



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2368

Introduced 2/7/2025, by Sen. Jason Plummer

SYNOPSIS AS INTRODUCED:

New Act

Creates the Procurement Protection Act. Provides that a company domiciled within the jurisdiction of foreign adversary or a federally banned corporation shall be ineligible to bid or submit a proposal for contracts with the State. Provides that each bid or offer submitted for a contract with a State agency or political subdivision shall include a disclosure of whether or not the bidder, offeror, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid or offer had business operations that involved contracts with or provision of supplies or services from or to any foreign adversary, state-owned enterprise of a foreign adversary, or a company domiciled within the jurisdiction of a foreign adversary. Provides that a bid or offer that does not include the disclosure required by the provisions may be given a period after the bid or offer is submitted to cure non-disclosure. Allows a chief procurement officer to consider the disclosure when evaluating the bid or offer or awarding the contract. Sets forth exceptions to the general provisions. Defines terms. Effective immediately.

LRB104 03962 BDA 13986 b

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 1. Short title. This Act may be cited as the
5 Procurement Protection Act.

6 Section 5. Purpose. The purpose of this Act is to ensure
7 that suppliers to the State and to political subdivisions of
8 the State are safe, reliable, and free from undue influence
9 from foreign adversaries.

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

11 "Company" means any sole proprietorship, organization,
12 association, corporation, partnership, joint venture, limited
13 partnership, limited liability partnership, limited liability
14 company, or other entity or business association, including
15 all wholly owned subsidiaries, majority owned subsidiaries,
16 parent companies, or affiliates of such entities or business
17 associations, that exists for the purpose of making profit.

18 "Department" means the Department of Central Management
19 Services.

20 "Domicile" means either the country in which a company is
21 registered, where the company's affairs are primarily
22 completed, or the location where the majority of ownership

1 share is held.

2 "Federally banned corporation" means any company or
3 designated equipment currently banned or at any point hereto
4 banned at the federal level. This shall include bans resulting
5 from the following federal agencies and Acts: (i) the Federal
6 Communications Commission, including but not limited to any
7 equipment or service deemed to pose a threat to national
8 security identified on the Covered List developed pursuant to
9 47 C.F.R. 1.50002, and Trust Communications Networks Act of
10 2019, 47 U.S.C. 1601 et seq.; (ii) the United States
11 Department of Commerce; (iii) the Cybersecurity and
12 Infrastructure Security Agency; the Federal Acquisition
13 Security Council; and (v) Section 889 of the John S. McCain
14 National Defense Authorization Act for Fiscal Year 2019.

15 "Foreign adversary" shall mean the People's Republic of
16 China, the Russian Federation, the Islamic Republic of Iran,
17 the Democratic People's Republic of Korea, the Republic of
18 Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian
19 Arab Republic, including any agent of or any other entity
20 under significant control of such foreign country of concern,
21 or any other entity deemed by the Governor in consultation
22 with the Department of Central Management Services.

23 "Foreign adversary company" shall mean any company
24 domiciled in a foreign adversary, owned or controlled, in
25 whole or in part, by the government of a foreign adversary, by
26 individuals acting in official government capacities of a

1 foreign adversary, by a company domiciled in a foreign
2 adversary, or by any company otherwise under control of a
3 foreign adversary. "Government of China" shall mean the
4 People's Republic of China led by the Chinese Communist Party.

5 Section 15. Procurement restrictions.

6 (a) Except as provided under subsection (e), the following
7 covered companies shall be ineligible to bid on or submit a
8 proposal for a contract with a State agency or political
9 subdivision of the State for goods or services:

10 (1) a foreign adversary company; or

11 (2) A federally banned corporation.

12 (b) For the purposes of complying with subsection (a), any
13 company that offers or provide goods or services to a State
14 agency or a political subdivision of the State that were
15 supplied, manufactured, or produced by a covered company under
16 subsection (a) shall, for the purposes of this subsection, be
17 considered a covered company.

18 (c) A State agency or any political subdivision of the
19 State shall require a company that submits a bid or proposal
20 with respect to a contract for goods or services to certify
21 that the company is not a covered company as defined under
22 subsection (a).

23 (d) If the Department determines that a company has
24 submitted a false certification under subsection (b) of this
25 Act:

1 (1) The company shall be liable for a civil penalty in
2 an amount that is equal to the greater of \$250,000.00 or
3 twice the amount of the contract for which a bid or
4 proposal was submitted; and

5 (2) The State agency or the Department shall terminate
6 the contract with company; and c. The company shall be
7 ineligible to, and shall not, bid on a State contract for
8 60 months.

9 (e) Notwithstanding subsection (a), a State agency may
10 enter into a contract for goods manufactured by a covered
11 company if:

12 (1) there is no other reasonable option for procuring
13 this good;

14 (2) the contract is pre-approved by the Department;
15 and

16 (3) not procuring this good would pose a greater
17 threat to the State than the threat associated with the
18 good itself.

19 Section 20. Procurement disclosure requirements; general.

20 (a) Each bid or offer submitted for a contract with a State
21 agency or political subdivision shall include a disclosure of
22 whether or not the bidder, offeror, or any of its corporate
23 parents or subsidiaries, within the 24 months before
24 submission of the bid or offer had business operations that
25 involved contracts with or provision of supplies or services

1 from or to any foreign adversary, state-owned enterprise of a
2 foreign adversary, or a company domiciled within the
3 jurisdiction of a foreign adversary.

4 (b) A bid or offer that does not include the disclosure
5 required by subsection (a) may be given a period after the bid
6 or offer is submitted to cure non-disclosure. A chief
7 procurement officer may consider the disclosure when
8 evaluating the bid or offer or awarding the contract.

9 (c) Each chief procurement officer shall provide the
10 Department with the name of each entity disclosed under
11 subsection (b) as doing business or having done business in or
12 with a foreign adversary, a state-owned enterprise of a
13 foreign adversary, or a company.

14 Section 25. Procurement disclosure requirements; military
15 adversaries.

16 (a) Any company which wishes to submit a bid or offer for a
17 contract with a State agency or for any contract with a
18 political subdivision of the State must certify with the
19 [State agency] or the Department that the bidder, offeror, or
20 any of its corporate parents or subsidiaries, has not within
21 the sixty (60) months before submission of the bid or offer,
22 had business operations that involved contracts with or
23 provision of goods or services to any military entity of any
24 foreign adversary, any state owned enterprise of a foreign
25 adversary, any political party of a foreign adversary, or any

1 federally banned corporation.

2 (b) No bid or offer may be submitted for a State contract
3 or for any contract with a political subdivision of the State
4 if the bidder, offeror, or any of its corporate parents or
5 subsidiaries, within the 60 months before submission of the
6 bid or offer, had business operations that involved contracts
7 with or provision of goods or services to any military entity
8 of any foreign adversary, any state owned enterprise of a
9 foreign adversary, or any federally banned corporation.

10 (c) Each chief procurement officer shall provide the
11 Department with the name of each entity disclosed under this
12 Section as doing business or having done business in or with a
13 foreign adversary, a state-owned enterprise of a foreign
14 adversary, or a company domiciled within a foreign adversary.

15 (d) If the Department determines that a company has
16 submitted a false certification under subsection (a) of this
17 Section:

18 (1) The company shall be liable for a civil penalty in
19 an amount that is equal to the greater of \$250,000.00 or
20 twice the amount of the contract for which a bid or
21 proposal was submitted.

22 (2) The State agency or the Department shall terminate
23 the contract with company; and

24 (3) The company shall be ineligible to, and shall not,
25 bid on a State contract for 60 months.

1 Section 97. Severability. The provisions of this Act are
2 severable under Section 1.31 of the Statute on Statutes.

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.