



Rep. William "Will" Davis

**Filed: 3/26/2026**

10400HB3655ham002

LRB104 12233 HLH 35946 a

1 AMENDMENT TO HOUSE BILL 3655

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3655 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Procurement Code is amended by  
5 changing Section 45-45 and by adding Section 50-95 as follows:

6 (30 ILCS 500/45-45)

7 Sec. 45-45. Small businesses.

8 (a) Set-asides. Each chief procurement officer has  
9 authority to designate as small business set-asides a fair  
10 proportion of construction, supply, and service contracts for  
11 award to small businesses in Illinois. Advertisements for bids  
12 or offers for those contracts shall specify designation as  
13 small business set-asides and the advertisements shall be  
14 uniformly distributed to the small business community in this  
15 State. In awarding the contracts, only bids or offers from  
16 qualified small businesses shall be considered.

1           (b) Small business. "Small business" means a business that  
2 is independently owned and operated and that is not dominant  
3 in its field of operation. The chief procurement officer shall  
4 establish a detailed definition by rule, using in addition to  
5 the foregoing criteria other criteria, including the number of  
6 employees and the dollar volume of business. When computing  
7 the size status of a potential contractor, annual sales and  
8 receipts of the potential contractor and all of its affiliates  
9 shall be included. The maximum number of employees and the  
10 maximum dollar volume that a small business may have under the  
11 rules promulgated by the chief procurement officer may vary  
12 from industry to industry to the extent necessary to reflect  
13 differing characteristics of those industries, subject to the  
14 following limitations:

15           (1) No wholesale business is a small business if its  
16 annual sales for its most recently completed fiscal year  
17 exceed \$13,000,000.

18           (2) No retail business or business selling services is  
19 a small business if its annual sales and receipts exceed  
20 \$8,000,000.

21           (3) No manufacturing business is a small business if  
22 it employs more than 250 persons.

23           (4) No construction business is a small business if  
24 its annual sales and receipts exceed \$14,000,000.

25           (c) Fair proportion. For the purpose of subsection (a),  
26 for State agencies of the executive branch, a fair proportion

1 of construction contracts shall be no less than 25% nor more  
2 than 40% of the annual total contracts for construction.

3 (d) Withdrawal of designation. A small business set-aside  
4 designation may be withdrawn by the purchasing agency when  
5 deemed in the best interests of the State. Upon withdrawal,  
6 all bids or offers shall be rejected, and the bidders or  
7 offerors shall be notified of the reason for rejection. The  
8 contract shall then be awarded in accordance with this Code  
9 without the designation of small business set-aside. Each  
10 chief procurement officer shall make the annual report  
11 available on his or her official website. Each chief  
12 procurement officer shall also issue a press release in  
13 conjunction with the small business annual report that  
14 includes an executive summary of the annual report and a link  
15 to the annual report on the chief procurement officer's  
16 website.

17 (e) Small business specialist. Each chief procurement  
18 officer shall designate one or more individuals to serve as  
19 its small business specialist. The small business specialists  
20 shall collectively work together to accomplish the following  
21 duties:

22 (1) Compiling and maintaining a comprehensive list of  
23 potential small contractors. In this duty, he or she shall  
24 cooperate with the Federal Small Business Administration  
25 in locating potential sources for various products and  
26 services.

1           (2) Assisting small businesses in complying with the  
2           procedures for bidding on State contracts.

3           (3) Examining requests from State agencies for the  
4           purchase of property or services to help determine which  
5           invitations to bid are to be designated small business  
6           set-asides.

7           (4) Making recommendations to the chief procurement  
8           officer for the simplification of specifications and terms  
9           in order to increase the opportunities for small business  
10          participation.

11          (5) Assisting in investigations by purchasing agencies  
12          to determine the responsibility of bidders or offerors on  
13          small business set-asides.

14          (f) Small business annual report. Each small business  
15          specialist designated under subsection (e) shall annually  
16          before November 1 report in writing to the General Assembly  
17          concerning the awarding of contracts to small businesses. The  
18          report shall include the total value of awards made in the  
19          preceding fiscal year under the designation of small business  
20          set-aside. The report shall also include the total value of  
21          awards made to businesses owned by minorities, women, and  
22          persons with disabilities, as defined in the Business  
23          Enterprise for Minorities, Women, and Persons with  
24          Disabilities Act, in the preceding fiscal year under the  
25          designation of small business set-aside.

26          The requirement for reporting to the General Assembly

1 shall be satisfied by filing copies of the report as required  
2 by Section 3.1 of the General Assembly Organization Act.

3 (Source: P.A. 103-570, eff. 1-1-24.)

4 (30 ILCS 500/50-95 new)

5 Sec. 50-95. Small business scorecard. Each chief  
6 procurement officer shall, in consultation with State  
7 agencies, develop a scorecard for businesses that have annual  
8 gross sales of less than \$15,000,000 as evidenced by the  
9 federal income tax return of the business. The scorecard shall  
10 include the relevant experience of the business, the location  
11 of the business, the length of time the business has been  
12 operating in this State, staff credentials, innovation, and  
13 other socioeconomic factors."