



**Sen. Mike Porfirio**

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10400SB0101sam001

LRB104 08027 HLH 24712 a

1 AMENDMENT TO SENATE BILL 101

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 101 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Procurement Code is amended by  
5 changing Section 45-57 as follows:

6 (30 ILCS 500/45-57)

7 Sec. 45-57. Veterans.

8 (a) Set-aside goal. It is the goal of the State to promote  
9 and encourage the continued economic development of small  
10 businesses owned and controlled by qualified veterans and that  
11 qualified service-disabled veteran-owned small businesses  
12 (referred to as SDVOSB) and veteran-owned small businesses  
13 (referred to as VOSB) participate in the State's procurement  
14 process as both prime contractors and subcontractors. Not less  
15 than 3% of the total dollar amount of State contracts, as  
16 defined by the Commission on Equity and Inclusion, shall be

1 established as a goal to be awarded to SDVOSB and VOSB. That  
2 portion of a contract under which the contractor subcontracts  
3 with a SDVOSB or VOSB may be counted toward the goal of this  
4 subsection. The Commission on Equity and Inclusion shall adopt  
5 rules to implement compliance with this subsection by all  
6 State agencies.

7 (b) Fiscal year reports. By each November 1, each chief  
8 procurement officer shall report to the Commission on Equity  
9 and Inclusion on all of the following for the immediately  
10 preceding fiscal year, and by each March 1 the Commission on  
11 Equity and Inclusion shall compile and report that information  
12 to the General Assembly:

13 (1) The total number of VOSB, and the number of  
14 SDVOSB, who submitted bids for contracts under this Code.

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

18 (b-5) The Commission on Equity and Inclusion shall submit  
19 an annual report to the Governor and the General Assembly that  
20 shall include the following:

21 (1) a year-by-year comparison of the number of  
22 certifications the State has issued to veteran-owned small  
23 businesses and service-disabled veteran-owned small  
24 businesses;

25 (2) the obstacles, if any, the Commission on Equity  
26 and Inclusion faces when certifying veteran-owned

1       businesses and possible rules or changes to rules to  
2       address those issues;

3               (3) a year-by-year comparison of awarded contracts to  
4       certified    veteran-owned    small    businesses    and  
5       service-disabled veteran-owned small businesses; and

6               (4) any other information that the Commission on  
7       Equity    and    Inclusion    deems    necessary    to    assist  
8       veteran-owned    small    businesses    and    service-disabled  
9       veteran-owned small businesses to become certified with  
10      the State.

11       The Commission on Equity and Inclusion shall conduct a  
12      minimum of 2 outreach events per year to ensure that  
13      veteran-owned small businesses and service-disabled  
14      veteran-owned small businesses know about the procurement  
15      opportunities and certification requirements with the State.  
16       The Commission on Equity and Inclusion may receive  
17      appropriations for outreach.

18               (c) Yearly review and recommendations. Each year, each  
19      chief procurement officer shall review the progress of all  
20      State agencies under its jurisdiction in meeting the goal  
21      described in subsection (a), with input from statewide  
22      veterans' service organizations and from the business  
23      community, including businesses owned by qualified veterans,  
24      and shall make recommendations to be included in the  
25      Commission on Equity and Inclusion's report to the General  
26      Assembly regarding continuation, increases, or decreases of

1 the percentage goal. The recommendations shall be based upon  
2 the number of businesses that are owned by qualified veterans  
3 and on the continued need to encourage and promote businesses  
4 owned by qualified veterans.

5 (d) Governor's recommendations. To assist the State in  
6 reaching the goal described in subsection (a), the Governor  
7 shall recommend to the General Assembly changes in programs to  
8 assist businesses owned by qualified veterans.

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

10 "Armed forces of the United States" means the United  
11 States Army, Navy, Air Force, Space Force, Marine Corps, Coast  
12 Guard, or service in active duty as defined under 38 U.S.C.  
13 Section 101. Service in the Merchant Marine that constitutes  
14 active duty under Section 401 of federal Public Law Act 95-202  
15 shall also be considered service in the armed forces for  
16 purposes of this Section.

17 "Certification" means a determination made by the Illinois  
18 Department of Veterans' Affairs and the Commission on Equity  
19 and Inclusion that a business entity is a qualified  
20 service-disabled veteran-owned small business or a qualified  
21 veteran-owned small business for whatever purpose. A SDVOSB or  
22 VOSB owned and controlled by women, minorities, or persons  
23 with disabilities, as those terms are defined in Section 2 of  
24 the Business Enterprise for Minorities, Women, and Persons  
25 with Disabilities Act, may also select and designate whether  
26 that business is to be certified as a "women-owned business",

1       "minority-owned business", or "business owned by a person with  
2       a disability", as defined in Section 2 of the Business  
3       Enterprise for Minorities, Women, and Persons with  
4       Disabilities Act.

5           "Control" means the exclusive, ultimate, majority, or sole  
6       control of the business, including but not limited to capital  
7       investment and all other financial matters, property,  
8       acquisitions, contract negotiations, legal matters,  
9       officer-director-employee selection and comprehensive hiring,  
10      operation responsibilities, cost-control matters, income and  
11      dividend matters, financial transactions, and rights of other  
12      shareholders or joint partners. Control shall be real,  
13      substantial, and continuing, not pro forma. Control shall  
14      include the power to direct or cause the direction of the  
15      management and policies of the business and to make the  
16      day-to-day as well as major decisions in matters of policy,  
17      management, and operations. Control shall be exemplified by  
18      possessing the requisite knowledge and expertise to run the  
19      particular business, and control shall not include simple  
20      majority or absentee ownership.

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

25           "Qualified service-disabled veteran-owned small business"  
26      or "SDVOSB" means a small business (i) that is at least 51%

1       owned by one or more qualified service-disabled veterans  
2       living in Illinois or, in the case of a corporation, at least  
3       51% of the stock of which is owned by one or more qualified  
4       service-disabled veterans living in Illinois; (ii) that has  
5       its home office in Illinois; and (iii) for which items (i) and  
6       (ii) are factually verified annually by the Commission on  
7       Equity and Inclusion.

8       "Qualified veteran-owned small business" or "VOSB" means a  
9       small business (i) that is at least 51% owned by one or more  
10       qualified veterans living in Illinois or, in the case of a  
11       corporation, at least 51% of the stock of which is owned by one  
12       or more qualified veterans living in Illinois; (ii) that has  
13       its home office in Illinois; and (iii) for which items (i) and  
14       (ii) are factually verified annually by the Commission on  
15       Equity and Inclusion.

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

19       "Small business" means a business that has annual gross  
20       sales of less than \$150,000,000 as evidenced by the federal  
21       income tax return of the business. A firm with gross sales in  
22       excess of this cap may apply to the Commission on Equity and  
23       Inclusion for certification for a particular contract if the  
24       firm can demonstrate that the contract would have significant  
25       impact on SDVOSB or VOSB as suppliers or subcontractors or in  
26       employment of veterans or service-disabled veterans.

1           "State agency" has the meaning provided in Section  
2 1-15.100 of this Code.

3           "Time of hostilities with a foreign country" means any  
4 period of time in the past, present, or future during which a  
5 declaration of war by the United States Congress has been or is  
6 in effect or during which an emergency condition has been or is  
7 in effect that is recognized by the issuance of a Presidential  
8 proclamation or a Presidential executive order and in which  
9 the armed forces expeditionary medal or other campaign service  
10 medals are awarded according to Presidential executive order.

11           "Veteran" means a person who (i) has been a member of the  
12 armed forces of the United States or, while a citizen of the  
13 United States, was a member of the armed forces of allies of  
14 the United States in time of hostilities with a foreign  
15 country and (ii) has served under one or more of the following  
16 conditions: (a) the veteran served a total of at least 6  
17 months; (b) the veteran served for the duration of hostilities  
18 regardless of the length of the engagement; (c) the veteran  
19 was discharged on the basis of hardship; or (d) the veteran was  
20 released from active duty because of a service connected  
21 disability and was discharged under honorable conditions.

22           (f) Certification program. The Illinois Department of  
23 Veterans' Affairs and the Commission on Equity and Inclusion  
24 shall work together to devise a certification procedure to  
25 assure that businesses taking advantage of this Section are  
26 legitimately classified as qualified service-disabled

1 veteran-owned small businesses or qualified veteran-owned  
2 small businesses.

3 The Commission on Equity and Inclusion shall:

4 (1) compile and maintain a comprehensive list of  
5 certified veteran-owned small businesses and  
6 service-disabled veteran-owned small businesses;

7 (2) assist veteran-owned small businesses and  
8 service-disabled veteran-owned small businesses in  
9 complying with the procedures for bidding on State  
10 contracts;

11 (3) provide training for State agencies regarding the  
12 goal setting process and compliance with veteran-owned  
13 small business and service-disabled veteran-owned small  
14 business goals; and

15 (4) implement and maintain an electronic portal on the  
16 Commission on Equity and Inclusion's website for the  
17 purpose of completing and submitting veteran-owned small  
18 business and service-disabled veteran-owned small business  
19 certificates.

20 The Commission on Equity and Inclusion, in consultation  
21 with the Department of Veterans' Affairs, may develop programs  
22 and agreements to encourage cities, counties, towns,  
23 townships, and other certifying entities to adopt uniform  
24 certification procedures and certification recognition  
25 programs. In order to reduce the administrative burden on  
26 service-disabled veteran-owned small businesses and qualified

1 veteran-owned small businesses, all units of local government  
2 in the State shall accept as valid a VOSB or a SDVOB  
3 certification from the Commission on Equity and Inclusion for  
4 the purposes of any local government procurement, and State  
5 agencies shall accept as valid any VOSB or SDVOB  
6 certifications from any unit of local government in Illinois  
7 for purposes of State procurement.

8 (f-5) A business shall be certified by the Commission on  
9 Equity and Inclusion as a service-disabled veteran-owned small  
10 business or a veteran-owned small business for purposes of  
11 this Section if the Commission on Equity and Inclusion  
12 determines that the business has been certified as a  
13 service-disabled veteran-owned small business or a  
14 veteran-owned small business by the Vets First Verification  
15 Program of the United States Department of Veterans Affairs,  
16 and the business has provided to the Commission on Equity and  
17 Inclusion the following:

18 (1) documentation showing certification as a  
19 service-disabled veteran-owned small business or a  
20 veteran-owned small business by the Vets First  
21 Verification Program of the United States Department of  
22 Veterans Affairs;

23 (2) proof that the business has its home office in  
24 Illinois; and

25 (3) proof that the qualified veterans or qualified  
26 service-disabled veterans live in the State of Illinois.

1       The policies of the Commission on Equity and Inclusion  
2 regarding recognition of the Vets First Verification Program  
3 of the United States Department of Veterans Affairs shall be  
4 reviewed annually by the Commission on Equity and Inclusion,  
5 and recognition of service-disabled veteran-owned small  
6 businesses and veteran-owned small businesses certified by the  
7 Vets First Verification Program of the United States  
8 Department of Veterans Affairs may be discontinued by the  
9 Commission on Equity and Inclusion by rule upon a finding that  
10 the certification standards of the Vets First Verification  
11 Program of the United States Department of Veterans Affairs do  
12 not meet the certification requirements established by the  
13 Commission on Equity and Inclusion.

14       (g) Penalties.

15           (1) Administrative penalties. The chief procurement  
16 officers appointed pursuant to Section 10-20 shall suspend  
17 any person who commits a violation of Section 17-10.3 or  
18 subsection (d) of Section 33E-6 of the Criminal Code of  
19 2012 relating to this Section from bidding on, or  
20 participating as a contractor, subcontractor, or supplier  
21 in, any State contract or project for a period of not less  
22 than 3 years, and, if the person is certified as a  
23 service-disabled veteran-owned small business or a  
24 veteran-owned small business, then the Commission on  
25 Equity and Inclusion shall revoke the business's  
26 certification for a period of not less than 3 years. An

1       additional or subsequent violation shall extend the  
2       periods of suspension and revocation for a period of not  
3       less than 5 years. The suspension and revocation shall  
4       apply to the principals of the business and any subsequent  
5       business formed or financed by, or affiliated with, those  
6       principals.

7               (2) Reports of violations. Each State agency shall  
8       report any alleged violation of Section 17-10.3 or  
9       subsection (d) of Section 33E-6 of the Criminal Code of  
10       2012 relating to this Section to the chief procurement  
11       officers appointed pursuant to Section 10-20. The chief  
12       procurement officers appointed pursuant to Section 10-20  
13       shall subsequently report all such alleged violations to  
14       the Attorney General, who shall determine whether to bring  
15       a civil action against any person for the violation.

16               (3) List of suspended persons. The chief procurement  
17       officers appointed pursuant to Section 10-20 shall monitor  
18       the status of all reported violations of Section 17-10.3  
19       or subsection (d) of Section 33E-6 of the Criminal Code of  
20       1961 or the Criminal Code of 2012 relating to this Section  
21       and shall maintain and make available to all State  
22       agencies a central listing of all persons that committed  
23       violations resulting in suspension.

24               (4) Use of suspended persons. During the period of a  
25       person's suspension under paragraph (1) of this  
26       subsection, a State agency shall not enter into any

1 contract with that person or with any contractor using the  
2 services of that person as a subcontractor.

3 (5) Duty to check list. Each State agency shall check  
4 the central listing provided by the chief procurement  
5 officers appointed pursuant to Section 10-20 under  
6 paragraph (3) of this subsection to verify that a person  
7 being awarded a contract by that State agency, or to be  
8 used as a subcontractor or supplier on a contract being  
9 awarded by that State agency, is not under suspension  
10 pursuant to paragraph (1) of this subsection.

11 (h) On and after November 30, 2021 (the effective date of  
12 Public Act 102-671) ~~this amendatory Act of the 102nd General~~  
13 ~~Assembly~~, all powers, duties, rights, and responsibilities of  
14 the Department of Central Management Services with respect to  
15 the requirements of this Section are transferred to the  
16 Commission on Equity and Inclusion.

17 All books, records, papers, documents, property (real and  
18 personal), contracts, causes of action, and pending business  
19 pertaining to the powers, duties, rights, and responsibilities  
20 transferred by Public Act 102-671 ~~this amendatory Act~~ from the  
21 Department of Central Management Services to the Commission on  
22 Equity and Inclusion, including, but not limited to, material  
23 in electronic or magnetic format and necessary computer  
24 hardware and software, shall be transferred to the Commission  
25 on Equity and Inclusion.

26 The powers, duties, rights, and responsibilities

1 transferred from the Department of Central Management Services  
2 by this amendatory Act shall be vested in and shall be  
3 exercised by the Commission on Equity and Inclusion.

4 Whenever reports or notices are now required to be made or  
5 given or papers or documents furnished or served by any person  
6 to or upon the Department of Central Management Services in  
7 connection with any of the powers, duties, rights, and  
8 responsibilities transferred by Public Act 102-671 ~~this~~  
~~amendatory Act~~, the same shall be made, given, furnished, or  
10 served in the same manner to or upon the Commission on Equity  
11 and Inclusion.

12 Public Act 102-671 ~~This amendatory Act of the 102nd~~  
13 ~~General Assembly~~ does not affect any act done, ratified, or  
14 canceled or any right occurring or established or any action  
15 or proceeding had or commenced in an administrative, civil, or  
16 criminal cause by the Department of Central Management  
17 Services before this amendatory Act takes effect; such actions  
18 or proceedings may be prosecuted and continued by the  
19 Commission on Equity and Inclusion.

20 Any rules of the Department of Central Management Services  
21 that relate to its powers, duties, rights, and  
22 responsibilities under this Section and are in full force on  
23 the effective date of Public Act 102-671 ~~this amendatory Act~~  
24 ~~of the 102nd General Assembly~~ shall become the rules of the  
25 Commission on Equity and Inclusion. Public Act 102-671 ~~This~~  
26 ~~amendatory Act~~ does not affect the legality of any such rules

1 in the Illinois Administrative Code. Any proposed rules filed  
2 with the Secretary of State by the Department of Central  
3 Management Services that are pending in the rulemaking process  
4 on November 30, 2021 ~~the effective date of this amendatory Act~~  
5 and pertain to the powers, duties, rights, and  
6 responsibilities transferred, shall be deemed to have been  
7 filed by the Commission on Equity and Inclusion. As soon as  
8 practicable hereafter, the Commission on Equity and Inclusion  
9 shall revise and clarify the rules transferred to it under  
10 Public Act 102-671 ~~this amendatory Act~~ to reflect the  
11 reorganization of powers, duties, rights, and responsibilities  
12 affected by Public Act 102-671 ~~this amendatory Act~~, using the  
13 procedures for recodification of rules available under the  
14 Illinois Administrative Procedure Act, except that existing  
15 title, part, and section numbering for the affected rules may  
16 be retained. The Commission on Equity and Inclusion may  
17 propose and adopt under the Illinois Administrative Procedure  
18 Act such other rules of the Department of Central Management  
19 Services that will now be administered by the Commission on  
20 Equity and Inclusion.

21 (Source: P.A. 102-166, eff. 7-26-21; 102-671, eff. 11-30-21;  
22 103-570, eff. 1-1-24; 103-746, eff. 1-1-25; revised 11-22-24.)

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law.".