

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Procurement Code is amended by  
5 adding Section 45-115 as follows:

6 (30 ILCS 500/45-115 new)

7 Sec. 45-115. State data residency credit.

8 (a) As used in this Section:

9 "Earned credit" means the amount of the bid preference  
10 allocated to a vendor upon completion of a contract described  
11 in this Section with respect to which the vendor met the data  
12 residency requirement under this Section during the  
13 performance of the contract.

14 "Qualified area" means an opportunity zone designated by  
15 the Department of Commerce and Economic Opportunity.

16 "State data" means the final version of information that:  
17 (1) is presented in alphanumeric form in a list, table, graph,  
18 chart, or other non-narrative form; (2) can be digitally  
19 stored and retrieved; (3) is created or maintained by or on  
20 behalf of a State agency; (4) is controlled by the State  
21 agency; and (5) is related to the mission of the State agency.

22 "State data" does not include information that is: (1)  
23 provided to a State agency by another entity; (2) created or

1 maintained by or on behalf of a State or federal public safety  
2 official operating in that person's official capacity outside  
3 of the United States; (3) subject to one or more international  
4 exchange agreements for the exchange of criminal justice  
5 information with one or more foreign government agencies; or  
6 (4) created or maintained for the purpose of backup or  
7 recovery.

8 "Telecommunications service" means the provision of voice  
9 and data communications services, regardless of the format or  
10 mode of delivery, including communications services delivered  
11 over cable, Internet Protocol, wireless, fiber optic cable, or  
12 other transmission mechanisms, as well as arrangements for  
13 network interconnection, transport, messaging, routing, or  
14 international voice, text, and data roaming.

15 (b) Unless otherwise authorized by the chief procurement  
16 officer of the applicable State agency, any contract  
17 advertised and entered into by the State on or after the  
18 effective date of this amendatory Act of the 104th General  
19 Assembly that provides for the storage of any State data shall  
20 include a requirement that the State data must be processed,  
21 stored, and disposed of within the territory of the United  
22 States.

23 (c) If, as part of the closeout procedure for a contract  
24 described in subsection (b), a State agency certifies to the  
25 applicable chief procurement officer that the State data  
26 covered by the contract has not been processed, stored, or

1 disposed of outside of the State of Illinois during the term of  
2 the contract, then the chief procurement officer shall issue  
3 to the contractor an earned credit certificate that evidences  
4 the amount of the earned credit allocated to the contractor.  
5 The amount of the credit shall be as described in subsection  
6 (d). To receive the earned credit certificate, the contractor  
7 shall maintain accurate and detailed records necessary to  
8 monitor compliance with this Section and shall submit to the  
9 chief procurement officer, the State Purchasing Officer, or  
10 the contracting State agency any reports required by the chief  
11 procurement officer, State Purchasing Officer, or contracting  
12 State agency. Vendors that are subject to the provisions of  
13 this Section shall allow the chief procurement officer, State  
14 Purchasing Officer, contracting State agency, or any designee  
15 of the chief procurement officer, State Purchasing Officer, or  
16 contracting State agency, to have full access to the records  
17 described in this subsection. The contractor shall maintain  
18 all relevant records for at least 3 years after the contract is  
19 completed.

20 (d) Unless otherwise prohibited by federal or State law,  
21 if, during the entire term of the contract, the State data was  
22 stored within the State of Illinois but outside of any  
23 qualified area, then the amount of the earned credit shall be  
24 2% of the contract's value for storage of the State data and  
25 (ii) if, during the entire term of the contract, the State data  
26 was stored within the State of Illinois and all or part of the

1 State data was stored within a qualified area, then the amount  
2 of the earned credit shall be 4% of the contract's value for  
3 storage of the State data.

4 (e) A vendor may apply its earned credit as the bid  
5 preference for any future contract bid of equal or greater  
6 dollar value relative to the contract for which the credit was  
7 awarded. The credit certificate earned is valid for 3 years  
8 from the date of issuance and shall not be applied to any  
9 future contract bid after the expiration of that period.

10 (f) Subsections (b), (c), (d), and (e) of this Section do  
11 not apply to contracts that are primarily for the provision of  
12 telecommunications services. A contract is considered to be  
13 primarily for the provision of telecommunications services if  
14 50% or more of the contract's value comes from the provision of  
15 telecommunications services.

16 (g) Any procurement that uses a request for proposals and  
17 is issued for a data center to host State data shall include a  
18 provision that, if the data center is hosted within the State,  
19 then the proposal shall be awarded additional points equal to  
20 10% of the total available points. If the data center is  
21 located in a qualified area, then, in addition to the points  
22 awarded under this subsection (g) for hosting within the  
23 State, the proposal shall be awarded an additional 10% of the  
24 total available points.

25 (h) Each chief procurement officer may adopt rules for the  
26 proper administration and enforcement of this Section,

1 including, but not limited to, rules concerning eligibility  
2 for data centers to receive the additional points under  
3 subsection (g).