

# SB0254



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB0254

Introduced 1/22/2025, by Sen. Willie Preston

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Best Customer Price Act. Provides that a public institution of higher education or a State agency may require best customer pricing for any goods it procures. Provides that, if goods are to be purchased by the State from a supplier or reseller, the supplier or reseller shall attest that the price is the best customer price. Provides that the supplier or reseller shall include a provision in the letter of supply from the manufacturer that the supplier or reseller can secure the supply and quantity of goods to be purchased, and that the manufacturer has extended the same best customer pricing from the manufacturer to each of the suppliers or resellers registered with the State for the goods to be purchased. Provides that, if a public institution of higher education or a State agency requires best customer pricing for the goods but does not believe the price is competitive, the public institution of higher education or the State agency may decline to award the bid. Effective immediately.

LRB104 06110 SPS 16143 b

A BILL FOR

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 1. Short title. This Act may be cited as the Best  
5 Customer Price Act.

6 Section 5. Findings. The General Assembly finds and  
7 declares that:

8 (1) It has been the long-standing public policy of  
9 this State to provide a level playing field in procurement  
10 for small and mid-sized businesses. Despite this policy,  
11 the portion of State funds spent on small and mid-sized  
12 businesses, especially minority-owned, women-owned, and  
13 veteran-owned businesses, is persistently far below where  
14 the General Assembly believes it should be.

15 (2) This State has a choice in implementing pricing  
16 policy for goods. Manufacturers sometimes give their best  
17 price to the largest suppliers and largest resellers,  
18 leaving small and mid-sized suppliers and small and  
19 mid-sized resellers to pay a higher price. Allowing  
20 manufacturers to force smaller suppliers for State  
21 purchases to pay a higher price excludes small suppliers  
22 from any low-bid State procurement.

23 (3) On average, minority-owned, women-owned, and

1       veteran-owned businesses are smaller than incumbent firms,  
2       and policies that level the playing field in procurement  
3       for firms that are smaller will disproportionately benefit  
4       minority-owned, women-owned and veteran-owned businesses,  
5       rectifying past decades of discrimination in a  
6       race-neutral and gender-neutral way.

7           (4) It has long been public policy to empower State  
8       purchasing officials with the ability to require the most  
9       favorable terms to be granted to this State on any  
10      purchase of supplies or services, and extending this  
11      policy to ensure the best customer pricing is extended by  
12      manufacturers to this State's suppliers and resellers is  
13      consistent with both federal procurement law and State  
14      procurement law.

15          (5) Requiring the best customer price for procured  
16      goods will create a more inclusive choice for State  
17      procurement and a level playing field for all suppliers,  
18      both from the manufacturers to suppliers or resellers and  
19      from suppliers or resellers to this State.

20          (6) It is in the best interest of the taxpayers of this  
21      State to ensure that this State's purchases of goods  
22      always get the best customer pricing from all participants  
23      in the transaction, both from the manufacturer to the  
24      supplier or reseller and from the supplier or reseller to  
25      this State.

1 Section 10. Definitions. As used in this Act:

2 "Best customer pricing" means the best price offered to  
3 any customer for the goods this State is seeking to buy,  
4 including price, discounts, commissions, rebates, and other  
5 incentives that impact the consideration paid for the good.

6 "Letter of supply" means a document from the manufacturer  
7 to a supplier or reseller that indicates the supplier or  
8 reseller is able to secure the goods this State seeks to buy.

9 "Public institution of higher education" has the meaning  
10 given to that term in Section 1-13 of the Illinois Procurement  
11 Code.

12 "Reseller" means a registered vendor of this State that  
13 supplies goods the company does not manufacture.

14 "State agency" has the meaning given to that term in  
15 Section 1-15.100 of the Illinois Procurement Code.

16 "Supplier" means a registered vendor of this State that  
17 supplies goods the company does not manufacture.

18 Section 15. Best consumer pricing.

19 (a) A public institution of higher education or a State  
20 agency may require best customer pricing for any goods it  
21 procures. If goods are to be purchased by this State from a  
22 supplier or reseller, the supplier or reseller shall attest  
23 that the price is the best customer price. The supplier or  
24 reseller shall include a provision in the letter of supply  
25 from the manufacturer that the supplier or reseller can secure

1 the supply and quantity of goods to be purchased, and that the  
2 manufacturer has extended the same best customer pricing from  
3 the manufacturer to each of the suppliers or resellers  
4 registered with this State for the goods to be purchased.

5 (b) Nothing in this Section shall require the manufacturer  
6 to extend best customer pricing to any supplier or reseller  
7 for any goods that are not purchased by this State.

8 (c) Nothing in this Section shall regulate or impact any  
9 commercial relationship between a manufacturer and a supplier  
10 or reseller for any goods that are not the subject of a State  
11 purchase.

12 (d) Nothing in this Section shall require any  
13 manufacturer, reseller, or supplier to disclose any  
14 proprietary information in the letter of supply.

15 Section 20. Declining bids. If a public institution of  
16 higher education or a State agency requires best customer  
17 pricing for the goods but does not believe the price is  
18 competitive, the public institution of higher education or the  
19 State agency may decline to award the bid.

20 Section 99. Effective date. This Act takes effect upon  
21 becoming law.