition to any other transfers that may be
 23 provided for by law, on the first day of each calendar quarter
 24 of the fiscal year beginning July 1, 2005, or as soon as may be
 25 practical thereafter, the State Comptroller shall direct and
 26 the State Treasurer shall transfer from each designated fund

1 into the Workers' Compensation Revolving Fund amounts equal to
2 one-fourth of each of the following totals:

3	General Revenue Fund	\$34,000,000
4	Road Fund	\$25,987,000
5	Total	\$59,987,000

6 (d-12) Notwithstanding any other provision of State law to
7 the contrary and in addition to any other transfers that may be
8 provided for by law, on the effective date of this amendatory
9 Act of the 94th General Assembly, or as soon as may be
10 practical thereafter, the State Comptroller shall direct and
11 the State Treasurer shall transfer from each designated fund
12 into the Workers' Compensation Revolving Fund the following
13 amounts:

14	General Revenue Fund	\$10,000,000
15	Road Fund	\$5,000,000
16	Total	\$15,000,000

17 (d-15) Notwithstanding any other provision of State law to
18 the contrary and in addition to any other transfers that may be
19 provided for by law, on July 1, 2006, or as soon as may be
20 practical thereafter, the State Comptroller shall direct and
21 the State Treasurer shall transfer from each designated fund
22 into the Workers' Compensation Revolving Fund the following
23 amounts:

24	General Revenue Fund	\$44,028,200
25	Road Fund	\$28,084,000
26	Total	\$72,112,200

1 (d-20) Notwithstanding any other provision of State law to
 2 the contrary, on or after July 1, 2006 and until June 30, 2007,
 3 in addition to any other transfers that may be provided for by
 4 law, at the direction of and upon notification of the Director
 5 of Central Management Services, the State Comptroller shall
 6 direct and the State Treasurer shall transfer amounts into the
 7 Workers' Compensation Revolving Fund from the designated funds
 8 not exceeding the following totals:

9	Mental Health Fund	\$19,121,800
10	Statistical Services Revolving Fund	\$1,353,700
11	Department of Corrections Reimbursement	
12	and Education Fund	\$1,295,300
13	Communications Revolving Fund	\$578,600
14	Child Support Administrative Fund	\$477,600
15	Health Insurance Reserve Fund	\$258,200
16	Fire Prevention Fund	\$253,000
17	Park and Conservation Fund	\$153,500
18	Motor Fuel Tax Fund	\$143,500
19	Illinois Workers' Compensation	
20	Commission Operations Fund	\$133,900
21	State Boating Act Fund	\$121,400
22	Public Utility Fund	\$115,100
23	State Lottery Fund	\$109,500
24	Traffic and Criminal Conviction Surcharge Fund ..	\$95,700
25	State Surplus Property Revolving Fund	\$89,400
26	Natural Areas Acquisition Fund	\$70,800

1	Securities Audit and Enforcement Fund	\$70,400
2	Agricultural Premium Fund	\$68,500
3	State Gaming Fund	\$58,600
4	Underground Storage Tank Fund	\$58,000
5	Illinois State Medical Disciplinary Fund	\$57,200
6	Personal Property Tax Replacement Fund	\$57,200
7	General Professions Dedicated Fund	\$56,100
8	Total	\$24,797,000

9 (d-25) Notwithstanding any other provision of State law to
 10 the contrary and in addition to any other transfers that may be
 11 provided for by law, on July 1, 2009, or as soon as may be
 12 practical thereafter, the State Comptroller shall direct and
 13 the State Treasurer shall transfer from each designated fund
 14 into the Workers' Compensation Revolving Fund the following
 15 amounts:

16	General Revenue Fund	\$55,000,000
17	Road Fund	\$34,803,000
18	Total	\$89,803,000

19 (d-30) Notwithstanding any other provision of State law to
 20 the contrary, on or after July 1, 2009 and until June 30, 2010,
 21 in addition to any other transfers that may be provided for by
 22 law, at the direction of and upon notification of the Director
 23 of Central Management Services, the State Comptroller shall
 24 direct and the State Treasurer shall transfer amounts into the
 25 Workers' Compensation Revolving Fund from the designated funds
 26 not exceeding the following totals:

1	Food and Drug Safety Fund	\$13,900
2	Teacher Certificate Fee Revolving Fund	\$6,500
3	Transportation Regulatory Fund	\$14,500
4	Financial Institution Fund	\$25,200
5	General Professions Dedicated Fund	\$25,300
6	Illinois Veterans' Rehabilitation Fund	\$64,600
7	State Boating Act Fund	\$177,100
8	State Parks Fund	\$104,300
9	Lobbyist Registration Administration Fund	\$14,400
10	Agricultural Premium Fund	\$79,100
11	Fire Prevention Fund	\$360,200
12	Mental Health Fund	\$9,725,200
13	Illinois State Pharmacy Disciplinary Fund	\$5,600
14	Public Utility Fund	\$40,900
15	Radiation Protection Fund	\$14,200
16	Firearm Owner's Notification Fund	\$1,300
17	Solid Waste Management Fund	\$74,100
18	Illinois Gaming Law Enforcement Fund	\$17,800
19	Subtitle D Management Fund	\$14,100
20	Illinois State Medical Disciplinary Fund	\$26,500
21	Facility Licensing Fund	\$11,700
22	Plugging and Restoration Fund	\$9,100
23	Explosives Regulatory Fund	\$2,300
24	Aggregate Operations Regulatory Fund	\$5,000
25	Coal Mining Regulatory Fund	\$1,900
26	Registered Certified Public Accountants'	

1	Administration and Disciplinary Fund	\$1,500
2	Weights and Measures Fund	\$56,100
3	Division of Corporations Registered	
4	Limited Liability Partnership Fund	\$3,900
5	Illinois School Asbestos Abatement Fund	\$14,000
6	Secretary of State Special License Plate Fund	\$30,700
7	Capital Development Board Revolving Fund	\$27,000
8	DCFS Children's Services Fund	\$69,300
9	Asbestos Abatement Fund	\$17,200
10	Illinois Health Facilities Planning Fund	\$26,800
11	Emergency Public Health Fund	\$5,600
12	Nursing Dedicated and Professional Fund	\$10,000
13	Optometric Licensing and Disciplinary	
14	Board Fund	\$1,600
15	Underground Resources Conservation	
16	Enforcement Fund	\$11,500
17	Drunk and Drugged Driving Prevention Fund	\$18,200
18	Long Term Care Monitor/Receiver Fund	\$35,400
19	Community Water Supply Laboratory Fund	\$5,600
20	Securities Investors Education Fund	\$2,000
21	Used Tire Management Fund	\$32,400
22	Natural Areas Acquisition Fund	\$101,200
23	Open Space Lands Acquisition	
24	and Development Fund	\$28,400
25	Working Capital Revolving Fund	\$489,100
26	State Garage Revolving Fund	\$791,900

1	Statistical Services Revolving Fund	\$3,984,700
2	Communications Revolving Fund	\$1,432,800
3	Facilities Management Revolving Fund	\$1,911,600
4	Professional Services Fund	\$483,600
5	Motor Vehicle Review Board Fund	\$15,000
6	Environmental Laboratory Certification Fund	\$3,000
7	Public Health Laboratory Services	
8	Revolving Fund	\$2,500
9	Lead Poisoning Screening, Prevention,	
10	and Abatement Fund	\$28,200
11	Securities Audit and Enforcement Fund	\$258,400
12	Department of Business Services	
13	Special Operations Fund	\$111,900
14	Feed Control Fund	\$20,800
15	Tanning Facility Permit Fund	\$5,400
16	Plumbing Licensure and Program Fund	\$24,400
17	Tax Compliance and Administration Fund	\$27,200
18	Appraisal Administration Fund	\$2,400
19	Small Business Environmental Assistance Fund	\$2,200
20	Illinois State Fair Fund	\$31,400
21	Secretary of State Special Services Fund	\$317,600
22	Department of Corrections Reimbursement	
23	and Education Fund	\$324,500
24	Health Facility Plan Review Fund	\$31,200
25	Illinois Historic Sites Fund	\$11,500
26	Attorney General Court Ordered and Voluntary	

1	Compliance Payment Projects Fund	\$18,500
2	Public Pension Regulation Fund	\$5,600
3	Illinois Charity Bureau Fund	\$11,400
4	Renewable Energy Resources Trust Fund	\$6,700
5	Energy Efficiency Trust Fund	\$3,600
6	Pesticide Control Fund	\$56,800
7	Attorney General Whistleblower Reward	
8	and Protection Fund	\$14,200
9	Partners for Conservation Fund	\$36,900
10	Capital Litigation Trust Fund	\$800
11	Motor Vehicle License Plate Fund	\$99,700
12	Horse Racing Fund	\$18,900
13	Death Certificate Surcharge Fund	\$12,800
14	Auction Regulation Administration Fund	\$500
15	Motor Carrier Safety Inspection Fund	\$55,800
16	Assisted Living and Shared Housing	
17	Regulatory Fund	\$900
18	Illinois Thoroughbred Breeders Fund	\$9,200
19	Illinois Clean Water Fund	\$42,300
20	Secretary of State DUI Administration Fund	\$16,100
21	Child Support Administrative Fund	\$1,037,900
22	Secretary of State Police Services Fund	\$1,200
23	Tourism Promotion Fund	\$34,400
24	IMSA Income Fund	\$12,700
25	Presidential Library and Museum Operating Fund ..	\$83,000
26	Dram Shop Fund	\$44,500

1	Illinois State Dental Disciplinary Fund	\$5,700
2	Cycle Rider Safety Training Fund	\$8,700
3	Traffic and Criminal Conviction Surcharge Fund ..	\$106,100
4	Design Professionals Administration	
5	and Investigation Fund	\$4,500
6	State Police Services Fund	\$276,100
7	Metabolic Screening and Treatment Fund	\$90,800
8	Insurance Producer Administration Fund	\$45,600
9	Coal Technology Development Assistance Fund	\$11,700
10	Hearing Instrument Dispenser Examining	
11	and Disciplinary Fund	\$1,900
12	Low-Level Radioactive Waste Facility	
13	Development and Operation Fund	\$1,000
14	Environmental Protection Permit and	
15	Inspection Fund	\$66,900
16	Park and Conservation Fund	\$199,300
17	Local Tourism Fund	\$2,400
18	Illinois Capital Revolving Loan Fund	\$10,000
19	Large Business Attraction Fund	\$100
20	Adeline Jay Geo-Karis Illinois Beach	
21	Marina Fund	\$27,200
22	Public Infrastructure Construction	
23	Loan Revolving Fund	\$1,700
24	Insurance Financial Regulation Fund	\$69,200
25	Total	\$24,197,800
26	(d-35) Notwithstanding any other provision of State law to	

1 the contrary and in addition to any other transfers that may be
 2 provided for by law, on July 1, 2010, or as soon as may be
 3 practical thereafter, the State Comptroller shall direct and
 4 the State Treasurer shall transfer from each designated fund
 5 into the Workers' Compensation Revolving Fund the following
 6 amounts:

7	General Revenue Fund	\$55,000,000
8	Road Fund	\$50,955,300
9	Total	\$105,955,300

10 (d-40) Notwithstanding any other provision of State law to
 11 the contrary, on or after July 1, 2010 and until June 30, 2011,
 12 in addition to any other transfers that may be provided for by
 13 law, at the direction of and upon notification of the Director
 14 of Central Management Services, the State Comptroller shall
 15 direct and the State Treasurer shall transfer amounts into the
 16 Workers' Compensation Revolving Fund from the designated funds
 17 not exceeding the following totals:

18	Food and Drug Safety Fund	\$8,700
19	Financial Institution Fund	\$44,500
20	General Professions Dedicated Fund	\$51,400
21	Live and Learn Fund	\$10,900
22	Illinois Veterans' Rehabilitation Fund	\$106,000
23	State Boating Act Fund	\$288,200
24	State Parks Fund	\$185,900
25	Wildlife and Fish Fund	\$1,550,300
26	Lobbyist Registration Administration Fund	\$18,100

1	Agricultural Premium Fund	\$176,100
2	Mental Health Fund	\$291,900
3	Firearm Owner's Notification Fund	\$2,300
4	Illinois Gaming Law Enforcement Fund	\$11,300
5	Illinois State Medical Disciplinary Fund	\$42,300
6	Facility Licensing Fund	\$14,200
7	Plugging and Restoration Fund	\$15,600
8	Explosives Regulatory Fund	\$4,800
9	Aggregate Operations Regulatory Fund	\$6,000
10	Coal Mining Regulatory Fund	\$7,200
11	Registered Certified Public Accountants'	
12	Administration and Disciplinary Fund	\$1,900
13	Weights and Measures Fund	\$105,200
14	Division of Corporations Registered	
15	Limited Liability Partnership Fund	\$5,300
16	Illinois School Asbestos Abatement Fund	\$19,900
17	Secretary of State Special License Plate Fund	\$38,700
18	DCFS Children's Services Fund	\$123,100
19	Illinois Health Facilities Planning Fund	\$29,700
20	Emergency Public Health Fund	\$6,800
21	Nursing Dedicated and Professional Fund	\$13,500
22	Optometric Licensing and Disciplinary	
23	Board Fund	\$1,800
24	Underground Resources Conservation	
25	Enforcement Fund	\$16,500
26	Mandatory Arbitration Fund	\$5,400

1	Drunk and Drugged Driving Prevention Fund	\$26,400
2	Long Term Care Monitor/Receiver Fund	\$43,800
3	Securities Investors Education Fund	\$28,500
4	Used Tire Management Fund	\$6,300
5	Natural Areas Acquisition Fund	\$185,000
6	Open Space Lands Acquisition and	
7	Development Fund	\$46,800
8	Working Capital Revolving Fund	\$741,500
9	State Garage Revolving Fund	\$356,200
10	Statistical Services Revolving Fund	\$1,775,900
11	Communications Revolving Fund	\$630,600
12	Facilities Management Revolving Fund	\$870,800
13	Professional Services Fund	\$275,500
14	Motor Vehicle Review Board Fund	\$12,900
15	Public Health Laboratory Services	
16	Revolving Fund	\$5,300
17	Lead Poisoning Screening, Prevention,	
18	and Abatement Fund	\$42,100
19	Securities Audit and Enforcement Fund	\$162,700
20	Department of Business Services	
21	Special Operations Fund	\$143,700
22	Feed Control Fund	\$32,300
23	Tanning Facility Permit Fund	\$3,900
24	Plumbing Licensure and Program Fund	\$32,600
25	Tax Compliance and Administration Fund	\$48,400
26	Appraisal Administration Fund	\$3,600

1	Illinois State Fair Fund	\$30,200
2	Secretary of State Special Services Fund	\$214,400
3	Department of Corrections Reimbursement	
4	and Education Fund	\$438,300
5	Health Facility Plan Review Fund	\$29,900
6	Public Pension Regulation Fund	\$9,900
7	Pesticide Control Fund	\$107,500
8	Partners for Conservation Fund	\$189,300
9	Motor Vehicle License Plate Fund	\$143,800
10	Horse Racing Fund	\$20,900
11	Death Certificate Surcharge Fund	\$16,800
12	Auction Regulation Administration Fund	\$1,000
13	Motor Carrier Safety Inspection Fund	\$56,800
14	Assisted Living and Shared Housing	
15	Regulatory Fund	\$2,200
16	Illinois Thoroughbred Breeders Fund	\$18,100
17	Secretary of State DUI Administration Fund	\$19,800
18	Child Support Administrative Fund	\$1,809,500
19	Secretary of State Police Services Fund	\$2,500
20	Medical Special Purposes Trust Fund	\$20,400
21	Dram Shop Fund	\$57,200
22	Illinois State Dental Disciplinary Fund	\$9,500
23	Cycle Rider Safety Training Fund	\$12,200
24	Traffic and Criminal Conviction Surcharge Fund ..	\$128,900
25	Design Professionals Administration	
26	and Investigation Fund	\$7,300

1	State Police Services Fund	\$335,700
2	Metabolic Screening and Treatment Fund	\$81,600
3	Insurance Producer Administration Fund	\$77,000
4	Hearing Instrument Dispenser Examining	
5	and Disciplinary Fund	\$1,900
6	Park and Conservation Fund	\$361,500
7	Adeline Jay Geo-Karis Illinois Beach	
8	Marina Fund	\$42,800
9	Insurance Financial Regulation Fund	\$108,000
10	Total	\$13,033,200

11 (d-45) Notwithstanding any other provision of State law to
12 the contrary and in addition to any other transfers that may be
13 provided for by law, on July 1, 2011, or as soon as may be
14 practical thereafter, the State Comptroller shall direct and
15 the State Treasurer shall transfer the sum of \$45,000,000 from
16 the General Revenue Fund into the Workers' Compensation
17 Revolving Fund.

18 (e) The term "workers' compensation services" means
19 services, claims expenses, and related administrative costs
20 incurred in performing the duties under Sections 405-105 and
21 405-411 of the Department of Central Management Services Law of
22 the Civil Administrative Code of Illinois.

23 (Source: P.A. 96-45, eff. 7-15-09; 96-959, eff. 7-1-10; 97-641,
24 eff. 12-19-11; 97-895, eff. 8-3-12.)

25 Section 10. The Illinois Procurement Code is amended by

1 changing Section 45-57 as follows:

2 (30 ILCS 500/45-57)

3 Sec. 45-57. Veterans.

4 (a) Set-aside goal. It is the goal of the State to promote
5 and encourage the continued economic development of small
6 businesses owned and controlled by qualified veterans and that
7 qualified service-disabled veteran-owned small businesses
8 (referred to as SDVOSB) and veteran-owned small businesses
9 (referred to as VOSB) participate in the State's procurement
10 process as both prime contractors and subcontractors. Not less
11 than 3% of the total dollar amount of State contracts, as
12 defined by the Director of Central Management Services, shall
13 be established as a goal to be awarded to SDVOSB and VOSB. That
14 portion of a contract under which the contractor subcontracts
15 with a SDVOSB or VOSB may be counted toward the goal of this
16 subsection. The Department of Central Management Services
17 shall adopt rules to implement compliance with this subsection
18 by all State agencies.

19 (b) Fiscal year reports. By each September 1, each chief
20 procurement officer shall report to the Department of Central
21 Management Services on all of the following for the immediately
22 preceding fiscal year, and by each March 1 the Department of
23 Central Management Services shall compile and report that
24 information to the General Assembly:

25 (1) The total number of VOSB, and the number of SDVOSB,

1 who submitted bids for contracts under this Code.

2 (2) The total number of VOSB, and the number of SDVOSB,
3 who entered into contracts with the State under this Code
4 and the total value of those contracts.

5 (c) Yearly review and recommendations. Each year, each
6 chief procurement officer shall review the progress of all
7 State agencies under its jurisdiction in meeting the goal
8 described in subsection (a), with input from statewide
9 veterans' service organizations and from the business
10 community, including businesses owned by qualified veterans,
11 and shall make recommendations to be included in the Department
12 of Central Management Services' report to the General Assembly
13 regarding continuation, increases, or decreases of the
14 percentage goal. The recommendations shall be based upon the
15 number of businesses that are owned by qualified veterans and
16 on the continued need to encourage and promote businesses owned
17 by qualified veterans.

18 (d) Governor's recommendations. To assist the State in
19 reaching the goal described in subsection (a), the Governor
20 shall recommend to the General Assembly changes in programs to
21 assist businesses owned by qualified veterans.

22 (e) Definitions. As used in this Section:

23 "Armed forces of the United States" means the United States
24 Army, Navy, Air Force, Marine Corps, Coast Guard, or service in
25 active duty as defined under 38 U.S.C. Section 101. Service in
26 the Merchant Marine that constitutes active duty under Section

1 401 of federal Public Act 95-202 shall also be considered
2 service in the armed forces for purposes of this Section.

3 "Certification" means a determination made by the Illinois
4 Department of Veterans' Affairs and the Department of Central
5 Management Services that a business entity is a qualified
6 service-disabled veteran-owned small business or a qualified
7 veteran-owned small business for whatever purpose. A SDVOSB or
8 VOSB owned and controlled by females, minorities, or persons
9 with disabilities, as those terms are defined in Section 2 of
10 the Business Enterprise for Minorities, Females, and Persons
11 with Disabilities Act, may also ~~shall~~ select and designate
12 whether that business is to be certified as a "female-owned
13 business", "minority-owned business", or "business owned by a
14 person with a disability", as defined in Section 2 of the
15 Business Enterprise for Minorities, Females, and Persons with
16 Disabilities Act, ~~or as a qualified SDVOSB or qualified VOSB~~
17 ~~under this Section.~~

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

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

8 "Qualified service-disabled veteran" means a veteran who
9 has been found to have 10% or more service-connected disability
10 by the United States Department of Veterans Affairs or the
11 United States Department of Defense.

12 "Qualified service-disabled veteran-owned small business"
13 or "SDVOSB" means a small business (i) that is at least 51%
14 owned by one or more qualified service-disabled veterans living
15 in Illinois or, in the case of a corporation, at least 51% of
16 the stock of which is owned by one or more qualified
17 service-disabled veterans living in Illinois; (ii) that has its
18 home office in Illinois; and (iii) for which items (i) and (ii)
19 are factually verified annually by the Department of Central
20 Management Services.

21 "Qualified veteran-owned small business" or "VOSB" means a
22 small business (i) that is at least 51% owned by one or more
23 qualified veterans living in Illinois or, in the case of a
24 corporation, at least 51% of the stock of which is owned by one
25 or more qualified veterans living in Illinois; (ii) that has
26 its home office in Illinois; and (iii) for which items (i) and

1 (ii) are factually verified annually by the Department of
2 Central Management Services.

3 "Service-connected disability" means a disability incurred
4 in the line of duty in the active military, naval, or air
5 service as described in 38 U.S.C. 101(16).

6 "Small business" means a business that has annual gross
7 sales of less than \$75,000,000 as evidenced by the federal
8 income tax return of the business. A firm with gross sales in
9 excess of this cap may apply to the Department of Central
10 Management Services for certification for a particular
11 contract if the firm can demonstrate that the contract would
12 have significant impact on SDVOSB or VOSB as suppliers or
13 subcontractors or in employment of veterans or
14 service-disabled veterans.

15 "State agency" has the same meaning as in Section 2 of the
16 Business Enterprise for Minorities, Females, and Persons with
17 Disabilities Act.

18 "Time of hostilities with a foreign country" means any
19 period of time in the past, present, or future during which a
20 declaration of war by the United States Congress has been or is
21 in effect or during which an emergency condition has been or is
22 in effect that is recognized by the issuance of a Presidential
23 proclamation or a Presidential executive order and in which the
24 armed forces expeditionary medal or other campaign service
25 medals are awarded according to Presidential executive order.

26 "Veteran" means a person who (i) has been a member of the

1 armed forces of the United States or, while a citizen of the
2 United States, was a member of the armed forces of allies of
3 the United States in time of hostilities with a foreign country
4 and (ii) has served under one or more of the following
5 conditions: (a) the veteran served a total of at least 6
6 months; (b) the veteran served for the duration of hostilities
7 regardless of the length of the engagement; (c) the veteran was
8 discharged on the basis of hardship; or (d) the veteran was
9 released from active duty because of a service connected
10 disability and was discharged under honorable conditions.

11 (f) Certification program. The Illinois Department of
12 Veterans' Affairs and the Department of Central Management
13 Services shall work together to devise a certification
14 procedure to assure that businesses taking advantage of this
15 Section are legitimately classified as qualified
16 service-disabled veteran-owned small businesses or qualified
17 veteran-owned small businesses.

18 (g) Penalties.

19 (1) Administrative penalties. The Department of
20 Central Management Services shall suspend any person who
21 commits a violation of Section 17-10.3 or subsection (d) of
22 Section 33E-6 of the Criminal Code of 1961 or the Criminal
23 Code of 2012 relating to this Section from bidding on, or
24 participating as a contractor, subcontractor, or supplier
25 in, any State contract or project for a period of not less
26 than 3 years, and, if the person is certified as a

1 service-disabled veteran-owned small business or a
2 veteran-owned small business, then the Department shall
3 revoke the business's certification for a period of not
4 less than 3 years. An additional or subsequent violation
5 shall extend the periods of suspension and revocation for a
6 period of not less than 5 years. The suspension and
7 revocation shall apply to the principals of the business
8 and any subsequent business formed or financed by, or
9 affiliated with, those principals.

10 (2) Reports of violations. Each State agency shall
11 report any alleged violation of Section 17-10.3 or
12 subsection (d) of Section 33E-6 of the Criminal Code of
13 1961 or the Criminal Code of 2012 relating to this Section
14 to the Department of Central Management Services. The
15 Department of Central Management Services shall
16 subsequently report all such alleged violations to the
17 Attorney General, who shall determine whether to bring a
18 civil action against any person for the violation.

19 (3) List of suspended persons. The Department of
20 Central Management Services shall monitor the status of all
21 reported violations of Section 17-10.3 or subsection (d) of
22 Section 33E-6 of the Criminal Code of 1961 or the Criminal
23 Code of 2012 relating to this Section and shall maintain
24 and make available to all State agencies a central listing
25 of all persons that committed violations resulting in
26 suspension.

1 (4) Use of suspended persons. During the period of a
2 person's suspension under paragraph (1) of this
3 subsection, a State agency shall not enter into any
4 contract with that person or with any contractor using the
5 services of that person as a subcontractor.

6 (5) Duty to check list. Each State agency shall check
7 the central listing provided by the Department of Central
8 Management Services under paragraph (3) of this subsection
9 to verify that a person being awarded a contract by that
10 State agency, or to be used as a subcontractor or supplier
11 on a contract being awarded by that State agency, is not
12 under suspension pursuant to paragraph (1) of this
13 subsection.

14 (Source: P.A. 96-96, eff. 1-1-10; 97-260, eff. 8-5-11; 97-1150,
15 eff. 1-25-13.)

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.